



**Chief Executives Board
for Co-ordination**

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22 December 2006

HIGH-LEVEL COMMITTEE ON MANAGEMENT (HLCM)

**Conclusions of the Videoconference of the
High-Level Committee on Management**
(22 November 2006)

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ANNEX

I. List of Participants

Opening of the meeting and adoption of the agenda

1. The Chair of HLCM, Ms. Thoraya Obaid, executive director of UNFPA, welcomed participants in nine duty stations: Amman, Bangkok, Geneva, Nairobi, New York, Paris, Rome, Vienna and Washington. The complete list of participants is provided in Annex I.
2. The Chair recalled that at its eleventh session in Rome the Committee had decided to organize an inter-sessional videoconference prior to its twelfth session, to follow-up on items which required urgent action by member organizations.
3. In particular, in paragraph 36 (e) of the conclusions of the Rome meeting (document CEB/2006/5), the Committee had “*established a technical working group to look at options for re-prioritization of activities of UNDSS and corresponding funding mechanisms in order to best meet the objectives stated in the Strategic Framework 2008-2009 within the 2006-2007 cost-shared budget ceiling, and develop an effective surge capacity should resources become available*”. The working group was asked to complete its report and submit it to the HLCM by end of October 2006.
4. Also, in paragraph 75 the Committee had “*requested the ICT Network to prepare a proposal for the development of business cases for high-impact ICT projects by the end of October 2006*”.

Report of the HLCM technical Working Group on Safety and Security

5. The Chair introduced this item recalling that the technical Working Group had met via video/telephone conference four times from 10 to 23 October 2006, and had submitted its final report to the HLCM Secretariat right before the CEB meeting of 27-28 October. The report of the Working Group (CEB/2006/HLCM/R.18) addressed all issues related to the Strategic Framework 2008-2009, surge capacity and corresponding funding mechanisms, as per HLCM mandate.
6. The Chair commended the Working Group for such a speedy and productive effort, and asked its Chair (Mr. Andrew Lukach of WFP) to present document CEB/2006/HLCM/R.18 to the Committee.
7. Mr. Lukach summarized the report highlighting that the Working Group had agreed that the re-prioritization exercise should be understood as maintaining the activities forming part of UNDSS Strategic Framework for 2008-2009, the objectives of which had already been endorsed by the HLCM. This implied that the additional FSCOs and related posts proposed for 2008-2009 would not be funded and that existing resources would be considered for re-deployment in order to meet the requirements for 2008-2009.
8. UNDSS Executive Office confirmed that the Strategic Framework for 2008-2009 would not be subject to any additional review, but that a budget revision would be submitted including the withdrawal of the proposed additional funding for surge capacity.

9. The Chair of the Working Group also emphasized that the successful implementation of the surge capacity recommendations contained in document CEB/2006/HLCM/R.18 would require the full support of all HLCM members, especially those having staff in the affected countries.

10. Document CEB/2006/HLCM/R.18 called for an endorsement by the Committee of the recommendations of the Working Group, as outlined in paragraph 5 of the Executive Summary and reported below for ease of reference:

a) The re-deployment of existing FSCOs and accompanying support posts outlined in Annex C be implemented, keeping in mind that UNDSS may make adjustments based on the prevailing security situation in the countries affected;

b) The methodology for re-prioritization of posts established by UNDSS and the Working Group continue to be applied in a flexible manner by UNDSS;

c) UNDSS be encouraged to fill all vacant posts, especially FSCOs, as soon as possible, taking into full consideration the intention of achieving geographical representation and greater gender parity;

d) UNDSS be encouraged to utilize unspent balances in this biennium allotted for purposes within the approved work plan for 2006-2007;

e) UNDSS remove its request for the funds necessary for an additional 62 posts in 2008-2009, while recognizing the need and justification for these additional field posts, and amend its budget submittal accordingly to reflect zero growth vis-à-vis the 2006-2007 cost-shared portion of the budget, as directed by the HLCM;

f) A first response surge capacity be created which relies on two pillars:

1) Use of existing UNDSS resources (Option 1) at specific duty stations designated as surge capacity locations, each contributing one FSCO to be re-deployed in the event of a crisis (Annex G). To the extent possible, the concurrence of respective Designated Officials will be obtained prior to deployment.

2) Rapid deployment with active and effective coordination of agency-specific FSOs (Option 4) in the early stages of a crisis, fully participating with UNDSS in the security coordination response cell.

g) The HLCM assist and authorize UNDSS to seek and use funding from alternative sources, such as: Member States, Trust Fund, CERF, IGOs, Stand-by Partners, and private sector financial contributions for purposes that fall within the approved mandate of UNDSS;

h) The existing mechanisms for appeals for funding at the onset of an emergency, whether consolidated or individual, make provision for an augmented surge capacity, as the particular security situation of the crisis requires, bearing in mind that security is a key component for enabling all UN activities while maintaining safety and security of staff as a high priority and has been prioritized as such by all members of the UN system;

i) Such funding from alternative sources earmarked for security be made available to UNDSS to fund the creation of additional posts (Option 3) and draw upon the pre-agreed resources of

Member States (Option 6) the duration of which would cover the number and duration of emergencies in progress;

j) UNDSS initiate discussions at Government level with a view toward establishing MOUs for guaranteed commitments for use in times of crisis.

Conclusions and Action Points

11. The Committee took note of document CEB/2006/HLCM/R.18 and unanimously endorsed the recommendations of the Working Group as outlined in paragraph 5 (a-j) of the Executive Summary.

ICT Network proposal to study the value of two common services initiatives – Data Communications and Data Centers

12. The HLCM Chair recalled that at its last meeting the Committee discussed the potential value of common information and communication technology (ICT) services, and the need to fully understand how to unlock any efficiencies and savings that may exist, while meeting the needs of individual organizations. In this regard, the Committee requested the ICT Network to present a proposal to study the value of common services, focusing on data centers and data communications.

13. The Chair of the ICT Network (Ms. Susana Malcorra of WFP) presented the proposal to the Committee, noting that the primary objective of the study was to determine the value of consolidating data centers and data communication facilities across the UN system, including a complete analysis of the benefits and obstacles to merging these services. She further noted that to complete these studies would require an estimated \$500,000 to retain consultants with the necessary expertise, and including travel and contingency. Once approved, the ICT Network would establish a governance mechanism to ensure that these studies remained on track.

14. In the discussion that followed, many organizations expressed their support for the proposal, noting that it came at a time when the entire system was exploring ways to improve business practices, especially through shared service arrangements. Comments by participants included:

- Ensure that, when considering data center consolidation, communications costs do not offset any consolidation savings, and therefore include regional shared data centers;
- Consider including, within the study on shared data communications, an analysis of the value of opening global UN network to UN partners, like NGOs;
- Ensure that information security is included as an element of each study;
- Provide more detail within the proposal, including a timeline for completion, as well as an analysis of any previous attempts to achieve similar results. The study should analyse the reasons for the failure of such past attempts to consolidate data communications, in order to come up with a better proposal in the future;

- Follow-up on funding offers from organizations, while exploring ways to equitably share the costs across all HLCM members.

Conclusions and Action Points

15. The Committee agreed in principle with the proposal, and to proceed utilizing funding from organizations committed to the project. Also, it asked the ICT Network to provide additional detail within the proposal, with an emphasis on timeliness and specific usage of requested funding. The detailed proposal should also include the structure and modalities of a governance mechanism to oversee the project. Such a revised proposal would be submitted to the HLCM with a view to start the project as soon as possible, before the spring session of the Committee. The ICT Network would prepare a detailed project report for the spring session, with interim reports relayed to the Committee by e-mail. The project would be expected to deliver its final outcomes before the fall session of the HLCM.

[Update and discussion on the World Bank's participation in the UN Security Management System](#)

16. The Chair recalled that at its twelfth session in Rome the Committee had discussed the issue of the World Bank's participation in and contribution to the United Nations Security Management System (UNSMS). In that occasion organizations had expressed their strong preference for an agreement which would permit the World Bank to continue its participation in the UN Security Management System. The Committee had further agreed that the solution lay in continued dialogue and encouraged all sides to meet as soon as possible to resolve the outstanding issues. The Committee had also requested that UNDSS and the World Bank undertake further consultations in order to resolve the issue of World Bank's participation in the UNSMS and the payment of its corresponding share including arrears.

17. During October and November 2006 UNDSS and the World Bank had indeed continued the dialogue and, in the beginning of November, World Bank representatives had visited the HLCM Chair to further explain their views, one of them being their long-standing request to review the cost-sharing formula pertaining to the UNSMS, with a view to ensure that it is fair, transparent and based on objective parameters.

18. The World Bank had also outlined three broad options for the consideration of the UNSMS, none of which included a full payment of its share, as calculated on the basis of the current approved cost-sharing arrangements.

19. At this session, all participants expressed their agreement in reviewing the cost-sharing formula for the biennium 2008-2009. This exercise should be carried out within strict deadlines, in order to comply with the budgeting timeframe of the UN Secretariat for the biennium 2008-2009.

20. On outstanding payments for the biennium 2006-2007 organizations stressed the fact that they would not be in a position to absorb any amount resulting from non-compliance by the World Bank with the current approved cost-sharing arrangements.

21. On payment modalities, UNDSS clarified that organizations are billed upfront every year, based on the amounts approved in the biennial budget, and that any savings would be credited back to participating organizations upon closing of the relevant financial period.

22. Organizations indicated that there was a “moral responsibility” to maintain the UN Security Management System as a unified system and not as a “menu of options” for participating organizations, which had an obligation to comply with the approved funding arrangements until a revised formula would be adopted in the context of HLCM.

23. All organizations shared such a sense of “moral responsibility”, which they said should inspire all discussions and agreements on this subject, with a view to the common objective of ensuring the safety and security of UN system staff.

24. The World Bank, reiterating their availability to continuing negotiations to resolve the impasse, indicated that the current cost-sharing arrangements for 2006-2007 did not meet their agreement and that they had formally stated this position earlier, as documented in HLCM minutes dating back to the technical working group meeting in February 2005 (CEB/2005/HLCM/R.4).

25. In a conclusive remark, organizations again expressed their strong preference for an agreement which would permit the World Bank to continue its participation in the UN Security Management System, which would be in the interest of all, and declared their availability to find a solution to this situation which would meet the UNSMS funding needs, as well as addressing the frustration signaled by the World Bank with respect to the current arrangements.

Conclusions and Action Points

26. The Committee established a technical working group with the mandate of reviewing the current cost-sharing formula pertaining to the UNSMS, with a view to ensure that it is fair, transparent and based on objective parameters.

27. The composition of the working group would be the same as the HLCM technical Working Group for Safety and Security, with the addition of the World Bank and UNHCR (the latter subject to confirmation).

28. The working group should complete its mandate within strict deadlines, in order to comply with the budgeting timeframe of the UN Secretariat for the biennium 2008-2009.

29. The HLCM Chair would further facilitate urgent negotiations between the World Bank, UNDSS and the UN Controller’s Office.

The HLCM Chair would formally write to the President of the World Bank on behalf of the Committee, outlining the position of member organizations with respect to outstanding payments for the biennium 2006-2007, the availability to further negotiations, and the establishment of a technical working group to revisit cost-sharing arrangement for the biennium 2008-2009.

Feedback from the HLCM Chair on the CEB session of 27-28 October

31. The HLCM Chair briefed the Committee on the discussion and outcomes of the second regular session of the United Nations System Chief Executives Board for Coordination (CEB) for 2006, which was held at United Nations headquarters in New York, in the morning of Friday, 27 October 2006. The CEB subsequently met in a private session in the afternoon of 27 October and morning of 28 October at the Greentree Foundation in Long Island, New York.

32. At his last CEB meeting the Secretary-General shared with executive heads reflections on his tenure, and what his experience suggested for the future role of the office of Secretary-General and the United Nations system in general. There was also an open, free-flowing dialogue on the current political and economic situation and on the future challenges facing the United Nations system. Executive heads exchanged views on the security, development and reform agendas that might emerge in the period ahead. They also had a discussion on how the system should respond to the recommendations of the High-level Panel on System-wide Coherence.

33. In view of the recognized need for a strong coordination framework, and considering the increasing demand for UN system organizations to act in a more coordinated manner at the system-wide level, the CEB considered the expected recommendations of the High-level Panel on System-wide Coherence that the CEB play a major role in driving management change, particularly with regard to the harmonization of business practices. The importance of reforms in business practices was underlined by the Board, as critical underpinnings for other substantive improvements in system-wide coherence. Examples of such reforms were found in the implementation of International Public Sector Accounting Standards (IPSAS); the harmonization of Enterprise Resource Planning (ERP) systems; and improvements in Results-Based Management (RBM) systems.

34. The HLCM Chair noted that the critical challenges in the future agenda of the Committee included all its activities in connection with the above-mentioned United Nations system business practices, together with other issues related to the management reform of the organizations of the United Nations system, such as furthering cooperation in advancing accountability and transparency in the work of the organizations; in promoting best practices and lessons learned in the area of management and in policy development and programme delivery through, *inter alia*, increased platforms for knowledge-sharing; and in promoting the implementation of inter-agency agreements on the security and safety of United Nations system personnel.

35. Members of CEB expressed satisfaction at seeing the focus of HLCM's work increasingly shift from administrative matters to management policy. Support was also expressed for the effort to coordinate more closely with UNDG.

Annex I

List of Participants

Bangkok:

Thoraya Obaid, Executive Director, UNFPA and HLCM Chair
Subhash K. Gupta, Director, Division for Management Services, UNFPA

New York:

Jan Beagle, ASG of Human Resources Management, UN
Neeta Tolani, Executive Officer, Department of Safety and Security, UN
Ed Blinder, Director, Information Technology Services Division, UN
Katrina Nowlan, Chief, Section III, Programme Planning and Budget Section, UN
Zhengfan Sun, Programme Budget Officer, UN
José Fraga, Budget and Finance Officer, Department of Safety and Security, UN
André Bouchard, Department of Safety and Security, UN
Klaus Beck, Special Assistant to the Deputy Executive Director (Management), UNFPA
Mary Roodkowsky, Special Advisor, UN Affairs and External Relations, UNICEF
Bill Gent, Security Coordinator, UNICEF
Joceline Bazile-Finley, Deputy Director, BOM, Director, Office of Planning and Budgeting, UNDP
Michael O'Hara, Deputy Director, Office of Planning and Budgeting, UNDP
Ken Herman, Senior Advisor on Information Management Policy Coordination, CEB Secretariat

Washington:

Pete Gallant, Chief, Corporate Security, World Bank
Duncan Nott, Senior Project Manager, General Services Department, World Bank
Warren Young, Chief, Security Services Division, IMF
David Androff, Chief, International Security Section, Security Services Division, IMF

Rome:

Susana Malcorra, Deputy Executive Director, WFP
Ernesto Baca, Chief Information Officer and Director of Information Technologies, WFP
Andrew Lukach, Director, Management Services and Security Focal Point, WFP
David Benfield, ICT Director, FAO
Lisa-Anne Jepsen, Programme and Budget Officer, FAO
Theresa Panuccio, Director, Division of Administration, IFAD

Geneva:

Denis Aitken, ADG and Advisor to the Director-General, WHO and HLCM Vice-Chair
Susan Holck, Director, General Management, WHO
Patricia O'Donovan, Executive Director, Management and Administration, ILO
Anders O. Norsker, Chief, Information Technology Division, WMO
Jan van Hecke, Head, Security Section, WIPO
Liz Ahua, Chief, Field Safety Section, UNHCR
Anthony Salmon, Deputy Director, Division of Information Systems and Telecommunications, UNHCR
Marc Weidman, Chief, Information Technology Support, Resource Management Service, UNCTAD
Jay Wormus, Chief, Human Resources Section, ITC
Miguel Figuerola, Director, Human Resources Division, WTO
Remo Lalli, CEB Secretariat
Michael Alford, Head, UNSSC Liaison Office at Geneva

Vienna:

David Waller, Deputy Director General for Management, IAEA

Philip Matthai, Director of General Services, IAEA

Tomas Beas, Acting Director of Information Technology, IAEA

Maria Bermudez-Samiei, External Relations and Policy Officer, IAEA

Sajjad Ajmal, Managing Director, Programme Support and General Management Division, UNIDO

Pierce Corden, Director, Division of Administration, CTBTO

Johannes Winkels, Planning Officer, International Data Centre, CTBTO

William Amoroso, Budget Officer, CTBTO

Paris:

Dyane Dufresne-Klaus, Director, Bureau of Human Resources Management, UNESCO

Paulo Serra, Director of the Division of Information Systems and Telecommunications, UNESCO

Madga Landry, Programme Specialist, Field Security Section, Bureau of Field Coordination, UNESCO

Nairobi:

Antoine King, Director, Programme Support Division, UN-HABITAT

Amman:

Issam Miqdadi, Director of Administration and Human Resources, UNRWA