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Ethics

**Activities of the UNOPS Ethics and Compliance
Office in 2021**

Report of the Ethics and Compliance Office

Summary

The UNOPS Ethics and Compliance Office provides this report annually to the Executive Director. The report is then submitted to the Executive Board at its annual session, pursuant to Board decision 2010/17.

The members of the Ethics Panel of the United Nations e-reviewed the draft report in March 2022, in accordance with section 5.4 of the United Nations system-wide application of ethics in the separately administered organs and programmes (ST/SGB/2007/11, as amended). The UNOPS Audit Advisory Committee reviewed the draft report at its first meeting in 2022. The report covers the period from 1 January 2021 to 31 December 2021.

This is the 13th annual report presented by the Ethics and Compliance Office (formerly the Ethics Office) since its establishment in 2009.

Elements of a decision

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



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I. Introduction

1. This report is submitted in accordance with decision 2010/17 of the Executive Board of UNDP, UNFPA and UNOPS and covers the activities of the UNOPS Ethics and Compliance Office (ECO) in 2021. The report is submitted to the Executive Director of UNOPS pursuant to paragraph 3(h) of document ST/SGB/2007/11: United Nations system-wide application of ethics: separately administered organs and programmes.

2. The Ethics and Compliance Office was established in 2009 pursuant to the Secretary-General's Bulletin ST/SGB/2007/11 as amended. The office is based in Copenhagen and provides ethics and compliance support to 5,333 UNOPS personnel (as of 31 December 2021).

3. Pursuant to the bulletin, the office's mandate is 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". Under the bulletin, the office has specific responsibility for:

- (a) developing standards, training and education on ethics issues;
- (b) providing guidance to management to ensure UNOPS policies and procedures promote integrity standards;
- (c) providing confidential advice and guidance to personnel on ethical issues;
- (d) raising awareness on ethical standards and expected behaviour;
- (e) managing UNOPS protection against retaliation policy; and
- (f) administering UNOPS financial disclosure programme.

II. Development and delivery of the Ethics and Compliance Office workplan

4. The Executive Director continues to invest resources to support the development of the UNOPS ethics programme. By the end of 2021, the office had recruited three full-time team members, bringing the total personnel count to five.

5. For the period 2019 to 2021, the remit of the office expanded with the adoption of the compliance function pursuant to operational instruction OI.LG.2018.08 and the inclusion of risk management of institutional integrity matters – ethics issues that concern UNOPS as an organization rather than only individual ethics matters.

III. Report on 2021 activities

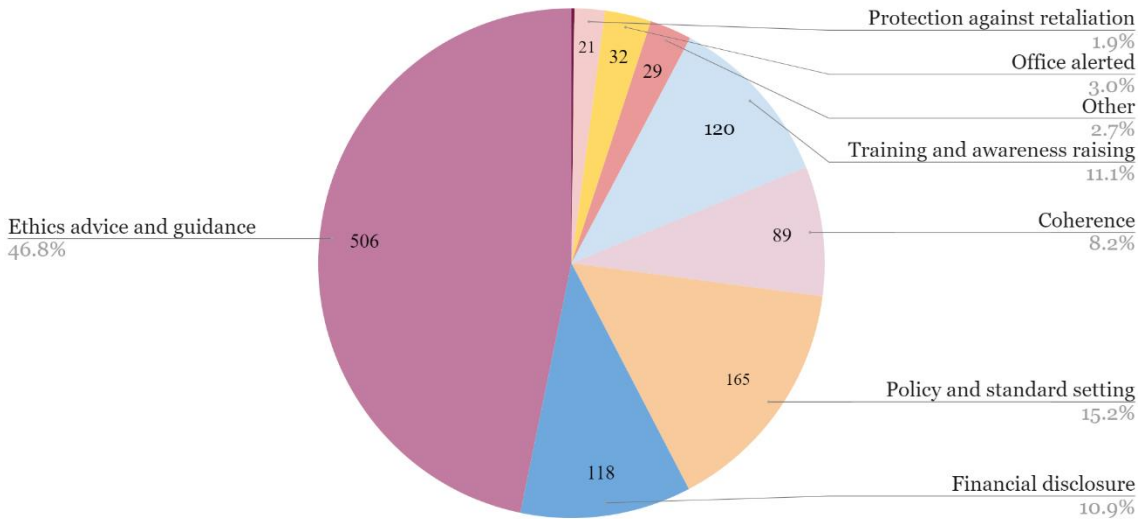
6. Figure 1 displays the range of activities undertaken by the Ethics and Compliance Office during 2021, in accordance with its mandates. The COVID-19 pandemic continued to have a significant impact on activities, with the office adjusting its plans accordingly, particularly with respect to new ways of working and ensuring continued engagement of colleagues and training on key ethics topics, despite largely virtual working environments.

7. Significant activities in 2021 included:

- development and roll out of an ethics and conduct e-learning course with 99.4 per cent completion;
- continued roll out of a global ethics risk assessment programme, which included desk-based self-assessments of 30 multi-country, country and project offices across UNOPS and a new reporting dashboard;
- development of questions related to ethics in the People Survey; and
- continued focus on raising awareness among personnel about ethics issues and enhancing a speak-up culture.

8. The office continues to benefit from the strong commitment to ethics issues shown by the Executive Director and the Senior Leadership Team. The Chief Ethics and Compliance Officer briefs the Senior Leadership Team at quarterly meetings which she attends on an ex-officio basis. This is an opportunity for the office to bolster awareness within the Senior Leadership Team of the nature of ethics issues that arise while respecting the office’s independence and obligations of confidentiality.

Figure 1. Breakdown of services by category: 2021¹



¹ **Key to categories:**

Protection against retaliation: Requests for protection against retaliation and proactive steps taken to reduce likelihood of retaliation. This category also includes advice given in relation to protection against retaliation.

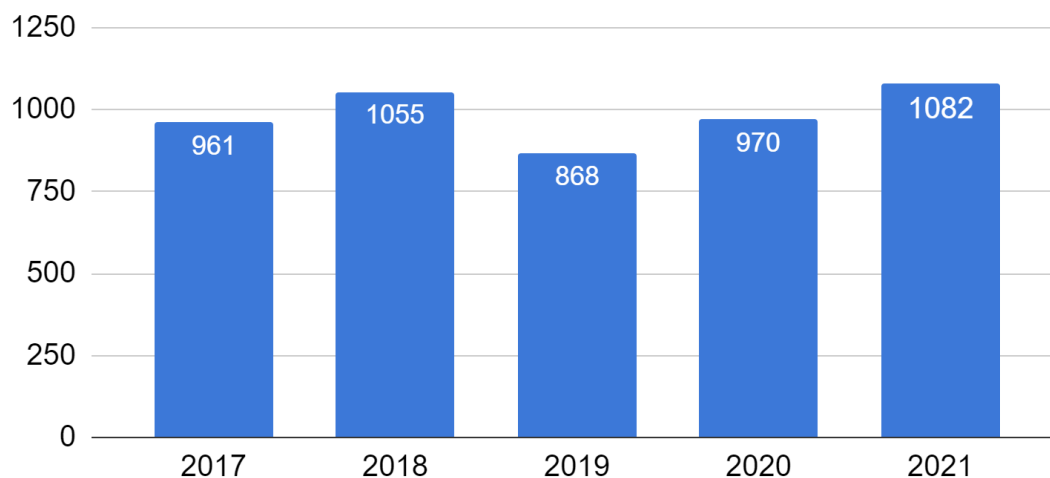
Policy and standard-setting: Initiatives with respect to ethics policies, collaboration with other units on related policies, work carried out to meet Joint Inspection Unit recommendations.

Training and awareness-raising: Creation, collaboration on and delivery of training, and internal communications.

Financial Disclosure and Conflict of Interest programme: Administration of the annual financial disclosure and conflicts of interest programme.

Coherence: Collaboration and information-sharing with the Ethics Panel of the United Nations and other multilateral organizations and with other units in UNOPS.

Office alerted: Ethics Office contacted regarding matters falling outside its role and referred onward.

Figure 2. Comparison of requests for services by reporting cycle, 2017-2021

9. In 2021, the office handled 1,082 matters, a near 12 per cent increase from the 970 received in 2020 (figure 2). Overall volume for 2021 is marginally higher than the previous high point in 2018 and is more than double compared to the period 2010 to 2015. As previously noted in the 2019 annual report (DPS/OPS/2020/3), these figures are provided to ensure consistency with ethics office reports across the Ethics Panel of the United Nations.

10. Case numbers for advice-related matters have continued to rise: increasing from 441 in 2020 to 506 in 2021. Requests for advice represented 47 per cent of the 2021 total (compared to 45 per cent in 2020).

11. The office's non-advisory services also increased from 529 in 2020 to 576 in 2021. The main drivers behind this was an increase around policy-setting and training and awareness (as detailed below). In contrast, there were five protection against retaliation cases in 2021, which is a decline from 11 cases in 2020. Plans to introduce an updated protection against retaliation policy in 2022 should help to increase awareness in this area.

A. Policy and standard setting

12. A core responsibility of the office is to provide guidance and substantive inputs to management to ensure UNOPS rules, policies, procedures and practices reinforce and promote the standards of integrity as called for in the Charter of the United Nations and Standards of Conduct of the International Civil Service. Accordingly, Ethics and Compliance Office activities in 2021 have involved reviewing and advising on policies, procedures and practices in collaboration with other stakeholders.

Global ethics risk assessment

13. Understanding the key ethics risks in UNOPS identifies themes and trends on a regional basis and enables regional and senior leadership to mitigate areas of greatest risks.

14. Thirty country questionnaires were issued in December 2020, requiring 30 multi-country, country and project offices across UNOPS to self-assess ethics risk exposures. Completed responses to all questionnaires were received by August 2021.

15. Based on these questionnaires, the office continued to develop the ethics risk assessment dashboard. The dashboard sets out global, regional and office views of data derived from self-assessments and in-country assessments. A total of 41 risks are set out under four categories: organizational, operational, people, and individual. The risks can be rated under one of four categories, from high to low. The data highlights key themes across regional areas and allows the

Senior Leadership Team to be informed of high risk areas as well as the wider management of risks.

Conflicts of interest and outside activities

16. Management of conflicts of interest is a key risk mitigation area for UNOPS. A review of the conflict-of-interest framework was undertaken in 2021. Due to personnel changes, the review remains ongoing, with finalization and agreed on actions planned for 2022.

Preventing sexual exploitation and abuse internal task force

17. During 2021, the office was not able to field a team member to the UNOPS internal prevention of sexual exploitation and abuse task force due to the restructuring of the Ethics and Compliance Office and consequent impact on personnel workloads. This will be a focus of activity in 2022.

Compliance framework

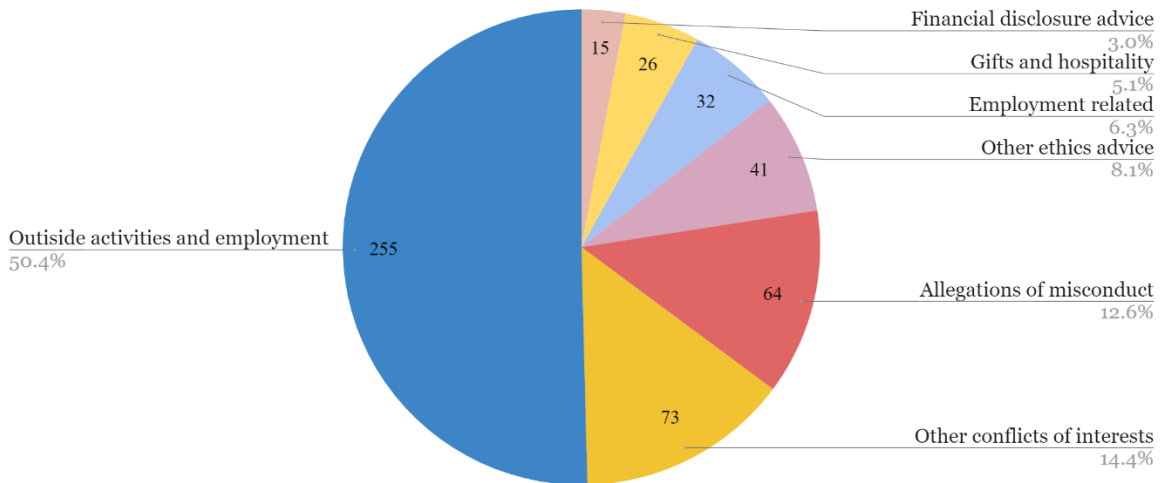
18. The office’s compliance mandate covers: (a) advisory support to the organization, including design, implementation and management of compliance standards and the supporting framework; and (b) targeted advice to key stakeholders, such as policyholders, on compliance management, monitoring needs and minimizing non-compliance risks.

B. Advice and guidance

19. The provision of ethics advice directly to individuals is a critical part of the Ethics and Compliance Office’s role. Any member of UNOPS personnel may contact the office directly for confidential, independent and impartial advice on an ethical dilemma.

20. The increase in advice requests observed in 2020 (441) continued in 2021 (506). The office considers that this demonstrates increasing confidence of personnel in the office. Figure 3 gives a breakdown of the different categories of advice requested in 2021.

Figure 3. Breakdown of subcategories of requests for ethics advice: 2021²



² **Key definitions:**

Employment-related: Includes advice on ethics issues in relation to recruitment, employment and post-employment restrictions.

Misconduct allegations: Includes advice on duties and options in circumstances of possible misconduct and collaboration with the Internal Audit and Investigations Group on the same.

Financial disclosure advice: Relates to advice on obligations to file, not the annual financial disclosure and conflict-of-interest programme process itself.

Protection against retaliation advice: Refers to advice regarding protection against retaliation but not formal steps taken to provide protection.

Outside activities

21. In 2021, there were 255 requests for advice with respect to outside activities, representing almost 51 per cent of total requests for advice, an increase of 7 per cent from 2020. The main driver for this was an increase in personnel on retainer contracts in the Latin America and the Caribbean region and the country office in Mexico seeking clarity on and approval of outside activities with the Ethics and Compliance Office. The goal was to assess any potential conflicts of interest and confidentiality requirements arising from prior (and ongoing) engagements where retainers are working up to full-time with an outside organization and make them aware of the sensitivity and requirements for discretion while working at UNOPS.

22. In addition, there was an increase in requests for approval of teaching activities. These included queries by personnel working part-time about teaching in institutions of higher education and assuming guest lecturing opportunities. The office collaborated with the People and Change Group to manage requests for career talks delivered by UNOPS colleagues.

23. The office conducts reviews to ensure that there are no conflicts arising from political activities. In 2021 the office saw a decrease in requests for advice regarding political activities.

Reports of misconduct

24. The office provides advice to colleagues where there are allegations of misconduct. This is an important component of the speak-up process at UNOPS. Generally, reports of misconduct are referred to the People and Change Group for fact-finding or the Internal Audit and Investigations Group for investigation.

25. During 2021 the office continued to note an increase in colleagues seeking advice and support before reporting misconduct: 64 cases in 2021 compared to 46 in 2020.

C. Training and awareness raising

26. Ethics training, communications and awareness-raising are critical to the importance of identifying, managing and mitigating ethics risks and empowering personnel in seeking help or reporting a concern at UNOPS.

27. A new mandatory Ethics and Standards of Conduct e-learning course was developed and released in September 2021. The course content includes chapters on the importance of ethics at UNOPS, common ethics risk scenarios, and the importance of speaking up, and available reporting channels.

28. Due to the ongoing impact of the COVID-19 pandemic, the office continued to conduct virtual training. Sessions were delivered to colleagues in the information technology and finance groups, the Asia region, the Europe and Central Asia region, the country office in Sri Lanka, the multi-country office in Kenya, and the United Nations Technology Support Services Office in Valencia.

29. In December 2021, an ethical leadership workshop was trialled for the regional office in Africa's leadership team, and similar workshops are planned to take place in 2022 for other regional leadership teams and colleagues.

30. Communication campaigns on raising awareness of ethics, speak-up and protection against retaliation continued in 2021. The office has continued to support the Celebrating Diversity campaign, which consists of a series of podcast conversations between the Chief Ethics and Compliance Officer and colleagues with different backgrounds from across UNOPS. The Chief Ethics and Compliance Officer also participated in a townhall organized by the country office in Kenya on the topic of combating racism and discrimination.

D. Protection against retaliation

31. Managing UNOPS policy on protection against retaliation continues to be a key part of the Ethics and Compliance Office’s work. The purpose of the policy is to enhance accountability within UNOPS and ensure that staff members and other personnel can report irregularities and perceived misconduct without fear of retaliation. The policy protects both whistle-blowers and those who cooperate with an audit, investigation, or other duly authorized fact-finding activity. Management of individual protection against retaliation cases requires an experienced Ethics and Compliance Office team member dealing with the individual reaching out for help and can be time-intensive since cases are complex and at times protracted.

32. In 2021, five personnel contacted the office requesting protection in situations where they believed that they were the subject of possible retaliation and/or believed that retaliation may happen to them in the near future because they engaged in protected activities (figure 4).

Figure 4: Requests for protection against retaliation: 2017 - 2021

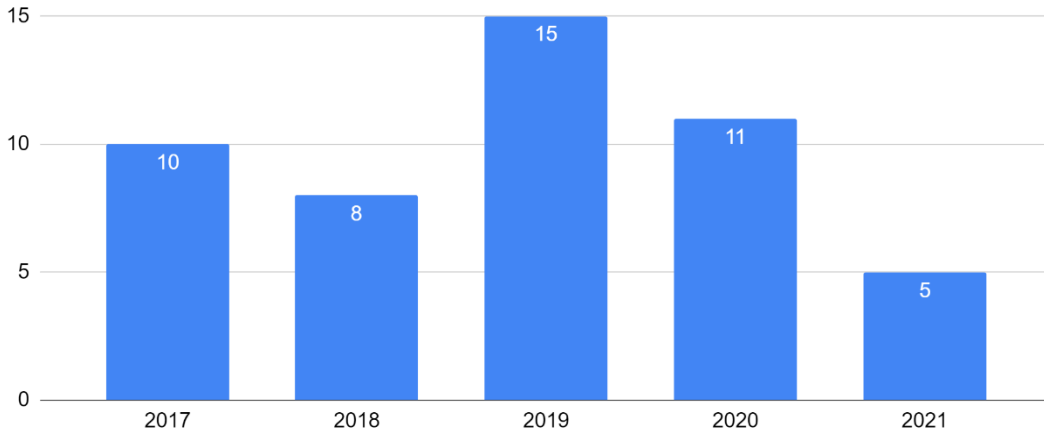
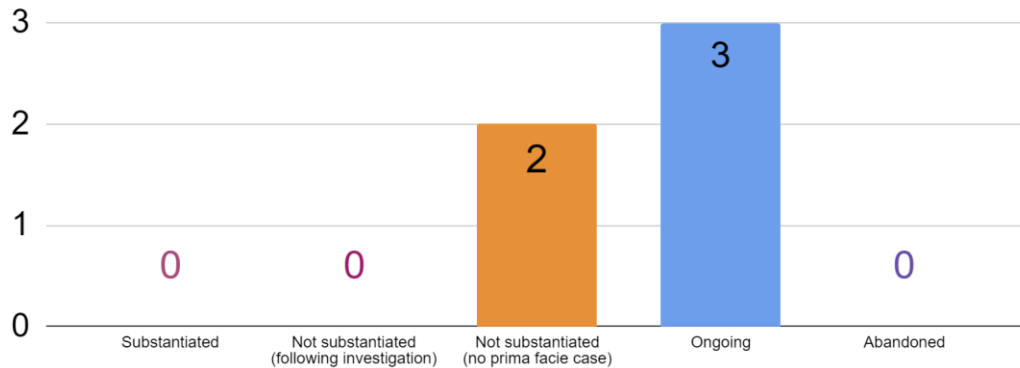


Figure 5. Resolution of requests for protection against retaliation: 2021



Requests for advice

33. Of the five cases where protection against retaliation was sought, two were not substantiated and three remain ongoing (figure 5).

Preventative measures

34. In one case, a colleague approached the office regarding contractual arrangements. In taking up preventative measures, the office examined the situation and, with the consent of the

complainant, decided to refer the relevant file through the Office for Human Resources and to observe the situation.

Outstanding protection against retaliation request from 2020

35. At the time of submitting its 2020 report, the office had not completed its review of one request for protection from retaliation. In 2021 the office determined that there had been a case of prima facie retaliation which, upon investigation, was found to be unsubstantiated.

Annual review of the Protection Against Retaliation Operational Instruction

36. In 2021, the office conducted an independent review of the Protection Against Retaliation Operational Instruction, which identified opportunities to streamline and simplify the operational instruction and make it easier for colleagues to understand and follow. A new operational instruction is in the process of being drafted and is planned to be launched in 2022.

E. Financial disclosure programme

37. The Ethics and Compliance Office introduced changes to its financial disclosure and conflict-of-interest programme in 2020 to better protect UNOPS from conflicts of interest that may affect new recruits. The office continued to implement the interim filing cycles in March and December 2021, in addition to the main annual filing cycle in the summer. 1,131 individuals filed a financial disclosure and conflict-of-interest statement in 2021, compared to 1,051 in 2020 (representing approximately 21 per cent of UNOPS personnel).

2021 annual cycle

38. The office launched the 2021 annual filing cycle in the beginning of July, with 91.4 per cent of participants filing on time (with 11 filers submitting their statement within five weeks of the deadline) which brings the compliance rate to 100 per cent.

39. The office continues to engage an external reviewer to carry out the initial review of submitted financial disclosure and conflict-of-interest statements and to gather information where needed in line with review guidelines issued by the office. In 2021, the office engaged with a new external reviewer. At the time of drafting this report, the review has not yet been completed. The outcome of the review will be included in the office's report for 2022.

Finalization of 2020 cycle

40. In the 2020 annual process, 893 statements were reviewed by the external reviewer. There were 14 cases of potential conflicts of interest, all of which were resolved with office's oversight.

F. Other

People Survey 2021

41. In 2021, UNOPS contracted the services of an external provider, Gallup, to conduct its engagement survey. Gallup, among pre-determined questions, also allowed the inclusion of tailor-made questions in different areas of operations. Thus, questions were included to assess sentiments around ethics and integrity matters. In the coming months, the data derived from the People Survey will be further evaluated internally to inform the Ethics and Compliance Office's training and communications plan for 2022.

Joint Inspection Unit

42. In June 2020 the Joint Inspection Unit (JIU) of the United Nations launched its system-wide review of the current status of the ethics function. The report was issued by the JIU on 18 March 2022 and is currently under review.

Independent Assessment of UNOPS reporting of wrongdoing and grievances management

43. In 2021, the Executive Director commissioned an external review of UNOPS reporting of wrongdoing and grievances management, the results of which were made available in early 2022.

The office is actively involved and collaborating with all internal partners to review lessons learned and incorporate them into the 2022 workplan, as appropriate.

Vendor Review Committee

44. Throughout 2021 the office continued to participate in the Vendor Review Committee, providing independent advice from the perspective of the office. This committee is chaired by the Director of the Procurement Group and meets, following an Internal Audit and Investigations Unit investigation, to consider whether a UNOPS vendor engaged in collusion, fraud or other proscribed practices in respect of a UNOPS procurement process.

Other cross-departmental activities

45. In 2021, the office participated in a due diligence workstream across UNOPS procurement and operations functions to understand practices and procedures around due diligence of third-party vendors and donors. Work was undertaken to understand regional practices and observe opportunities for harmonization and standardization where appropriate. This work will continue into 2022.

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

Ethics Panel of the United Nations

46. Throughout 2021 the Ethics and Compliance Office attended seven (7) out of 12 monthly meetings and one ad-hoc informal session of the Ethics Panel of the United Nations (EPUN) and participated in several meetings for the working group on the future direction of EPUN. This is an interagency panel, established by the Secretary-General and the executive heads of the separately administered organs and programmes, through which the heads of the member ethics offices consult confidentially with regard to complex ethics-related issues. The Chief Ethics and Compliance Officer provided input during consultations on a number of requests for protection of retaliation brought to EPUN. This collaboration across the various ethics offices is invaluable and will continue throughout 2022.

Ethics Network of Multilateral Organizations

47. As a member of the Ethics Network of Multilateral Organizations (ENMO), throughout 2021 the office continued to provide support to other members' queries regarding ethics procedures and standards and acted as a member of the ENMO membership committee. The Ethics and Compliance Office attended the annual conference and the Chief Ethics and Compliance Officer made a presentation on speak-up culture and the impact of UNOPS awareness-raising campaigns.