



ELEVENTH ITEM ON THE AGENDA

**Matters relating to the Joint
Inspection Unit**

**(b) Review of the ILO's collaboration with the
Joint Inspection Unit: Update**

1. The ILO's relationship with the Joint Inspection Unit (JIU) of the United Nations was addressed in the paper submitted to the 289th (November 2003) Session of the Governing Body, ¹ responding to the request made at its 286th Session. ²
2. At its 288th and 289th (November 2003 and March 2004) Sessions, the Governing Body decided to defer discussion of this issue, to permit consideration of any decisions taken by the United Nations General Assembly on the reform of the JIU. ³
3. At its 59th (December 2004) Session, the United Nations General Assembly adopted a resolution "Reports of the Joint Inspection Unit". ⁴ The resolution states, inter alia, that the JIU shall mainly focus on identifying means to improve management and ensure that optimum use is made of available resources. To this end, the JIU will set out management criteria and methods for assessing management performance and effectiveness in participating organizations.
4. The resolution also reaffirms its request to executive heads of participating organizations to facilitate follow-up to JIU reports and invites the legislative organs concerned to consider this matter.

¹ GB.288/PFA/13/1.

² GB.286/12/3, paras. 111, 112 and 125.

³ GB.288/9/1(&Corr.2), para. 192; GB.289/10/1(&Corr.), para. 164.

⁴ A/RES/59/267.

5. At its 292nd (March 2005) Session, the Governing Body decided to defer discussion of the question until November 2005, to allow time for the Office to work with the reformed JIU.⁵
6. Recent JIU reports are more focused and practical and often contain useful information of UN system-wide scope. The reports submitted to the current session of the Governing Body are evidence of this. The increased emphasis on management advice is welcome. A system-wide approach to oversight is important and benefits the ILO both directly and indirectly.
7. However, there continue to be limits on the value of JIU recommendations to specific organizations such as the ILO. In comparison with the internal and external auditors and the evaluation unit, which have full-time staff devoted specifically to the ILO, the JIU devotes only marginal and occasional resources to any one organization. Moreover, its composition and its coverage of a variety of subjects inevitably limit its specialized knowledge. Its methods of work are more useful in compiling inter-organization data than in developing recommendations specific to one organization. Comments of the Chief Executives Board (CEB) on JIU reports continue to point out the limits on applicability of recommendations to specific organizations.
8. In some cases, the work of the JIU duplicates the work of coordination bodies of the UN system (CEB secretariat, High-level Committee on Management (HLCM), networks on information technology, human resources, etc.). Since the JIU is most useful when dealing with system-wide issues, it needs to develop a closer working relationship with these coordinating bodies, and ensure that its work does not duplicate other system-wide efforts.
9. The direct cost of the JIU to the ILO for 2004-05 is some US\$360,000.
10. The JIU continues to emphasize the view that all relevant reports should be submitted to the Governing Body, that all recommendations should be discussed and not just noted, and that the Office should establish a system of regular follow-up reporting for each recommendation endorsed by the Governing Body. The Office has reservations about this approach. It is not clear what the value added would be in comparison with current practice, in which reports are submitted after receipt of the CEB comments, the relevant recommendations are summarized, the Office comments if appropriate, and the Governing Body is free to consider the recommendations it finds important and determine the follow-up it requires. The JIU approach would add a substantial administrative burden on the Office, would generate extensive additional documentation and related costs and would require more of the PFAC's time. The JIU reports are quite different from those of the internal and external auditors, which have detailed recommendations directed specifically to the ILO.
11. The Governing Body has before it a paper that summarizes three JIU reports and illustrates the value of a flexible approach to follow up.⁶ The JIU report on managing for results summarizes a series of JIU reports that are a rich source of information.⁷ It has been used in the preparation of the evaluation of strategic budgeting and thus comes before the Governing Body in a more concrete way with more specific recommendations. The other

⁵ GB.292/9/1, para. 109.

⁶ GB.294/PFA/11/1, *Matters relating to the Joint Inspection Unit: (a) Reports of the Joint Inspection Unit.*

⁷ JIU/REP/2004/5, *Overview of the series of reports on managing for results in the United Nations system.*

reports are mainly appropriate for follow up by the Office, though they may be of interest to the Governing Body.

12. The Office considers that the direct value of the JIU to the ILO rests primarily with reports prepared specifically for the Governing Body or the Office. The Director-General is open to any suggestions of JIU reports for the Governing Body, and intends to continue to request notes for internal management purposes.
13. In addition, the Office considers that the JIU has considerable potential value to the UN system, both as an oversight body and as a provider of system-wide information. The Director-General intends to ensure that the Office contributes to establishing a strong JIU plan of work that avoids overlap with coordinating bodies and adds real value to oversight systems.
14. The Office acknowledges that the JIU has not always shown adequate understanding of the tripartite nature of the ILO and that some of its reports have weaknesses. At the same time, the Office considers that the JIU can make useful contributions both to oversight and to management, especially on system-wide issues. It is therefore recommended that the ILO continue its relationship with the JIU. It is further recommended that submission of JIU reports to the PFAC should be on the same basis as at present, that is after the receipt of CEB comments, with the Governing Body to decide on a case-by-case basis what follow-up may be required for particular reports or recommendations.
15. *The Committee may wish to recommend to the Governing Body:*
 - (a) *that it reaffirms the ILO's relationship with the JIU;*
 - (b) *that it requests the Director-General:*
 - (i) *to ensure that the Office collaborates with the JIU to develop a strong programme and satisfactory methods of work; and*
 - (ii) *to continue to submit to it on a yearly basis a summary of the reports and recommendations of the JIU following the receipt of comments from the CEB.*

Geneva, 28 September 2005.

Point for decision: Paragraph 15.