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منظمة
الأغذية والزراعة
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FINANCE COMMITTEE

Hundred and Fifty-fourth Session

Rome, 26 - 30 May 2014

Lump Sum Payments in lieu of Entitlements (JIU/REP/2012/9)

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EXECUTIVE SUMMARY

- In line with guidance from the 123rd Session of Council (ref. 123/REP, para 73), Joint Inspection Unit (JIU) Reports are submitted to the Finance and Programme Committees together with the comments of the Director-General (and CEB comments, if available) for review and comments.

GUIDANCE SOUGHT FROM THE FINANCE COMMITTEE

- The Finance Committee is invited to take note of the information provided in the attached JIU report, and submit any comments it may wish to make to the Council.



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COUNCIL

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Lump-sum payments in lieu of entitlements (JIU/REP/2012/9)

1. This JIU Report is accompanied by brief comments of the Director-General and more extensive joint comments of the UN system Chief Executives Board (CEB) for Coordination (A/68/373/Add.1).

Comments from the Director-General of FAO

2. FAO generally endorses the JIU report, as well as the CEB comments on the “Lump-sum payments in lieu of entitlements”. FAO has some reservations regarding recommendation 1 of the report, where it is not evident that the outcome of such a review would warrant the costs and administrative burden that it would entail. Furthermore, the lump sum option generates efficiency savings in terms of decreased administrative burden which should be taken into consideration.

3. FAO has undertaken the necessary measures to comply with recommendations 2 and 3; is supportive of recommendation 4, as part of general harmonization within the UN common system; and is compliant with recommendation 5 in that the Organization already limits additional payments when the lump-sum option is used.

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Joint Inspection Unit

Lump-sum payments in lieu of entitlements

Note by the Secretary-General

Addendum

The Secretary-General has the honour to transmit to the members of the General Assembly his comments and those of the United Nations System Chief Executives Board for Coordination on the report of the Joint Inspection Unit entitled “Lump-sum payments in lieu of entitlements” (see [A/68/373](#)).

* [A/68/150](#).



Summary

The report of the Joint Inspection Unit entitled “Lump-sum payments in lieu of entitlements” (see [A/68/373](#)) provides an assessment of the use of the lump-sum option for selected entitlements and explores the value of harmonizing lump-sum policies and practices across the United Nations system.

The present note reflects the views of organizations of the United Nations system on the recommendations provided in the report. The views of the system have been consolidated on the basis of inputs provided by member organizations of the United Nations System Chief Executives Board for Coordination (CEB), which welcomed the report and supported its conclusions.

I. Introduction

1. In its report entitled “Lump-sum payments in lieu of entitlements” (see [A/68/373](#)), the Joint Inspection Unit considered the current and possible future application of the lump-sum option for selected entitlements to determine whether it saves on overhead costs and offers greater flexibility for staff while minimizing any financial implication for the Organization. The Unit further deliberated whether there was a need to harmonize existing lump-sum procedures and establish acceptable and consistent calculation criteria and procedural rules, particularly to ensure fairness to staff working in different organizations of the United Nations system, and especially those in the same duty station.

II. General comments

2. Agencies of the United Nations system welcome the report along with its analysis and key findings on strengths, challenges and opportunities for improvements in future application of the lump-sum option for staff entitlements. Agencies agree that the use of such payments, if applied consistently and equitably across the system, can reduce the administrative burden of processing travel requests and result in significant budget savings for organizations.

3. Agencies further suggest that an analysis of the use of lump-sum payments in other areas may prove valuable, as long as they are based on adequate indicators and the methodology is harmonized across the United Nations common system. Therefore, agencies suggest that instead of examining and revising lump-sum usage in a few selected areas, as is the case in the report, the Joint Inspection Unit may consider approaching the issue more holistically, perhaps in conjunction with, or part of, the overall review of the compensation package that has recently begun within the International Civil Service Commission (ICSC).

III. Specific comments on recommendations

Recommendation 1

The legislative/governing bodies of United Nations system organizations should request their respective executive heads to prepare a report on the usage of the lump-sum option for home leave travel which, inter alia, would compare the costs for providing the lump-sum option with those of organizing the travel for the eligible headquarters-based staff members for a period of two years. Upon consideration of the report, the legislative/governing body should decide in 2015 whether to take any action deemed appropriate.

4. Organizations generally support the concept embodied in recommendation 1, which, they note, calls for agencies to conduct a comparative analysis of the costs of providing a lump-sum option and is directed at legislative bodies, but they also raise several concerns. Agencies indicate that while they understand the rationale behind the analysis, they also note that any analysis of this nature incurs costs, which may prove difficult to identify at a time when administrative support capacities have been significantly reduced. Agencies suggest that as a significant amount of relevant data has already been collected by the Joint Inspection Unit across the United

Nations system, and bearing in mind that the decision on the lump sum would affect all organizations of the United Nations system, the Unit may consider conducting this analysis as a continuation of its report. Alternatively, agencies suggest that the recommended comparative study base its analysis on a statistically relevant data sample entailing the use of the most common city pair across the United Nations system rather than a more comprehensive study.

5. In addition, agencies suggest that an analysis of a single lump-sum type may not prove cost-effective, and, as noted in the general comments, they indicate that a more complete analysis of the broad range of lump-sum payments may prove valuable, especially since a review of the entire compensation package is also being conducted by ICSC.

Recommendation 2

The executive heads of United Nations system organizations should ensure, if they have not already done so, that the International Civil Service Commission daily subsistence allowance rates are fully complied with, including the disbursement of the relevant percentage for meals and incidental expenses when accommodation is provided.

6. Agencies welcome and support recommendation 2, citing the need to ensure that staff members across the United Nations common system travelling to the same location are treated equally. Several agencies note that applying the recommendation may require modifications or enhancements to existing automated systems, and therefore a cost-benefit analysis should guide final decisions by individual agencies.

Recommendation 3

The legislative/governing bodies of United Nations system organizations should request their respective executive heads to suspend, if that is not already the case, the payment of an additional daily subsistence allowance (15 or 40 per cent) to those officials travelling on organizational budgets.

7. Noting that recommendation 3 is directed at legislative bodies, United Nations agencies support the measures it proposes. Some agencies acknowledge that, as noted in the recommendation, the payment of an additional daily subsistence allowance has already been suspended. Other agencies, notably the United Nations Secretariat through General Assembly resolution [67/254](#), section VI, retained the status quo for members of organs and/or subsidiary organs, committees, councils and commissions of the United Nations.

Recommendation 4

The Secretary-General, in his capacity as Chair of the United Nations System Chief Executives Board for Coordination, and through the latter's finance and budget, as well as its human resources networks, should adopt a unified methodology for calculating the cost of implementing the statutory entitlement when the staff member concerned selects the lump-sum option for him/herself or an eligible family member.

8. While agencies support recommendation 4 and highlight the need to address the disparity in the payment of the lump-sum amounts across the system, they nevertheless recognize the difficulties of implementing a standard that takes into

account equitably the exigencies of all agencies, especially those with staff deployed in hardship and difficult duty stations. Agencies suggest that, in order to enhance harmonization, lump-sum amounts should be jointly determined by all United Nations organizations of the same duty station and reviewed on a regular basis.

Recommendation 5

The executive heads of United Nations system organizations should adopt a lump-sum amount to cover all travel-related expenses when a staff member and his/her eligible family members undertake home leave travel when the organization purchases the air tickets.

9. Agencies note that recommendation 5 is intended to correct deficiencies in the lump-sum approach for home leave travel, and its implementation may streamline existing arrangements. However, while organizations recognize that overall cost-effectiveness is a major component of the present report, they also note that not all travel will incur additional costs beyond transportation (such as vaccinations, visa and renewal of travel documents, et al.). Therefore, agencies suggest that providing a lump sum for all home leave travel expenses may not prove cost-effective, and they call for additional analysis of the benefits and efficiency gains envisioned before implementing this recommendation.

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LUMP-SUM PAYMENTS IN LIEU OF ENTITLEMENTS

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United Nations, Geneva 2012

EXECUTIVE SUMMARY

Lump-sum payments in lieu of entitlements JIU/REP/2012/9

Lump-sum (LS) payments in lieu of entitlements have been in effect in many United Nations system organizations for a long time. This review considers the current and possible future application of the LS option for selected entitlements to determine whether it saves on overheads and provides greater flexibility for staff while not having a significant financial implication for the organization. It further deliberates whether there is a need to harmonize existing LS procedures and establish acceptable and consistent calculation criteria and procedural rules, particularly to ensure fairness to staff working in different United Nations system organizations, and especially those in the same duty station.

While the argument is made that using LS payments quickens administrative processes and results in major savings for organizations, the Office of Internal Oversight Services (OIOS) confirmed that “no recent study had been conducted to verify if the policy of giving a lump-sum of 75 per cent of the full economy fare is in fact a cost effective rate.” Most international organizations and entities that responded to the Inspectors’ questionnaire also confirmed that no cost-benefit analysis of the LS option had been conducted post-implementation.

Notwithstanding the fact that staff in the same duty station receive similar salaries under the ICSC salary structure, they receive different LS amounts for home leave travel. While minor anomalies in the amounts payable under LS are acceptable, resulting from exchange rate differentials or market conditions, the large variance in the LS amount payable is due to the different methodologies used, as seen in Table 2 of the report.

Although there are convincing arguments for and against the LS option, the Inspectors support the LS concept, provided that the calculation methodology is consistent system-wide and applied equitably. The review also touches upon the payment of the daily subsistence allowance (DSA) on official travel as the latter is granted in advance in lieu of reimbursement for actual expenses incurred and thus can be considered as an LS payment. In this respect, the Inspectors note that some organizations do not strictly adhere to the DSA allocation, i.e. where accommodation is provided, the DSA is reduced by 50 per cent instead of the applicable percentage. Others require documentary proof of paid accommodation, which is contrary to the LS principle.

As organizations are making concerted efforts to exercise fiscal responsibility, it is only fair that all stakeholders contribute to this process. While many other international organizations have followed the approach of the United Nations Secretariat and eliminated the additional 15 per cent DSA, and in some cases the 40 per cent, and even reduced the 40 per cent additional entitlement for elected officials to 25 per cent, the fact that some other officials are still entitled to the additional DSA is disconcerting.

The review contains five recommendations, of which the following two are addressed to legislative bodies, one to the Chief Executives Board for Coordination and two to executive heads.

Recommendation 1

The legislative/governing bodies of United Nations system organizations should request their respective executive heads to prepare a report on the usage of the lump-sum option for home leave travel which, *inter alia*, would compare the costs for providing the lump-sum option with those of organizing the travel for the eligible headquarter-based staff members for a period of two years. Upon consideration of the report, the legislative/governing body should decide in 2015 whether to take any action deemed appropriate.

Recommendation 3

The legislative/governing bodies should request their respective executive heads to suspend, if not already the case, the payment of additional DSA (15 or 40 per cent), to those officials travelling on organizational budgets.

Recommendation 4

The Secretary-General, in his capacity as Chairman of the CEB, and through its latter finance and budget, as well as its human resources networks, should adopt a unified methodology for calculating the cost of implementing the statutory entitlement when the staff member concerned selects the lump-sum option for him/herself or an eligible family member.

Recommendation 2

The executive heads of United Nations system organizations should ensure, if not already done so, that the ICSC daily subsistence allowance rates are fully complied with, including the disbursement of the relevant percentage for meals and incidental expenses when accommodation is provided.

Recommendation 5

The executive heads of United Nations system organizations should adopt a lump-sum amount to cover all travel-related expenses when a staff member and his/her eligible family members undertake home leave travel when the organization purchases the air tickets.

CONTENTS

	<i>Paragraph</i>	<i>Page</i>
EXECUTIVE SUMMARY		iii
ABBREVIATIONS		vi
I. INTRODUCTION	1-12	1
Background	1-3	1
Objectives and scope	4-6	1
Methodology	7-12	1
II. LUMP-SUM	13-70	3
A. Definition and evolution of the lump-sum option for home leave travel	13-17	3
B. Assessment of lump-sum option	18-24	4
C. Home leave travel	25-46	6
- Lump-sum option	25-29	6
- Airfare classification	30-37	8
- The “Warren” judgement	38-39	10
- Frequent flyer miles	40-41	11
- Security clearance for home leave travel	42-43	11
- Suspension of lump-sum option for home leave travel	44-46	12
D. Shipment of personal effects and household goods	47-55	12
E. Daily subsistence allowance	56-70	14
III. HARMONIZATION OF THE LUMP-SUM OPTION – HOME LEAVE TRAVEL	71-87	19
- The future of lump-sum	85-87	22
ANNEXES		
I. Availability of lump-sum option for statutory travel		25
II. Percentage of staff members opting for lump-sum for home leave travel		26
III. Shipment of personal effects and household goods - entitlement		27
IV. Shipment of personal effects and household goods – lump-sum option		28
V. Overview of action to be taken by participating organizations on JIU recommendations		29
TABLES		
1. Lump-sum basis for home leave travel		6
2. Home leave travel – lump-sum vs. entitlement		7
3. Home leave: lump-sum vs. ticket comparison		8
4. Air fare restrictions		9
5. ICSC daily subsistence allowance rates		15
6. Cost savings incurred as a result of procuring accommodation		16
7. Self-certification of home leave travel		21
8. Minimum notice required to request lump-sum for home leave travel		21
9. Home leave travel with current lump-sum amount and 65 per cent of IATA Flex Fare		24

ABBREVIATIONS

ADB	Asian Development Bank
CCAQ	Consultative Committee on Administrative Questions
CEB	United Nations System Chief Executives Board for Coordination
CTBTO	Comprehensive Test Ban Treaty Organization
DM	Department of Management
DSA	Daily Subsistence Allowance
ECA	Economic Commission for Africa
ECE	Economic Commission for Europe
ECLAC	Economic Commission for Latin America and the Caribbean
ERP	Enterprise Resource Planning
ESCAP	Economic and Social Commission for Asia and the Pacific
ESCWA	Economic and Social Commission for Western Asia
FAO	Food and Agriculture Organization of the United Nations
FFM	Frequent Flyer Miles
HRD	Human Resources Department
HRN	Human Resources Network
IAEA	International Atomic Energy Agency
IATA	International Air Transportation Association
ICAO	International Civil Aviation Organization
ICSC	International Civil Service Commission
ICTR	International Criminal Tribunal for Rwanda
ICTY	International Criminal Tribunal for the former Yugoslavia
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
IMF	International Monetary Fund
IMO	International Maritime Organization
ITC	International Trade Centre
ITU	International Telecommunication Union
JIU	Joint Inspection Unit of the United Nations system
LS	Lump-sum
MOSS	Minimum Operating Safety and Security Standards
MSD	Medical Services Division
MSLS	Monthly Subsistence Living Sum
OECD	Organisation for Economic Co-operation and Development
OIOS	United Nations Office of Internal Oversight Services
OSCE	Organization for Security and Co-operation in Europe
PAHO	Pan American Health Organization
PHP	Preferred Hotels Programme
POW	Programme of Work
TS	Travel Services
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UN-HABITAT	United Nations Human Settlements Programme
UNHCR	Office of the United Nations High Commissioner for Refugees
UNHQ	United Nations Headquarters
UNICEF	United Nations Children's Fund

UNIDO	United Nations Industrial Development Organization
UNODC	United Nations Office on Drugs and Crime
UNOG	United Nations Office at Geneva
UNON	United Nations Office at Nairobi
UNOPS	United Nations Office for Project Services
UNOV	United Nations Office at Vienna
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UNSMS	United Nations Security Management System
UNWTO	World Tourism Organization of the United Nations
UN-WOMEN	United Nations Entity for Gender Equality and the Empowerment of Women
UPU	Universal Postal Union
WB	World Bank
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization

I. INTRODUCTION

Background

1. As part of its programme of work for 2012, the Joint Inspection Unit (JIU) conducted, from January to November 2012, a review on “lump-sum payments in lieu of entitlements,” based on a proposal submitted by the Department of Management (DM) of the United Nations Secretariat. This topic had been previously included in the 2010 programme of work, however, on learning that the Secretariat had hired a consultant to undertake a comprehensive study of the simplification and streamlining of benefits, the JIU decided to postpone its own review. This study, completed at the end of May 2010, included 27 reform proposals, a number of which related to lump-sums.
2. DM confirmed to JIU in August 2011 that very little action had been taken on the May 2010 report with respect to lump-sum (LS) options. In fact, the suggested mileage-based approach in calculating LS was not pursued, as any change to the current 75 per cent of the full fare economy rate would have required General Assembly approval. As over a dozen JIU participating organizations had supported and welcomed its inclusion in the programme of work (POW), the JIU decided to reinstate the said topic in the current POW.
3. LS payments in lieu of entitlements have been in effect in many United Nations system organizations for home leave travel, education grant travel, and family visit travel for a number of years. Some organizations have extended the LS option to travel on appointment, change of duty station and repatriation, and more recently to shipments of personal effects. The argument is made that using LS payments quickens administrative processes and results in major savings for organizations. In practice, however, there are discrepancies in the interpretation and application of the percentages used and on which base airfare is taken by the respective United Nations system organizations.

Objectives and scope

4. The review considers the current and possible future application of the LS option for selected entitlements to determine whether its use saves on overheads and provides greater flexibility for staff while not having a significant financial implication. It considers whether there is a need to harmonize existing LS procedures and establish acceptable and consistent calculation criteria and procedural rules, particularly to ensure fairness to staff working in different United Nations system organizations, and especially those in the same duty station.
5. The report focuses on the use of the LS option in two main areas: home leave travel and other statutory travel and shipment of personal effects. It does not consider its application for the education grant as that subject is under consideration before the International Civil Service Commission (ICSC).
6. It also reviews the payment of the daily subsistence allowance (DSA) on official travel as it is granted in advance in lieu of reimbursement for actual expenses incurred and thus can be considered as a LS payment. Finally, it raises some aspects of the current LS practice in home leave travel where further harmonization should take place.

Methodology

7. In accordance with JIU internal standards and guidelines, the methodology followed in preparing this report included a detailed desk review, questionnaires, interviews and an in-depth analysis.
8. The Inspectors conducted interviews in person and by tele/videoconference, as well as on-site visits to selected international organizations and entities in Bangkok, Geneva, Nairobi, New York, Rome, Vienna and Washington, DC. They also met with officials from the International Air Transportation Association (IATA) in Geneva.

9. Comments on the draft report were sought from all the United Nations system organizations and the members of the Chief Executives Board (CEB) Human Resources Network (HRN) who responded to the questionnaires, and taken into account in finalizing the report.

10. In accordance with article 11.2 of the JIU statute, this report was finalized after consultation among the Inspectors aimed at testing its conclusions and recommendations against the collective wisdom of the Unit.

11. To facilitate the handling of the report, implementation of its recommendations and monitoring thereof, annex 5 contains a table indicating whether the report has been submitted to the organizations concerned for action or for information. The table identifies the recommendations relevant to each organization, and specifies whether they require a decision by the organization's legislative/governing body, or whether they can be acted upon by the organization's executive head.

12. The Inspectors wish to express their appreciation to all those who assisted them in the preparation of this report, in particular the persons who participated in the interviews, provided responses to the questionnaires, and so willingly shared their knowledge and expertise.

II. LUMP-SUM

A. Definition and evolution of the lump-sum option for home leave travel

13. The LS option is a payment for which a staff member may opt as an alternative to, or in lieu of, his/her statutory (travel) entitlements as set forth in the applicable staff rules, policies and procedures. The LS constitutes a payment encompassing all aspects of the specific (travel) entitlement being exercised.¹

14. It was in the context of achieving financial savings and simplifying the cumbersome process that the LS option was initially introduced for home leave travel. As such a working group consisting of representatives from various offices of the United Nations Secretariat met in 1987 to review the various aspects of the LS option.² The group concluded that the implementation of the LS option on a staggered experimental basis would result in direct financial savings, as well as in reduced administrative costs for the organization. It noted that a similar practice had already been introduced in the International Atomic Energy Agency (IAEA) and the United Nations Industrial Development Organization (UNIDO) with positive effects.³

15. The LS option was thus introduced on an experimental basis at the Secretariat headquarters in New York in March 1990,⁴ extended to other established duty stations in 1992,⁵ and subsequently extended several times.⁶ Incidentally, the United Nations Board of Auditors in 1994 commented on the approach and technical aspects of the LS option⁷ and noted that while no review of the operational and financial benefits of the scheme had been conducted, it had been extended to staff outside headquarters.⁸ The General Assembly in March 1995 requested the Secretary-General to “continue to monitor closely the costs and benefits to the Organization of the lump-sum arrangements, including an analysis of the level of cash incentives provided to the staff by the current 75 per cent procedure, and to make any necessary adjustments to ensure that the arrangements do not offer scope for abuse.”⁹ The Inspectors note that the Secretariat Travel Unit had confirmed to the Office of Internal Oversight

¹ WHO, Information Note 18/2008, “Lump Sum Options for Statutory Travel”, effective date 1 July 2008.

² Programme budget for the Biennium 1994-1995, “Lump sum option for travel by air in lieu of provision by the Organization of travel tickets and related entitlements on home leave, education grant and family visit, report of the Secretary-General, A7C.5/50/50, 28 December 1995, para 8.

³ Productivity Improvements: Travel Arrangements and Procedures: Report of the CCAQ Working Party, ACC/1988/FB/R.7. In UNIDO, the LS payments corresponded to 80 per cent of the excursion fare, of terminal expenses at point of departure and destination and of the cost of transport of 10 kilograms of excess baggage. In IAEA, the LS was calculated on the same basis except that no amount was included for excess baggage and all modes of travel were permitted. Under both systems, reimbursements were made in respect of the actual cost of any shipment of personal effects, p. 9.

⁴ ST/IC/1990/13, “Option of a lump-sum payment for travel by air in lieu of provision by the organization of travel tickets and related entitlements on home leave, education grant and family visit travel”, of 19 March 1990.

⁵ See ST/IC/1990/13/Amend. 2 of 15 July 1992, Amend 3 of 11 June 1993, Amend. 4 of 5 January 1995, Amend. 5 of 28 December 1995.

⁶ Ibid.

⁷ A/49/804.

⁸ Ibid, para 247.

⁹ A/RES/49/216, para 9.

Services (OIOS) that “no recent study had been conducted to verify if the policy of giving a lump-sum of 75 per cent of the full economy fare is in fact a cost effective rate.”¹⁰

16. As the latest extension of the LS option was to expire on 31 December 1995, the Secretary-General extended the application of the LS option for travel by air on home leave, education grant and family visit travel without any changes, until such time as the General Assembly takes a final decision on the matter.¹¹ The LS facility was extended to include travel on repatriation or separation from service in 2006.¹²

17. While the United Nations Secretariat has maintained the LS option for the statutory travel entitlements stated above, other organizations/entities have extended its application to other travel entitlements, including special education grant travel, initial appointment, change of duty station, rest and recuperation¹³, emergency and external or headquarter-based learning events (see annex 1).

B. Assessment of lump-sum option

18. The Secretary-General in his 28 December 1995 report on LS travel, stated that utilization of the LS option resulted in an overall estimated cash savings of over US\$ 6.7 million over a period of six years.¹⁴ However, OIOS, in its 1997 report, felt that this number was exaggerated.¹⁵

19. For example, there was an assumption that all travellers that used the LS option would have used 100 per cent of their travel and related entitlements had they opted for regular travel.¹⁶ When OIOS reviewed approximately 240 home leave travel cases who opted for the regular option between January and September 1995, they noted that “about 42 per cent of the total stopover entitlements were actually taken by travellers, and about 11 per cent of the travellers claimed their accompanied excess baggage entitlements.”¹⁷ OIOS also noted that cost savings were also calculated on out-of-date 1990 DSA rates and that the comparative statistics did not include certain expenses that the organization incurred for regular travellers in providing passport and visa services.¹⁸

20. OIOS were also apprised of the reliability and accuracy of the LS statistics prepared by other duty stations, which constituted a significant portion of the estimated US\$ 6.7 million in overall savings referred to above.¹⁹ OIOS concluded that due to data limitations, it was virtually impossible to determine the actual amount of savings. Furthermore, they noted that “no formal evaluation approach to systematically capture administrative savings was implemented”²⁰ at the time of introducing the LS option. While there was a finding that the workload relating to processing of claims and arrangements

¹⁰ OIOS Audit Report of 27 October 2009, Assignment No. AH2008/523/04, “Official travel policies were generally complied with, but should be reviewed to determine if they are efficient and effective and are adequately disseminated and understood”, para 26.

¹¹ ST/IC/1990/Amend.5 and A/C.5/50/50, “Lump-sum option for travel by air in lieu of provision by the Organization of travel tickets and related entitlements on home leave, education grant and family visit – Report of the Secretary-General.” para 29.

¹² ST/AI/2006/4, “Official travel,” section 10.

¹³ The Secretariat has also extended the LS option for rest and recuperation in the absence of United Nations flights, as recommended by the ICSC and approved by the General Assembly in the 65th session.

¹⁴ A/C.5/50/50.

¹⁵ AM96/49, “Management Audit of United Nations Travel,” OIOS, 14 May 1997.

¹⁶ *Ibid.*, para 50, i.e., one stopover per trip exceeding 10 hours, two stopovers per trip exceeding 16 hours, related DSA entitlements and terminal expenses and 10 kg of accompanied excess luggage per flight per traveller.

¹⁷ *Ibid.*, para 51.

¹⁸ *Ibid.*, paras 51 and 52.

¹⁹ *Ibid.*, para 53.

²⁰ *Ibid.*, para 54.

of shipments decreased, it increased where it was related to the establishment of the LS entitlement in the Travel Unit, Executive Offices and for travellers.²¹

21. OIOS conducted a similar audit at the United Nations Office in Geneva (UNOG) in June 1996 which reached similar conclusions. Indeed, in 29 out of 32 cases reviewed, the actual LS payments were higher than the projected cost of regular travel (including airfare, stopover, DSA and terminal expenses) and only when the costs for excess baggage and unaccompanied shipment were included, that the LS payments were less expensive.²²

22. While the LS option has been adopted by many organizations and entities, the fact that most international organizations and entities that responded to the Inspectors' questionnaire confirmed that virtually no cost-benefit analysis of the LS application had been conducted post-implementation, is surprising. Among those organizations that reviewed the LS option, the end results were usually in the form of reducing the LS option percentage of the applicable air fare, e.g., WHO went from 90 per cent of the IATA full economy airfare to 80 per cent in August 1990 as a cost efficiency measure and more recently ICAO, which reduced from 75 per cent to 65 per cent of the full economy air fare.²³ The United Nations Development Programme (UNDP) informed the Inspectors that in reviewing periodically the implementation of the LS option, the fact that the usage rates remained constant was proof positive that the methodology adopted was still valid.

23. The Inspectors thus are of the view that staff members would select the LS payment option when there is a benefit (pecuniary or convenience) to them and the organization is offering a cash incentive to accept a reduced entitlement in exchange for reduced administrative transaction costs. The 2004 JIU report on travel stated that the LS amount should "in principle serve as an incentive for the staff to opt for it in order to meet the goal of reducing administrative workload."²⁴ The Inspector further stated that in his view "the correct balance should be sought between the need to encourage use of the lump-sum and the need to ensure rational use of resources in order to achieve economy, efficiency and effectiveness in the process."²⁵

24. The adoption of the LS option is considered to be, by those interviewed, a win-win scenario for both staff members and the organizations. However, the Inspectors note that **the implementation of the LS option is at a significant cost to Member States who source the respective organizational budgets**. Considering the current financial crisis, organizations and to some extent their staff, should exercise fiscal responsibility and both parties should take the initiative and work together in reducing the costs of implementing staff entitlements, instead of waiting for the reductions to be imposed upon them. **The Inspectors stress that executive heads of United Nations system organizations and entities should lead by example.**

²¹ Ibid., para 54.

²² Ibid., para 53.

²³ ICAO, Staff Notice No. 5337, "Amendments to Staff Rule 107.1 – Travel", dated 16 August, 2010; UNESCO, WHO, Response to Inspectors' questionnaire.

²⁴ JIU/REP/2004/10, para 59.

²⁵ Ibid., para 60.

C. Home leave travel

Lump-sum option

25. When the working group met in 1987 to establish the calculation methodology for the LS option (see para. 14), no consensus was reached on the basis for calculating the LS amount, though there was agreement that the basis should be sufficiently attractive to the staff. As such two options were presented:²⁶

- (a) “Payment of a percentage (which might be 80 per cent) of the cost of applicable excursion fares, where such fares were published; and
- (b) Payment of a percentage (in the range of 60 to 75 per cent) of the cost of the normal economy fares, which were published for all destinations.”

As the working party was unable to provide a valid reason for selecting one of the above options, the Secretary-General decided that the LS option would amount to 75 per cent of the full unrestricted economy class fare.²⁷ It is worth noting that OIOS could also not determine how the above rate was finally selected.²⁸

26. While the majority of international organizations and entities surveyed have adopted the United Nations Secretariat basis for LS, others have not, thus creating inequalities in the implementation of the home leave entitlement amongst staff serving in their respective organizations. Table 1 below is illustrative. Notwithstanding the above, the LS option is preferred by staff members exercising their home leave entitlement (see annex 2). The Inspectors also wish to point out that the LS option basis is not uniform for all statutory travel (see annex 1) and that there are differences in the airfare basis used.

Table 1: Lump-sum basis for home leave travel

LS calculation method for home leave						
<i>39 organizations/entities; 7 different methods, including 2 fare classes and 6 different percentages</i>						
<i>Source: Inspectors' questionnaire</i>						
Lowest economy fare	Percentage of the full economy class fare					
	50	60	65	75	80	100
World Bank	CTBTO	UNESCO	ICAO, UPU	ECA, ECE, ECLAC, ESCAP, ESCWA, IAEA, PAHO, UNCTAD, UNDP, UNEP, UNFPA, UNHCR, UNHQ, UNIDO, UNOG, UNON, UNOPS, UNOV, UN HABITAT, UN Women	ADB, ITU, ILO	IMF
	OECD (55, 65, 75 based on destination)			WHO (average unrestricted economy class fare), OSCE (lowest published unrestricted fare), UNRWA (listed IATA fare), IMO (IATA YY fare); FAO, IFAD, WFP (full unrestricted IATA published fare)	WIPO (business class fare- this method is under review)	

²⁶ A/C.5/50/50, para 9.

²⁷ Ibid., para 11.

²⁸ AM96/49, “Management Audit of United Nations Travel,” OIOS, 14 May 1997, para 59.

27. The Inspectors, through their questionnaire, asked organizations with their headquarters based in select duty stations to provide the costs for a staff member and family (2 adults and 2 children – ages 8 and 1) exercising his/her home leave entitlement from City A to City B departing on 7 December 2012 and returning on 3 January 2013, with all benefits and the amount payable under the LS options. The results are shown below in Table 2.

Table 2: Home leave travel – lump-sum vs. entitlement

City pair and organizations	Sum of ticket cost – when organizations purchased ¹	Sum of total entitlement amount ²	Sum of LS option ³	Gain/Loss from using LS
Geneva-Beijing				
UNOG	\$3,692.00	\$14,338.00	\$9,514.00	\$4,824.00
UNHCR	\$2,127.00	\$4,822.00 ⁴	\$9,514.00	-\$4,692.00
WHO	\$3,384.94	\$11,714.94	\$15,662.00	-\$3,947.06
ILO	\$9,326.00	\$10,624.50	\$18,912.00	-\$8,287.50
ITU	\$5,919.54	\$7,519.02	\$21,136.88	-\$13,717.86
WMO	\$3,880.00	\$9,406.00	\$23,866.00	-\$14,460.00
WIPO	\$24,410.68	\$30,090.78	\$45,949.76	-\$15,858.98
New York-Sydney				
UNICEF	\$20,206.00		\$20,206.00	
UNFPA	\$32,760.00		\$24,570.00	
UN Women	\$32,760.00		\$24,570.00	
UNOPS	-	\$24,570.00	\$24,570.00	
UNDP	\$11,154.00	\$14,850.00	\$24,570.00	-9,720.00
UNHQ	\$7,680.44	\$15,485.44	\$28,088.00	-\$12,602.56
Rome-Sydney				
WFP	\$15,400.00	\$27,400.00	\$10,885.00	\$16,515.00
FAO	\$14,648.45		\$14,755.90	-\$107.45
Vienna-Sydney				
CTBTO	\$9,615.62	\$15,950.63	\$4,806.60	\$11,144.03
UNODC	\$7,290.00	\$8,006.00	\$10,868.00	-\$2,862.00
IAEA	\$7,454.98	\$15,762.98	\$14,057.78	\$1,705.20
OSCE	\$6,895.70	\$7,168.70	\$14,962.00	-\$7,793.30
UNIDO	\$8,152.00	\$10,292.00	\$18,750.00	-\$8,458.00
Washington DC – Buenos Aires				
IMF	\$32,756.00	\$43,756.00	\$43,756.00	
PAHO	\$11,955.10	\$13,365.10	\$9,894.00	\$3,471.10
World Bank	\$4,932.00	\$9,429.50	\$10,599.50	-\$1,170.00
Bangkok-Sydney				
ESCAP	\$4,280	\$11,668.00	\$9,530.00	\$2,318.00

¹Air ticket cost only (including taxes and fees)

²Air ticket + related travel entitlements

³Percentage of air fare (excluding taxes and fees)

⁴Does not include cost of unaccompanied shipment

28. The United Nation Office in Nairobi (UNON) conducted, at the Inspectors' request, a compilation of home leave requests (number of tickets) for a period of six weeks from June - July 2012. The findings are reproduced in table 3 below. While the sampling size is small, it does reflect current trends.

Table 3: Home leave: lump-sum vs. ticket comparison - UNON

Choice	No. Requests	No. Tickets	Total amount of lump-sum (LS)	Total amount of tickets (had organization purchased)	LS vs. Tickets difference
Lump-sum	29	57	USD 106,060.49	USD 82,366.23	USD 23,694.26
			Total amount of lump-sum (LS) (had organization provided)	Total amount of tickets (when organization purchased)	
Tickets	4	21	USD 19,496.25	USD 18,985.05	USD 511.20

29. UNON confirmed that they used the lowest carrier specific "unrestricted" economy class fare on which the LS amount was based. In considering the above, the organization would have saved money had more staff opted for the ticket option. Of the 21 organization purchased tickets, only 4 tickets purchased to Kathmandu were at a higher cost than the LS offered.²⁹ In this instance the ticket cost was higher as the travelling distance was greater and there were limited direct options to the location.

Airfare classification

30. As LS amounts are based on an applicable air fare, there is a need to describe what these air fares are. The Inspectors wish to point out that when the LS option was introduced there were a limited number of airfare types, which is not the case today. Most organizations have used the term "full" economy airfare as the basis for calculating the LS amount. The Inspectors note that the 31 January 2012 proposals on air travel made by the Secretary-General include one inviting the General Assembly to consider replacing the words "75 per cent of the full economy-class fare" to "75 per cent of the least restrictive economy class fare" by the least costly scheduled air carrier, when determining the LS amounts for travel.³⁰ **This will finally end the speculation as to what "full economy airfare" or "IATA full economy class fare" means, for in the airline industry such terminology does not exist.** However, the Secretary-General would still have to define the term "least restrictive economy fare."

31. Airfare codes are based on IATA Resolution 728 "Code Designators for Passenger Ticket and Baggage Check," which specifies a "Fare Basis Code" that "gives information regarding the type of fare, class entitlement, minimum and maximum validity, reservations entitlement, seasonality, days of travel and advertising or sales restrictions." Table 4 below gives examples of such restrictions. There are thirteen codes under the heading "Economy/Coach Class Category" of which the first is "Economy/Coach Premium," designated as W, followed by "Economy/Coach," designated S and Y,

²⁹ Only one out of the four (organization purchasing tickets) included requests for payment/reimbursement of travel-related entitlements.

³⁰ A/66/676, "Proposals for a more effective and efficient utilization of resources for air travel – report of the Secretary-General," para. 24.

the others are categorized as “Economy/Coach discounted” and designated with other letters. Based on the above, the fare basis for calculating the LS amount is based on the S or Y coding as it is the closest to “full” or “unrestricted” airfare basis as contained in the organizations’ rules and regulations.

Table 4: Airfare restrictions

Categories	Examples of restrictions	Unrestricted fares (YIF/CIF/FIF)	Restricted fares – Excursion (MEE6M)	Restricted fares (example Excursion)
Eligibility	Youth only, Senior only	none	none	none
Day/Time of travel	Travel before 8AM, after 11PM	any day, time	any day, time	any day, time
Seasonal travel	Peak fare applies	none	high, low	high, shoulder, low
Flight application	Not permitted on flight 1234, permitted only on flight xxxx	all flights	all flights	all flights
Reservation and ticketing	Must be reserved and ticketed 7 days before departure	any time	any time	Must be ticketed same time as reservation
Minimum Stay	Must stay at the destination for at least 5 days	zero	4 days	7 days
Maximum stay	Must begin the return journey within 3 months	one year	6 months	1 months
Stopovers	Only one permitted in each direction	unlimited	1 in each direction	not permitted
Transfers	Only one permitted in each direction	unlimited	3 in each direction	2 in each direction
Blackout dates	Not permitted for travel between Christmas and New Year	no restriction	no restriction	not permitted Hajj/Umrah
Surcharges	Outbound surcharge of US\$ applies during peak season	none	none	none
Accompanied Travel	Must be accompanied by passenger paying adult fare	no restriction	no restriction	no restriction
Sales restrictions	Must be purchased in country xx	no restriction	no restriction	no restriction
Penalties	change/refund fee of US\$ applies	no restriction	refund less US\$ 100	no refund

32. Prior to the introduction of the IATA Flex fares (see below), the benchmark for IATA multi-carrier published fares was the conference-agreed (YY) fare. This is the fare, often the highest in the market, as agreed and established by IATA member airlines, used for interlining (travel that requires more than one airline) and settlement purposes. The Inspectors have been informed that organizations would use the carrier-specific economy class (Y) fare as the basis for the LS option, and in the absence of such a fare (for commercial reasons), the YY fare. Some would use the YY fare, despite the availability of a carrier-specific economy class Y fare for the city-pair in question. As the term “full economy,” and not the air fare code, is used, using either fare code is within the organizations’ rules.

33. The use of the carrier-specific economy class Y fare for benchmarking (LS calculation) purposes is also problematic. As air fares are constantly changing, and described by industry officials as “a moving target,” market conditions will affect pricing. In other words, air fares may increase/decrease

and there are cases where a staff member would receive a lower LS amount than on the previous occasion.

34. Another criterion in selecting the air fare is that it should be the most direct and economical route. The Inspectors are cognizant of the fact that the most direct is not necessarily the cheapest, but in terms of staff member convenience/comfort, the direct route is acceptable. It is in cases where there is no direct flight that the routing has a bearing on the pricing. If the lowest carrier-specific economy class Y fare is used, the routing may not be acceptable to the traveller for a variety of reasons. However, as the carrier-specific economy class Y fare is used for benchmarking purposes only, then price should be the primary criterion, as it is understood that the LS amount would be sufficient to purchase an air ticket which takes into consideration staff member convenience and comfort.

35. Organizations that base the LS amount on the “least costly scheduled air carrier,” should not be using (IATA) YY fares. The YY fare is not a “scheduled air carrier” fare and is the same whichever airline is used. Furthermore the growth in airline alliances³¹ (which permit travel on member airlines) and airline code sharing arrangements allow for most city pairs to be served by an airline and these airlines have their own “unrestricted” fares that are valid on their own airline, or those within the alliance, and are considerably lower than a YY fare. It is for this reason that while the LS percentage may be the same for most organizations (75 per cent), the fare base on which it is calculated from is not the same if one selects the “least costly scheduled.” From 2007, IATA developed and introduced the Flex Fare mechanism which allows carriers to construct IATA-based interline fares when passengers need to use more than one airline to reach their destinations.

36. Flex Fares (YIF and YOO (one way fare) codes) are new multilateral interline fares derived from published carrier fares. The concept is simple: for a given market, a base fare is calculated using available carrier fares in the market (average fare), and an interline premium is added which reflects the flexibility in an IATA fare.³² These fares are driven by and linked to market prices and customers still enjoy the flexibility of interlining and conditions. IATA publishes Flex Fares, which in 2012 has virtual worldwide coverage, on a yearly basis and are easily accessible and do not require specific training to identify. The Flex Fare, like the YY fare, is mostly used for interlining and settlement purposes and not used as a carrier-specific economy class fare.

37. A first review of the IATA Flex Fares from Geneva, for example, “shows decreases in price, which benefit the Organization from a corporate point of view. While some routes will not be affected on short notice by the new fare structure, other routes will see an impact for the determination of statutory travel entitlements. Variations will also take place from one destination to another, even in the same world region, but it is already the case when using other IATA published fares.”³³ Effective 1 September 2012, the IATA YY fare is the Flex Fare, as all government approvals had been obtained.³⁴

The “Warren” judgement

38. The ruling given by the United Nations Dispute Tribunal in the Warren case³⁵ is illustrative of the pitfalls in not clearly defining the terms by which the LS payment is calculated resulting in additional costs for the organization. The applicant, a UNOPS staff member, requested his LS amount for travel from Canberra to Geneva for himself and family. UNOPS based its calculation on an “Economy Premium” fare provided by the travel agent and not a Y fare. On the former basis, the LS amount

³¹ For example, Star Alliance, OneWorld, SkyTeam.

³² Source: IATA.

³³ Michael Cordier, Head, Travel and Internal Services, ITC, “Communication from Travel Services (TS) – Introduction of IATA Flexible Fares in the Global Published Fares Structure”, Internal Memorandum to all ITC staff, 19 November 2009.

³⁴ Source: IATA

³⁵ UNDT, “Warren vs. Secretary-General of the United Nations”, UNDT/2010/015, 27 January 2010.

payable was US\$ 10,354, while the latter basis would have given the staff member US\$ 31,747, a difference of US\$ 21,393.

39. The issue raised in this judgement was the interpretation of the term “full economy class fare.” The judge correctly pointed out that in the absence of a definition of “full economy” in the staff rule, one had to rely on IATA air fare codes as discussed above. As such, the Economy Premium fare could not have been used (even though it was cheaper than the Y fare, yet it was limited to one airline). The tribunal further held that the objective of the LS option was to provide an incentive for staff to select that option and that the LS amount offered could not be equivalent or close to the actual ticket price, which was the case in Warren, citing previous JIU reports on travel.³⁶ The applicant was thus awarded the LS amount using the Y fare as the basis.

Frequent flyer miles

40. While most organizations are silent on the issue of using frequent flyer miles (FFM) for the purchase of home leave (statutory) travel, and a few that permit it,³⁷ some organizations (IMF, PAHO, UNHCR, WHO and World Bank)³⁸ expressly prohibit their usage for this purpose, except in obtaining upgrades and other ancillary benefits such as additional luggage and airport lounge access.

41. The policy for the prohibition of using FFMs, or any other form of travel credit,³⁹ when selecting the LS option is that when the staff member requests the LS option, he/she will incur travel costs and if no costs or nominal costs are incurred through the use of FFMs, the LS will not be payable, or if paid, will be recovered.⁴⁰ *Notwithstanding the Secretary-General’s proposal to discourage staff from using FFMs obtained from official travel for private purposes,⁴¹ it is respectfully submitted that staff may accrue FFMs from private travel and also from those obtained through credit card loyalty programs.*

Security clearance for home leave travel

42. While most organizations make a distinction between statutory (entitlement) travel and official travel, the Inspectors wish to point out that according to the United Nations Security Management System (UNSMS) Security Policy Manual relating to security clearances, “official travel includes official home leave or other entitlement travel where the cost of travel is borne by organizations of the United Nations system. This applies regardless of whether official travel is undertaken by air, sea, land, or any combination thereof.”⁴²

43. The Inspectors further wish to point out that “it is mandatory for United Nations system personnel and eligible family members to obtain security clearance for all official travel regardless of location, and they cannot commence official travel without obtaining it.”⁴³ “Personal travel, including for annual leave, is not official travel, and does not require security clearance.”⁴⁴

³⁶ JIU/REP/1995/10, “Travel in the United Nations: Issues of efficiency and cost savings”, JIU/REP/2004/10, “Harmonization of the conditions of travel throughout the United Nations system.”

³⁷ For example, see UNOG Intranet, Lump-sum payment.

³⁸ While UNHCR prohibits the use of FFM, it does not require the staff member to present an invoice for ticketing, if requested.

³⁹ WHO eManual, para 170.

⁴⁰ UNHCR Staff Administration and Management Circular No. 36: Use of Free “Air Mile” Tickets for Home Leave Travel under the Lumpsum Option”, paras 2 and 3.

⁴¹ A/66/676, “Proposals for a more effective and efficient utilization of resources for air travel – report of the Secretary-General,”

⁴² UNSMS Security Policy Manual, chapter V, section A, para 8.

⁴³ Ibid., para 5.

⁴⁴ Ibid., paras. 5 and 26.

Suspension of lump-sum option for home leave travel

44. When the LS option was implemented, senior management correctly took the position that as no staff regulations were being changed, there was no necessity to obtain prior legislative body approval as it was only an option that was given to eligible staff members. Thus its subsequent withdrawal or suspension could not be construed as modifying the existing entitlement. In other words, **the LS option is not an entitlement in itself**, rather, it is a methodology used to implement an existing entitlement.

45. As such, the Organization for Security and Co-operation in Europe (OSCE) informed their staff /mission members that the LS option was suspended effective 1 February 2012, for a period of six months⁴⁵ and further extended by another six months.⁴⁶

46. The implementation of the recommendation below could result in enhanced accountability.

Recommendation 1

The legislative/governing bodies of United Nations system organizations should request their respective executive heads to prepare a report on the usage of the lump-sum option for home leave travel which, *inter alia*, would compare the costs for providing the lump-sum option with those of organizing the travel for the eligible headquarter-based staff members for a period of two years. Upon consideration of the report, the legislative/governing body should decide in 2015 whether to take any action deemed appropriate.

D. Shipment of personal effects and household goods

47. This topic was dealt with in a previous JIU note in 2002 which “examined the various shipment entitlement schemes comprising the institution of LS payments as adopted by United Nations system organizations that aim at improving administrative efficiency to reduce costs and facilitate and promote staff mobility.”⁴⁷

48. United Nations staff regulation 7.1 on travel and removal expenses states: “Subject to conditions and definitions prescribed by the Secretary-General, the United Nations shall in appropriate cases pay the travel expenses of staff members, their spouses and dependent children.”⁴⁸ Regulation 7.2 further states: “Subject to conditions and definitions prescribed by the Secretary-General, the United Nations shall pay removal costs for staff members.”⁴⁹ Similar entitlements are offered by all United Nations system organizations, with differences in weight and period of appointments (see annex 3 for the list of entitlements by organization).

49. In 2001, UNDP, UNHCR and UNICEF introduced pilot projects adopting a LS option (global basis) for the shipment of personal effects, which, like LS for home leave travel, does not replace

⁴⁵ OSCE Staff Circular No. 6/2011, 19 September 2011.

⁴⁶ OSCE Inter-office Memorandum, Period of the Suspension of the Lump Sum Option for Travel Estimates, 6 August 2012.

⁴⁷ “The option of a lump-sum payment as an alternative to the traditional shipment entitlements of staff: an overview of selected United Nations system organization”, JIU/NOTE/2002/3, p. v.

⁴⁸ Staff Regulations, ST/SGB/2012/1.

⁴⁹ Ibid.

existing shipping arrangements.⁵⁰ In January 2001, WFP instituted a LS option, based on 80 per cent of the actual costs, where staff members who are transferred to hardship category D and E duty stations or non-family duty stations. This option does not replace existing shipping arrangements. Furthermore, in 2003, this approach was extended to appointments, transfers and repatriation to and from all types of duty stations.⁵¹

50. Staff members who select the LS option are expected to manage their own relocation arrangements largely without direct administrative assistance from the organization. The LS amount is deemed to cover all shipping and related costs, including insurance for loss of, or damage to, personal effects, custom charges or fees. However, most organizations make available to staff members a database of international vendors for relocation-related services. They also provide assistance to staff regarding customs clearance, import and export formalities and attestations and other required documentation.

51. The Inspectors were informed that the current LS amount of US\$ 10,000 for single staff members and US\$ 15,000 for staff members with dependents⁵² was calculated using higher than global averages of actual costs under the existing shipment entitlement schemes, and weighted to take into account other elements such as frequency of moves, air-freight conversions and duty station locations.⁵³ Nevertheless, they note that these amounts have remained unchanged for over 10 years; therefore, taking into account inflation, the current LS amount should be around US\$ 12,936.42 and US\$ 19,102.61 respectively.⁵⁴

52. The Inspectors concur with the former Consultative Committee on Administrative Questions (CCAQ) that the LS option introduces more simplicity in the administration of shipment and removal services and allows a significant reduction of overhead costs.⁵⁵ However, they question the validity of a global lump-sum approach as its application would result in unfair treatment to some staff members while creating a windfall benefit for others. They were informed by the International Criminal Tribunal for Rwanda (ICTR) in Arusha, Tanzania of an incident where two staff members (with dependents) were called into the office and given the same LS amount of US\$ 15,000. One staff member was relocating to Geneva, Switzerland and the other to Nairobi, Kenya. While the above case is unavoidable, due consideration should be given to establishing a LS scheme based on shipments within a geographical zone or from one zone to another, as is the case in WFP.

53. The implementation of the LS option may affect staff welfare. Organizing a relocation can affect a staff member's work and productivity as assuming all logistical arrangements could distract staff members away from work matters by diverting their time for making personal calls, internet research, etc.⁵⁶ It may also prejudice single staff members having to organize and administer a move alone and could also place an undue burden on those staff posted to hardship duty stations where there is no commercial market for shipment and where difficulties may arise when dealing with local

⁵⁰ UNDP/ADM/01/4, 19 January 2001 and UNHCR Inter-office Memorandum No. 84/2001, Relocation grant, 24 October 2001.

⁵¹ JIU/Note/2002/3, para 37 and information from WFP.

⁵² The initial LS amount adopted by UNDP was US\$ 12,000 for single staff members and US\$ 18,000 for those with dependants. These amounts were later reduced to their current levels. At WFP, it is US\$ 9,000 and 13,500 respectively.

⁵³ JIU/Note/2002/3, para 34(e).

⁵⁴ Source: Consumer Price Index Inflation Calculator (United States Department of Labor website: http://www.bls.gov/data/inflation_calculator.htm) US\$ 10,000 in 2001 has the same buying power as US\$ 12,936.42 in 2012 and similarly for US\$, 15,000, the equivalent buying power would be US\$ 19,102 in 2012.

⁵⁵ ACC/2000/13.

⁵⁶ JIU/Note/2002/3, para 52.

authorities.⁵⁷ Hence, in cases like the above, the organizations should handle relocation, which also increases staff mobility.

54. Due to the reasons stated above, some organizations have not introduced the LS option of shipment of personal effects (though many are considering it for administrative/financial reasons). Furthermore, FAO officials informed the Inspectors, that as they have a single transportation provider, which in turn performs most of the administrative tasks previously handled by them, their shipping overheads are substantially reduced. They noted that the average shipping cost (per staff member, system-wide) is much less than the amounts being granted under the LS option.

55. It is also more likely that staff members would opt for the LS option when it is “more attractive in financial terms rather than receiving a reimbursement of actual costs.”⁵⁸ The Inspectors also note that in all organizations where the LS option is offered, all the staff member has to do is sign a form acknowledging receipt of the due sum. No proof or invoice of actual shipment is required. The rationale behind this is that the LS option is given in order to facilitate the movement of a staff member from point A to B and the fact that the staff member reports for duty (or provided proof that he/she has arrived at point B) is evidence of relocation. **This indeed lowers administrative costs, and the Inspectors are of the opinion that this practice could be extended to the LS option for statutory travel.**

E. Daily subsistence allowance

56. The application of “methods of calculation for lump-sums to determine costs, which are often difficult to compute, can facilitate administrative procedures and promote efficiency.”⁵⁹ Thus, the United Nations system organizations, as well as ICSC apply the LS concept to resolve a variety of administrative issues, including the payment of daily subsistence allowances (DSA) for staff members on mission and to cover terminal expenses.⁶⁰

57. The ICSC issues a circular containing a schedule of DSA rates (in US\$) for places where the United Nations has ongoing project activity or where officials of the organization are obliged to visit. This allowance is intended to cover accommodation, meals, gratuities and other expenses of United Nations travellers. The circular is revised monthly to take into account exchange rate fluctuations and up-to-date hotel and restaurant data.⁶¹ Rate information is provided, inter alia, by location, DSA effective date and period, room percentage (as part of the overall DSA) and duration of DSA, for example from 1 to 30 or 60 days, from 60 to 120 days and over 60/120 days. Special DSA rates are also provided when certain hotels are concerned or during specified peak periods, for example during the United Nations General Assembly sessions in New York. The Inspectors note that the information is provided in electronic format and can be integrated easily into an organization’s travel system, so that corresponding accommodation percentage rates could be taken into account.

58. Although ICSC’s DSA rates are widely used, the Inspectors note that for “convenience,” some organizations (excluding FAO, IAEA, UNESCO and WFP) reduce the DSA by 50 per cent if accommodation is provided by the United Nations, Government or related institution. This reduction applies “irrespective of the accommodation provided free of charge, including accommodation in barracks, boats or tents.”⁶² On closer scrutiny, only 69 of 1,075 ICSC locations (DSA rates) consider accommodation to be 50 per cent of the DSA, and only 15 locations consider accommodation to be

⁵⁷ Ibid.

⁵⁸ Ibid., para 43.

⁵⁹ Ibid., p. 2.

⁶⁰ “Terminal expenses” includes all expenditures incurred for taxis (or other means of transportation), transfer of baggage and all other incidental expenses for travel to or from the carrier terminal. Source: ICAO Staff Travel Rules.

⁶¹ Source: ICSC.

⁶² “System of daily subsistence allowance”, ST/AI/1998/3.

below the 50 per cent threshold (including Beijing, Turin and Vienna). Accommodation at all other locations is higher than 50 per cent of the DSA rate (including Geneva, Nairobi and New York). On average, the ICSC accommodation percentage rate is 62 per cent of the DSA. Therefore, if a staff member is invited to a meeting in Nairobi and accommodation is provided, he/she should receive 35 per cent of the DSA, as opposed to 50 per cent. Although the staff member would not complain, a 5 day stay in Nairobi at 50 per cent DSA would mean an over payment of US\$ 225.⁶³ On the other hand, a staff member attending a residential workshop in Vienna, with accommodation provided, should receive 55 per cent of the DSA, instead of 50 per cent. In this case, the staff member would be underpaid US\$ 14.95 a day. Table 5 below shows the DSA rates and room percentage for selected locations.

Table 5. ICSC daily subsistence allowance rates – May 2012

<i>ICSC DSA rates - May 2012</i>					
City	DSA (US\$)	Room rate (%)	DSA excluding accommodation	DSA reduction by 50%	Difference
Addis Ababa	\$185.00	59%	\$75.85	\$92.50	-\$16.65
Bangkok	\$246.00	54%	\$113.16	\$123.00	-\$9.84
Beijing	\$278.00	48%	\$144.56	\$139.00	\$5.56
Beirut	\$288.00	57%	\$123.84	\$144.00	-\$20.16
Bishkek	\$204.00	70%	\$61.20	\$102.00	-\$40.80
Brindisi	\$175.00	53%	\$82.25	\$87.50	-\$5.25
Buenos Aires	\$370.00	51%	\$181.30	\$185.00	-\$3.70
Geneva	\$419.00	60%	\$167.60	\$209.50	-\$41.90
Moscow	\$540.00	63%	\$199.80	\$270.00	-\$70.20
Nairobi	\$300.00	65%	\$105.00	\$150.00	-\$45.00
New York	\$378.00	66%	\$128.52	\$189.00	-\$60.48
Rome	\$391.00	53%	\$183.77	\$195.50	-\$11.73
Santiago	\$237.00	55%	\$106.65	\$118.50	-\$11.85
Turin	\$281.00	48%	\$146.12	\$140.50	\$5.62
Vienna	\$299.00	45%	\$164.45	\$149.50	\$14.95
Washington	\$363.00	60%	\$145.20	\$181.50	-\$36.30

59. The implementation of the following recommendation would ensure compliance and also result in financial savings.

Recommendation 2

The executive heads of United Nations system organizations should ensure, if not already done so, that the ICSC daily subsistence allowance rates are fully complied with, including the disbursement of the relevant percentage for meals and incidental expenses when accommodation is provided.

60. Most international organizations and entities procure and pay for hotel rooms/accommodation at a preferential “conference” rate when they organize meetings at a particular location. Adopting this

⁶³ ICSC/CIRC/DSA/444, DSA Circular Report, 1 May 2012.

approach would result in cost savings as the DSA amount would be reduced. Table 6 below provides examples of cost savings achieved by procuring accommodation at a preferential rate.

Table 6. Cost savings incurred as a result of procuring accommodation

Organization	Location	No. of Nights	No. of Rooms	DSA Savings (US\$)
ECLAC	Viña del Mar, Chile - 18/8/2011 to 18/9/2011	1	30	4,440
	Cartagena de Indias, Colombia - 19/9/2011 to 24/9/2011	5	40	9,400
	Antigua, Guatemala - 18/7/2011 to 23/7/2011	5	40	6,600
ESCWA	Cairo, Egypt - 9/4/2011 to 10/04/2011	1	24	340
	Amman, Jordan - 4/4/2011 to 8/4/2011	4	40	4,860
PAHO	Guatemala	1	73	3,730
UNFPA	Amman, Jordan	n/a	110	47,300
UNRWA	Amman, Jordan	1	31	2,161.38
	Cairo, Egypt	1	80	4,000

Source: Inspectors' questionnaire

61. The Inspectors note that WHO is now requiring staff members to include hotel bills when submitting their travel claim after a completed mission.⁶⁴ A few other organizations, such as the International Telecommunications Union (ITU) and the Universal Postal Union (UPU), have similar requirements. While all the organizations request hotel bills when a higher DSA is requested and granted, or for exceptional reasons, as when the room percentage of the DSA was not sufficient, having to include such bills for all travel claims is burdensome. It is understood that the objective is not to review the specific hotel details, but to ensure that the DSA was used for paid accommodation. Nevertheless, the Inspectors are of the view that this requirement runs counter to one of the LS objectives of reducing administrative burden and cost. If organizations wish to emphasize the appropriate use of the full DSA, that is to pay for accommodation, they could consider the recent initiative of the Rome-based organizations, led by FAO, namely, the Preferred Hotels Programme (PHP).⁶⁵

62. The PHP involves providing accommodation to travellers through a negotiated hotel programme. The organization books and pays for hotels directly through an established hotel desk and the DSA paid to the traveller is reduced by the stipulated room percentage component of the DSA. As the organization pays for accommodation, the difference between the ICSC room percentage and the actual cost of the hotel accrues as savings to the organization. FAO envisages potential savings of up to US\$ 2 million biennially, based on the review of the top 20 destinations where the average room percentage of the DSA is 55 per cent.⁶⁶

63. With a PHP in place, an organization will be able to make considerable savings by negotiating hotel prices that are lower than the percentage allotted in the DSA. Successful negotiations could also result in adding certain services to the hotel price, which will eventually cut down on the costs for incidentals, such as wireless Internet connection, airport transfers, parking, and complimentary access to the business center. There is also a security component to this programme: should the need arise, the organization can readily locate staff and non-staff personnel traveling on behalf of the organization. All the hotels selected for this programme are in line with the Minimum Operating Security Standards (MOSS), which is a fundamental security policy for all United Nations field operations. For staff and non-staff traveling on behalf of the organization, the benefits are many.

⁶⁴ WHO Information Note 38/2011, "Update of WHO duty and statutory travel policy," 23 December 2011, effective 1 January 2012.

⁶⁵ FAO implemented the programme on 1 March 2012; IFAD and WFP will do so in the near future.

⁶⁶ Source: FAO.

With this programme they do not have to worry about researching and booking a hotel for their mission trips and they can choose among the PHP hotels in the cities they will be visiting and the PHP will handle the booking and payment.

64. The PHP would not be applicable in cases where staff are on joint missions with other organizations; workshops, conferences, training sessions are hosted in specific hotels; work location is too far from a PHP hotel; or in developing security or emergency situations. Therefore, the PHP would have to run in parallel with the DSA system in locations or specific situations where implementation of the PHP is not a feasible option. The diverse levels of infrastructure, administrative conditions, maturity of local banking and payment sectors and the requirement for cash payment on check-out in some locations, and a PHP where payments have to be made directly to the hotels, are legitimate obstacles to its system-wide implementation.

65. In 2008, WFP also implemented the Monthly Subsistence Living Sum (MSLS) scheme for internationally recruited consultants on assignments exceeding two months at headquarters and duty stations classified as “H” under the ICSC hardship classification.⁶⁷ In 2012, the scheme was extended⁶⁸ to consultants on assignment in field-based offices, including field offices and regional bureaux.⁶⁹ WFP estimates that, since its inception, the scheme has enabled savings of over US\$ 8 million annually at headquarters alone.⁷⁰ Internationally-recruited consultants hired for less than two months continue to receive the DSA. **The Inspectors conclude that this initiative could easily be replicated by other international organizations.**

66. The Inspectors wish to point out that staff members are not limited to the standard DSA entitlements. Where applicable, ad-hoc (special) DSA may be granted. Furthermore, if additional expenditures are foreseen prior to undertaking official travel, prior authorization can be granted and additional DSA can be provided prior to departure or the staff member can be reimbursed on completion of travel and on submission of the travel claim.

67. As organizations are making concerted efforts to exercise fiscal responsibility, it is only fair that all stakeholders contribute to this process. To this end, the subject of disbursing additional DSA by virtue of grade or position and status should be considered. The conditions and modalities for the payment of DSA were incorporated in administrative instruction ST/AI/1998/3 which states, inter alia, the rates for high-level officials as follows: “the rates for Under-Secretaries-General, Assistant Secretaries-General and officials of equivalent rank shall be those promulgated by ICSC plus 40 per cent. The travel subsistence allowance rates for those officials may be subject to reduction after 60 days in any one location. The rates for staff at the D-2 and D-1 levels shall be those promulgated by ICSC plus 15 per cent. The additional 15 per cent amount shall not apply to rates payable after 60 days in any one location” (sect. 3).⁷¹

68. Section 3 of the administrative instruction was amended by ST/AI/2003/9, of which section 3.1 states that “effective 1 January 2004, the additional amount of daily subsistence allowance previously payable to United Nations staff members at the Assistant Secretary-General level and above, and those in the Director category shall no longer be paid. However, the previous provision (in ST/AI/1998.3) holds for:

3.2. United Nations officials other than staff members who are at a rank equivalent to Assistant Secretary-General or above shall be paid daily subsistence allowance at the rate promulgated by

⁶⁷ WFP, Monthly Subsistence Living Sum for Consultancy Assignments in Field Offices, Management Services and Human Resources Divisions Joint Directive, September 2012.

⁶⁸ Ibid.

⁶⁹ Field-based offices refers to Country Offices and Regional Bureaux.

⁷⁰ Source: WFP, based on an average of 230 consultants in Rome working for an average of five (5) months.

⁷¹ Section 3.1, ST/AI/1998/3.

the International Civil Service Commission, plus 40 per cent. The rate paid to those officials is subject to reduction after 60 days in any one location. United Nations officials other than staff members who are at a rank equivalent to the Director level shall be paid daily subsistence allowance at the rate promulgated by the International Civil Service Commission, plus 15 per cent. The 15 per cent additional amount shall not apply to rates payable after 60 days in any one location.

3.3. The changes implemented by sections 3.1 and 3.2 of the present instruction shall not affect the 40 per cent additional amount paid for daily subsistence allowance to members of organs or subsidiary organs of the United Nations under the provisions of Secretary-General's bulletin ST/SGB/107/Rev.6 of 25 March 1991, entitled 'Rules governing payment of travel expenses and subsistence allowances in respect of members of organs or subsidiary organs of the United Nations.'⁷²

69. While many other international organizations have followed the approach of the United Nations Secretariat and eliminated the 15 per cent, and in some cases the 40 per cent additional DSA⁷³ and even reduced the 40 per cent additional entitlement for elected officials to 25 per cent,⁷⁴ the fact that some other officials are still entitled to the additional DSA is disconcerting.

70. The Inspectors, in the spirit of equality, consider that the implementation of the recommendation below would result in significant financial savings.

Recommendation 3

The legislative/governing bodies of United Nations system organizations should request their respective executive heads to suspend, if not already the case, the payment of additional DSA (15 or 40 per cent), to those officials travelling on organizational budgets.

⁷² See ST/AI/2003/9, Administrative Instruction amending administrative instruction ST/AI/1998/3, 7 January 2004.

⁷³ IMO, ADMIN/11/6, "Changes to travel lump sum and DSA payments" Internal Memorandum dated 26 January 2011; FAO, Administrative Circular No 2011/29, dated 30 December 2011, effective 1 January 2012; WFP, Management Services Division, Directive No. ODM2012/01, Official Travel: Daily Subsistence Allowance (DSA) Rates Applicable at WFP, 23 January 2012, effective 1 February 2012.

⁷⁴ ICAO, Staff Notice No. 5337, Amendments to Staff Rule 107.1 – Travel, 16 August 2010.

III. HARMONIZATION OF THE LUMP-SUM OPTION – HOME LEAVE TRAVEL

71. The rationale for the necessity to harmonize the use of the LS option is best stated by the ICSC Commissioners who took the decision below when they reviewed leave entitlements in 2007.

“The Commission decided that its coordinating and regulating role in the area of leave entitlements should be concentrated on ensuring a consistent common system policy with respect to those elements of leave which were essential to maintaining harmonized recruitment incentives, facilitating mobility of staff and ensuring coherent conditions of employment among organizations with similarly situated staff. The areas of concentration would include, but would not be limited to, annual, home and sick leave.”⁷⁵

72. It is evident from Table 2 that while staff in the same duty station receive similar salaries under the ICSC salary structure, they receive different LS amounts for home leave travel. While minor anomalies in the amounts payable under LS are acceptable, resulting from exchange rate differentials or market conditions, the large variance in the LS amount payable is due to the different methodologies used.

73. The implementation of the recommendation below will result in enhanced coordination/cooperation within the United Nations system organizations.

Recommendation 4

The Secretary-General, in his capacity as Chairman of the CEB, and through its latter finance and budget, as well as its human resources networks, should adopt a unified methodology for calculating the cost of implementing the statutory entitlement when the staff member concerned selects the lump-sum option for him/herself or an eligible family member.

74. One “winning” argument for the adoption of the LS option is that it is cheaper for the organization in terms of cost of the home leave entitlement, for if the staff member exercised his full entitlement, especially the shipment of excess/unaccompanied baggage, the amount will be higher than the LS amount.⁷⁶ As not all staff members use their full entitlement, the implementation of the home leave entitlement through the LS option is on average, more efficient, cost effective and with lower administrative burdens.

75. Where the organization purchases the tickets, some have further established a LS amount for travel-related expenses. The IMF and the World Bank have implemented this policy where no proof of usage is required.⁷⁷ This was also a proposal in the May 2010 DM report which recommended the conversion of the shipment entitlement granted for home leave to a cash only option and set the amount at US\$ 800 and paid only in respect of the staff member and without the necessity to demonstrate proof of having used it for a shipment.⁷⁸ However, when considering that the usage of the shipment benefit is declining, making it an automatic payment for this entitlement alone would not be

⁷⁵ A/62/30, Report of the International Civil Service Commission for the year 2007, para 57.

⁷⁶ OIOS, Management Audit of United Nations Travel, Assignment No. AM96/46, 14 May 1997, para 53.

⁷⁷ The World Bank grants US\$ 1,000 for the staff member and US\$ 500 per dependent; ADB, US\$ 1,500 and US\$ 500; and IMF, US\$ 5,000 and 2,000 (24 month option) and US\$ 2,000 and 1,000 (18 month option) respectively.

⁷⁸ DM reform measure #24, Annex 6 – specific reform proposals, DM Reform 2010 (simplification and streamlining of benefits).

cost-beneficial, and thus the necessity to extend the cash option to cover all travel-related entitlements.

76. The Inspectors also took into consideration the concerns raised by United Nations Medical Services Division (MSD) if immunizations are included in the LS option. Currently, immunizations are reimbursed for staff and recognized dependents in case of home leave/family leave.⁷⁹ Furthermore, MSD and the various worldwide United Nations medical clinics and dispensaries worldwide, which procure and administer vaccines to staff members and in some instances to their recognized dependents, would have no way of knowing whether a staff member had opted for the LS option. MSD also pointed out the risk of staff members choosing the LS option and not proceeding to get the vaccinations, which could increase the likelihood of those staff members (and their recognized dependents) contracting serious illnesses, which in turn would prove costly to the organization through increased absenteeism, medical insurance claims, potential increase in disability claims. **Therefore, the Inspectors conclude that the costs of purchasing and administering vaccines should not be included in the LS calculation methodology.**

77. The Inspectors are also aware that some organizations reimburse the cost of visa and travel documents (or perform such tasks for the staff member) even if the LS option is selected. As this can be considered as a service to staff, it is an organizational policy which can remain in place.

78. The implementation of the recommendation below would enhance efficiency.

Recommendation 5

The executive heads of United Nations system organizations should adopt a lump-sum amount to cover all travel-related expenses when a staff member and his/her eligible family members undertake home leave travel when the organization purchases the air tickets.

79. **Elimination of travel time when opting for LS:** The Inspectors do not agree with the Secretary-General's recommendation to the General Assembly that the granting of travel time be eliminated if staff choose the LS option for home leave or family visit or that travel time granted (days not chargeable to annual leave) be reduced on both the outward and return journeys by limiting it to the actual travel calendar days, based on the authorized route.⁸⁰ They are not aware of any international or United Nations system organization that follows this approach.⁸¹ The rationale for granting extra travel time for home leave/family visits is that staff members require time to travel in order to fulfil the home leave/family visit entitlement. If the desire is to eliminate the granting of travel time for home leave or family visits, then it should be eliminated for across the board and not just for the LS option. Furthermore, if organizations wish to promote the use of the LS option for home leave travel (and all statutory travel), eliminating the granting of travel time could be a disincentive to selecting the LS option. Likewise, if travel time is to be reduced to the actual travel days, based on the authorized route, it should be applied to all official travel. Finally, if the number of days given as travel time is considered to be too generous, then due consideration should be given to their review. In fact, while in Nairobi, the Inspectors were informed that the current travel time granted for home leave travel to Indonesia is three (3) days, although current flight frequencies and connections, via the Middle East, enable reaching Djakarta in less than 24 hours.

⁷⁹ Source: MSD.

⁸⁰ A/66/676, "Proposals for a more effective and efficient utilization of resources for air travel – report of the Secretary-General," paras 94 (a) and (b).

⁸¹ IMF however, reduces travel time to one day each way irrespective of destination. See IMF Staff Bulletin No 06/13, "Changes to Home Leave Policy", dated 25 July 2006.

80. The Inspectors note that the standards of proof required on completion of home leave travel are not the same across the organizations, and are in fact, inconsistent within the United Nations Secretariat and the regional commissions. They specifically refer to the practice of self-certification, whereby the staff member certifies on return that the travel was duly completed. Table 7 below indicates the organizations and entities that use this procedure. The Inspectors also found that organizations require staff to keep documentary proof of travel for five years (IAEA), three years (WHO) or two years (IFAD, UNHCR). The World Bank requires staff to keep proof of travel until the next home leave request.

Table 7. Self-certification of home leave travel:

Self-Certification for home leave travel	
Yes	No
ADB, IAEA, ICTY, IFAD, ILO, IMF, ITU, OECD, PAHO, UNDP, UNEP, UNESCO, UNFPA, UN-HABITAT, UNHCR, UNICEF, UNODC, UNON, UNOPS, WFP, WHO	ECA, ECLAC, ESCAP, ESCWA, FAO, ICAO, IMO, OSCE, UN Women, UNHQ, -UNIDO, UNOG, UNRWA, UPU, WIPO, WMO, World Bank

81. The Inspectors asked the organizations to indicate how much notice was required when requesting the LS option for home leave travel. The notice requirement varies considerably (see table 8 below), and during the interviews, the Inspectors were informed that the notice requirement was not strictly enforced. A notice requirement is crucial if the IATA Flex Fare is not being used as the basis for calculating the LS, as air fares are usually lower when booked in advance and the LS amount may be higher closer to the date of travel. In addition, requests submitted closer to the date of travel put more pressure on the administration to respond within short time frames and usually during peak periods of home leave travel.

Table 8. Minimum notice required to request lump-sum for home leave travel:

Weeks	Organizations/entities
No minimum	IAEA, UNESCO, UNIDO, UNOG, UN Women
One week	ICTY
Two weeks	ADB, ESCAP, UNHCR, UNHQ
Four weeks	ESCWA, FAO, ILO, IMO, PAHO, UNDP, UNDP, UNFPA, UNICEF, UNODC, UNOPS, WFP (30 days)
Six weeks	ECA, ICAO, OSCE, UNON
Eight weeks	ECLAC, ITU, UNRWA

82. In order to **streamline the processing of LS requests** and adhering to the individual's home leave biennium year (eligibility in odd and even years), IFAD adopts the following approach as LS is the only option for home leave travel.

“At the beginning of the year the Human Resources Department (HRD) draws up a list of all staff members who are eligible for home leave in that particular year and sends each one a message and the home leave form to fill in, providing a deadline for response. Data and particulars are

cross checked by HRD, eligibility and entitlement of each individual is double checked and data uploaded in a spread sheet for common use of Human Resources, Travel and Payroll. When done, this spread sheet is released to Travel who gets quotes, works out the 80% lump-sum, uploads the figures in the spread sheet and releases it to Payroll for payment. Time frame from start to finish: January-March.”⁸²

83. WHO is also contemplating a similar “anniversary payment” approach, whereby the LS amount would be issued as a non-salary payment every year or every two years, thereby eliminating the administration costs for the staff member, human resources, travel and finance departments. The rationale behind this proposal is that expatriate staff eligible for home leave, do travel (some more often than others) to their home countries or the place where they have family and cultural ties.⁸³

84. To ensure that **LS amounts are “reasonable”** for home leave travel, IAEA recently amended its staff travel procedures to grant a LS payment of “75% of the lowest full economy air fare by the most direct route between the staff member’s duty station and the airport (with published fares) nearest to the designated place of home leave, but not exceeding €4000 for the staff member, his/her spouse and dependent child(ren) above the age of 12, reduced for dependent child(ren) under 12.”⁸⁴ The Inspectors note that IAEA does not include this ceiling for other statutory travel if the staff member selects the LS option. The adoption of a price ceiling is to ensure fairness amongst staff and contain costs, which is noteworthy, and other organizations should consider implementing a similar provision, especially those based in Vienna.

The future of lump-sum

85. While there are convincing arguments for and against the LS option, the Inspectors support the LS concept, provided that the calculation methodology is consistent system-wide and applied equitably. They also present arguments for a robust LS policy, as stated by some organizations, which include:⁸⁵

- (a) Utilize the current statutory travel entitlements structure more purposefully and practically,
- (b) Achieve greater administrative efficiencies and cost effectiveness taking best advantage of the opportunities provided by Enterprise Resource Planning (ERP) systems for streamlining and simplifying staff entitlement administration and processing methods,
- (c) Provide staff members with the financial means and a range of options so that they may more effectively manage their lives in the context of increased mobility,
- (d) Facilitate staff movements by providing staff members with the choice as to how best to manage their travel taking into consideration personal and organizational needs.
- (e) Places a single monetary value on an organizational obligation.⁸⁶

86. The Inspectors also wish to draw attention to the fact that there are different LS calculation rates for different types of statutory travel, i.e. lower percentage for education grant travel and reductions

⁸² IFAD response to Inspectors’ questionnaire.

⁸³ WHO response to Inspectors’ questionnaire.

⁸⁴ IAEA Staff Travel Procedures, Section 9, para 105 (ii).

⁸⁵ WHO eManual, chapter III.8.7 Lump sums for travel, version 1.0, 27/09/2011.

⁸⁶ UNDP Internal Memorandum, UNDP/ADM/01/4, 19 January 2001, para 21.

for children (age-related).⁸⁷ While this is understandable, children's fares are not always available on flights and hence a lower percentage may, on occasion not be sufficient to purchase an air ticket at the existing market rate and availability.

87. While the Inspectors await the outcome of the CEB adopting “a unified methodology for calculating the cost of implementing the statutory entitlement when the staff member concerned selects the LS option,”⁸⁸ **they would like to suggest that organizations consider as one of the possible options, the granting of the LS option of 65 per cent of the IATA Flex Fare to eligible staff members. They propose this as the benchmark, since the fare is transparent, stable and not subject to market fluctuations as well as routing and other “restrictions.”** If this methodology were adopted, the LS amounts payable under the example in table 2 would be as indicated in table 9 below. As the Flex Fare is also available for one way travel, it may also be used for other statutory travel, i.e. repatriation and recruitment.

⁸⁷ Many organizations use 65 per cent of the full economy fare for education grant travel and 50 per cent of the fare when children are travelling.

⁸⁸ See Recommendation 4.

Table 9. Home leave travel with current lump-sum amount and 65 per cent of IATA Flex Fare

City pair and organizations	Sum of LS option (US\$)	Sum of LS option – 65% IATA Flex Fare (YY) (US\$)	Sum of LS option – Difference (US\$)
Geneva-Beijing			
UNOG	\$9,514.00	}	- \$7,328.80
UNHCR	\$9,514.00		- \$7,328.80
WHO	\$15,662.00	} \$16,842.8	- \$1,180.80
ILO	\$18,912.00		\$2,069.20
ITU	\$21,136.88	}	\$4,294.08
WMO	\$23,866.00		\$7,023.20
WIPO	\$45,949.76	\$26,150.8	\$19,798.96
WIPO - Economy		\$16,842.8	
New York-Sydney			
UNICEF	\$20,206.00	}	\$6,912.20
UNFPA	\$24,570.00		\$11,276.20
UN Women	\$24,570.00	} \$13,293.8	\$11,276.20
UNOPS	\$24,570.00		\$11,276.20
UNDP	\$24,570.00	}	\$11,276.20
UNHQ	\$28,088.00		\$14,794.20
Rome-Sydney			
WFP	\$10,885.00	}	\$2,501.95
FAO	\$14,755.90		\$8,383.05
Vienna-Sydney			
CTBTO	\$4,806.60	}	- \$5,155.95
UNODC	\$10,868.00		\$905.45
IAEA	\$14,057.78	} \$9,962.55 ⁸⁹	\$4,095.23
OSCE	\$14,962.00		\$4,999.45
UNIDO	\$18,750.00	}	\$8,787.45
Washington DC –Buenos Aires			
PAHO	\$9,894.00	\$13,604.5	- \$3,710.50
World Bank	\$10,599.50		- \$3,005.00
Bangkok-Sydney			
ESCAP	\$9,530.00	\$6,857.24	\$2,672.76

⁸⁹ This is based on the IATA EH (Eastern Hemisphere) route.

ANNEXES

Annex I: Availability of lump-sum option for statutory travel

Home leave	Family visit	Education grant travel	Special education grant travel	(Initial) appointment	Change of duty station	Separation from service	Rest and recuperation	Other
ADB		ADB		ADB	ADB	ADB		ADB
CTBTO								
ECA	ECA	ECA	ECA					
ECE	ECE	ECE	ECE			ECE	ECE	
ECLAC	ECLAC	ECLAC			ECLAC	ECLAC		
ESCAP	ESCAP	ESCAP				ESCAP		
ESCWA	ESCWA	ESCWA	ESCWA			ESCWA		
FAO	FAO	FAO	FAO	FAO	FAO	FAO	FAO	
IAEA	IAEA	IAEA	IAEA	IAEA	IAEA	IAEA		
ICAO	ICAO	ICAO						
ICTY	ICTY	ICTY	ICTY			ICTY		
ILO	ILO		ILO					
IMF		IMF					IMF	
IMO		IMO	IMO					
ITU								
OECD		OECD						
OSCE		OSCE				OSCE	OSCE	
PAHO								
UNDP	UNDP	UNDP	UNDP	UNDP	UNDP	UNDP		
UNFPA	UNFPA	UNFPA	UNFPA	UNFPA	UNFPA	UNFPA		
UNESCO	UNESCO	UNESCO	UNESCO	UNESCO	UNESCO	UNESCO	UNESCO	
UNHCR	UNHCR	UNHCR	UNHCR		UNHCR	UNHCR	UNHCR	UNHCR
UNHQ	UNHQ	UNHQ	UNHQ			UNHQ	UNHQ	
UNICEF	UNICEF	UNICEF	UNICEF	UNICEF	UNICEF	UNICEF		
UNIDO	UNIDO	UNIDO	UNIDO	UNIDO	UNIDO	UNIDO	UNHQ	
UNODC	UNODC	UNODC	UNODC			UNODC		
UNOG	UNOG	UNOG	UNOG				UNOG	
UNOPS	UNOPS	UNOPS	UNOPS	UNOPS	UNOPS	UNOPS	UNOPS	
UNRWA	UNRWA	UNRWA	UNRWA				UNRWA	
UN Women	UN Women	UN Women	UN Women	UN Women	UN Women	UN Women		
UPU	UPU	UPU				UPU		
WFP	WFP	WFP	WFP	WFP	WFP	WFP	WFP	
WHO	WHO	WHO	WHO	WHO	WHO	WHO	WHO	
WIPO								
WMO	WMO	WMO	WMO					
WB		WB		WB	WB	WB	WB	WB

*Other- ADB, WB: Emergency Travel; UNHCR: Special Operations Approach; WB: Pre-Assignment Visit

Annex II: Percentage of staff members opting for lump-sum for home leave travel

LS in lieu of Air Tickets							
Organization	Category	2010			2011		
		amount (USD)	# of payments	% of LS	amount (USD)	# of payments	% of LS
ADB	Home leave/Family Visit	\$6,642,270.00	0	NA	\$7,380,880.00	0	NA
ECA	Home leave/Family Visit	\$389,001.58	223	88.49%	\$686,151.53	373	84.77%
ECLAC	Home leave/Family Visit	\$403,993.69	41	78.85%	\$310,290.28	49	79.03%
ESCAP	Home leave/Family Visit	\$628,146.31	111	92.50%	\$803,659.10	124	88.57%
ESCWA	Home leave/Family Visit	\$187,422.00	31	79.49%	\$83,596.00	20	83.33%
FAO	Home leave/Family Visit	\$2,640,060.21	527	NA	NA	NA	NA
IAEA	Home leave/Family Visit	\$3,291,506.32	1110	100.00%	\$3,326,617.42	1057	99.06%
ICAO	Home leave/Family Visit	\$923,191.60	131	99%	\$784,900.72	109	99%
ICTY	Home leave/Family Visit	\$465,064.00	101	73.72%	\$548,973.00	141	98.60%
IFAD	Home leave/Family Visit	\$193,553.01	19	NA	\$112,313.45	20	NA
ILO	Home leave/Family Visit	\$2,120,337.00	240	98.36%	\$2,186,624.00	227	NA
IMO	Home leave/Family Visit	£317,786.23	71	95.95%	£234,854.68	54	94.74%
ITU	Home leave/Family Visit	\$1,299,893.00	NA	NA	\$1,141,821.00	NA	NA
OECD	Home leave/Family Visit	NA	NA	NA	NA	NA	NA
OSCE	Home leave/Family Visit	\$158,487.00	65	92.86%	\$158,913.00	90	89.11%
UNESCO	Home leave/Family Visit	\$1,878,000.00	350	91.38%	\$1,913,000.00	338	90.13%
UNFPA	Home leave/Family Visit	\$1,484,461.00	137	NA	\$1,160,661.00	132	NA
UNHCR	Home leave/Family Visit	\$3,266,285.00	262	83.97%	\$3,127,864.00	270	83.33%
UNICEF	Home leave/Family Visit	\$943,468.00	148	95.48%	\$975,185.00	159	96.95%
UNIDO	Home leave/Family Visit	NA	NA	NA	NA	NA	NA
UNODC	Home leave/Family Visit	\$80,698.00	62	27.31%	\$99,014.00	81	30.92%
UNOG	Home leave/Family Visit	\$3,131,516.00	590	96.56%	\$3,497,487.00	611	96.68%
UNON	Home leave/Family Visit	NA	NA	NA	NA	NA	NA
UNRWA	Home leave/Family Visit	\$280,847.00	68	NA	\$375,099.00	67	NA
UN Women	Home leave/Family Visit	NA	NA	NA	NA	NA	NA
UPU	Home leave/Family Visit	NA	NA	NA	NA	NA	NA
WFP	Home leave/Family Visit	\$5,975,162.30	747	94.08%	\$6,151,629.82	765	92.17%
WHO	Home leave/Family Visit	\$7,386,755.00	730	93.83%	\$8,785.91	814	80.43%
WIPO	Home leave/Family Visit	\$3,133.00	171	NA	\$2,532.00	134	NA
WB	Home leave/Family Visit	\$6,812,662.00	1073	97.10%	\$7,164,680.00	1111	96.78%
CTBTO	Home leave/Family Visit	\$284,902.31	131	NA	\$354,745.15	177	NA

Annex III: Shipment of personal effects and household goods - entitlement

Organization	Category	Single SM	SM with family (SM+spouse+dep.child)	Spouse (as first family member)	Dependent child	JPO	JPO with family (JPO+spouse+dep.child)
ADB	Entitlement	Reimbursement: 31 cbm by sea + 100 kg by air + 90 days warehouse in Manila	Reimbursement: 50 cbm by sea + 220 kg by air + 90 days warehouse in Manila	no LS for this category	no LS for this category	same as SM	same as SM
ECA	Entitlement	1,000.00kg or 6.23cbm	1,800.00kg or 11.21cbm	500.00kg or 3.11cbm	300.00kg or 1.87cbm	n/a	n/a
ECE	Entitlement	1,000.00kg or 6.23cbm	1,800.00kg or 11.21cbm	500.00kg or 3.11cbm	300.00kg or 1.87cbm	600.00kg	no response for Entlt
ECLAC	Entitlement	1,000.00kg or 6.23cbm	1,800.00kg or 11.21cbm	500.00kg or 3.11cbm	300.00kg or 1.87cbm	600.00kg	1,080.00kg
ESCAP	Entitlement	1,000.00kg or 6.23cbm	1,800.00kg or 11.21cbm	500.00kg or 3.11cbm	300.00kg or 1.87cbm	600.00kg	1,080.00kg
ESCWA	Entitlement	1,000.00kg	1,800.00kg	500.00kg	300.00kg	1,000.00kg	1,500.00kg
FAO	Entitlement	4,500.00kg	7,250.00kg / 1,000.00kg PE*	500.00kg	300.00kg	600.00kg**	1,000.00kg
IAEA	Entitlement	225.00kg air and 4,890.00 kg surface	450.00kg air and 8,150.00kg surface	150.00kg	75.00.00kg	on recruitment of JPO/Staff Member for a period of not less than 1 year but less than 2 years: 500.00kg air or 1,000.00kg surface	on recruitment of Staff Member for a period of not less than 1 year but less than 2 years: 900.00kg air or 1,800.00kg surface
ICAO	Entitlement	-	-	-	-	-	-
ICTY	Entitlement	1,000.00kg	1,800.00kg	500.00kg	300.00kg	1,000.00kg	-
ILO	Entitlement	1,000.00kg	1,800.00kg	500.00kg	300.00kg	-	-
IMF	Entitlement	20ft container + \$2,000 excess luggage	40ft container+ \$2,000 excess luggage	-	-	-	-
IMO	Entitlement	-	-	-	-	-	-
ITU	Entitlement	-	-	-	-	-	-
OECD	Entitlement	40.00cbm	45.00cbm	-	5.00cbm	-	-
OSCE	Entitlement	30.00cbm	40.00cbm	-	-	n/a	n/a
PAHO	Entitlement	1,000.00kg	1,800.00kg	500.00kg	300.00kg	600.00kg	-
UN Habitat	Entitlement	1,000.00kg	1,800.00kg	500.00kg	300.00kg	1,000.00kg	1,000.00kg
UN Women	Entitlement	1,000.00kg	2,000.00kg	500.00kg	500.00kg	Travel	-
UNCTAD	Entitlement	1,000.00kg or 6.23cbm	1,800.00kg or 11.21cbm	500.00kg or 3.11cbm	300.00kg or 1.87cbm	600.00kg	-
UNDP	Entitlement	1,000.00kg	2,000.00kg	500.00kg	500.00kg	Travel	-
UNEP	Entitlement	1,000.00kg	1,800.00kg	500.00kg	300.00kg	1,000.00kg	1,000.00kg
UNESCO	Entitlement	1,000.00kg or 8.00cbm	1,800.00kg or 14.4cbm	500.00kg or 4.00cbm	300kg or 2.4cbm	-	-
UNFPA	Entitlement	1,000.00kg	2,000.00kg	500.00kg	500.00kg	Travel	-
UNHCR	Entitlement	1,000.00kg or 6.23cbm	1,800.00kg or 11.21cbm	500.00kg or 3.11cbm	300.00kg or 1.87cbm	600kg or 4.05cbm	1,000.00kg or 6.53cbm
UNHQ	Entitlement	1,000.00kg or 6.23cbm	1,800.00kg or 11.21cbm	500.00kg or 3.11cbm	300.00kg or 1.87cbm	600.00kg	1,080.00kg
UNICEF	Entitlement	1,000.00kg	1,800.00kg	500.00kg	500.00kg	600.00kg	-
UNIDO	Entitlement	1,000.00kg or 6.23cbm	1,800.00kg or 11.21cbm	500.00kg or 3.11cbm	300.00kg or 1.87cbm	-	-
UNODC	Entitlement	4,890.00kg or 30.58cbm	8,150.00kg or 50.97cbm	-	-	1,000.00kg or 6.23cbm	-
UNOG	Entitlement	1,000.00kg or 6.23cbm	1,800.00kg or 11.21cbm	500.00kg or 3.11cbm	300.00kg or 1.87cbm	600.00kg	-
UNON	Entitlement	1,000.00kg	1,800.00kg	500.00kg	300.00kg	1,000.00kg	1,000.00kg
UNOPS	Entitlement	1,000.00kg or 6.23 cbm	1,800.00kg	500.00kg or 3.11 cbm	300.00kg or 1.87 cbm	Travel	-
UNRWA	Entitlement	1,000.00kg or 6.23cbm	1,800.00kg or 11.21cbm	500.00kg or 3.11cbm	300.00kg or 1.87cbm	-	-
UPU	Entitlement	4,890.00kg or 30.5cbm	8,150.00kg or 51cbm	See column 4: SM with family	See column 4: SM with family	1000kg or 6.5cbm (if contract is less than 2 years)	1000kg+500kg+300kg ((if contract is less than 2 years)
WB	Entitlement	40 ft container +\$12,000 travel grant + \$1,800 excess bagg.grant	40 ft container +\$15,000 travel grant + \$1,800 excess bagg.grant	-	-	40 ft container +\$12,000 travel grant + \$1,800 excess bagg.grant	40 ft container +\$15,000 travel grant + \$1,800 excess bagg.grant
WFP	Entitlement	1,000.00kg	1,800.00kg	500.00kg	300.00kg	LS only	LS only
WHO	Entitlement	1,000.00kg	1,800.00kg	500.00kg	300.00kg	n/a	n/a
WIPO	Entitlement	4,890.00kg	8,150.00kg	no response for Entlt	no response for Entlt	1,000.00kg	1,800.00kg
WMO	Entitlement	4,890.00kg	8,150.00kg	500.00kg	300.00kg	1,000.00kg	1,800.00kg

Annex IV: Shipment of personal effects and household goods – lump-sum option

Organization	Category	Single SM	SM with family (SM+spouse+dep.child)	Spouse (as first family member)	Dependent child	JPO	JPO with family (JPO+ spouse + dep. child)
ADB	LS	60% of reimbursement on appointment and relocation; 70% - on resettlement	60% of reimbursement on appointment and relocation; 70% - on resettlement	no LS for this category	no LS for this category	same as SM	same as SM
ECLAC	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$6,000.00	\$9,000.00
ESCAP	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$6,000.00	\$9,000.00
ESCWA	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$10,000.00	\$15,000.00
FAO	LS	No LS	No LS	No LS	No LS	No LS	No LS
IAEA	LS	No LS	No LS	No LS	No LS	No LS	No LS
ICAO	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$6,000.00	\$9,000.00
ICTY	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$10,000.00	-
ILO	LS	No LS	No LS	No LS	No LS	No LS	No LS
IMF	LS	\$8,000.00 + \$2,000.00 excess luggage	\$14,000.00 + \$2,000.00 excess luggage	-	-	-	-
IMO	LS	No LS	No LS	No LS	No LS	No LS	No LS
ITU	LS	No LS	No LS	No LS	No LS	No LS	No LS
OECD	LS	cost ceiling based on 40.00cbm	cost ceiling based on 45.00cbm	-	-	-	-
OSCE	LS	No LS option since Sep.2011	No LS option since Sep.2011	No LS option since Sep.2011	No LS option since Sep.2011	No LS option since Sep.2011	No LS option since Sep.2011
PAHO	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	n/a	n/a
UN Habitat	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$6,000.00	\$9,000.00
UN Women	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$6,000.00	\$8,000.00
UNDP	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$6,000.00	\$8,000.00
UNEP	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$6,000.00	\$9,000.00
UNESCO	LS	No LS	No LS	No LS	No LS	No LS	No LS
UNFPA	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$6,000.00	\$8,000.00
UNHCR	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	n/a	n/a
UNHQ	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$6,000.00	\$9,000.00
UNICEF	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$1,200.00	-
UNIDO	LS	No LS	No LS	No LS	No LS	No LS	No LS
UNODC	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$10,000.00	-
UNOG	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$6,000.00	\$9,000.00
UNON	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$6,000.00	\$9,000.00
UNOPS	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$6,000.00	\$9,000.00
UNRWA	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	\$6,000.00	\$9,000.00
UPU	LS	75% of the average transportation cost estimates from two shipment companies; maximum UPU's liability limited	75% of the average transportation cost estimates from two shipment companies; maximum UPU's liability limited	no LS for this category	no LS for this category	n/a	n/a
WB	LS	\$8,000.00 for intra-continental moves; \$10,000 for inter-continental moves	\$12,000.00 for intra-continental moves; \$14,000 for inter-continental moves	no LS for this category	no LS for this category	\$8,000.00 for intra-continental moves; \$10,000 for inter-continental moves	\$12,000.00 for intra-continental moves; \$14,000 for inter-continental moves
WFP	LS	\$6,000.00, \$7,000.00, \$8,000.00 or \$9,000.00*	\$9,000.00, \$10,500.00, \$12,000.00 or \$13,500.00	no LS for this category	no LS for this category	\$4,500.00, \$5,500.00, \$7,500.00 or \$8,000.00	\$6,000.00, \$7,000.00, \$8,000.00 or \$9,000.00
WHO	LS	\$10,000.00	\$15,000.00	no LS for this category	no LS for this category	n/a	n/a
WIPO	LS	No LS	No LS	No LS	No LS	No LS	No LS
WMO	LS	CHF 10,000.00	CHF 15,000.00	CHF 1,000.00	CHF 700.00	CHF 2,000.00	CHF 3,700.00

Annex V: Overview of actions to be taken by participating organizations on the recommendations of the Joint Inspection Unit
J I U / R E P / 2 0 1 2 / 9

		Intended impact	United Nations, its funds and programmes													Specialized agencies and IAEA														
			CEB	United Nations*	UNCTAD	UNDP	UNEP	UNFPA	UN-Habitat	UNHCR	UNICEF	UNODC	UNOPS	UNRWA	UN Women	WFP	FAO	IAEA	ICAO	ILO	IMO	ITU	UNAIDS	UNESCO	UNIDO	WMO	UPU	UNWTO	WHO	WIPO
Report	For action	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	For information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Recommendation 1</i>		a		L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L	L
<i>Recommendation 2</i>		d,f		E	E	E	E	E	E	E	E	E	E	E	E			E	E	E	E	E		E	E	E	E	E	E	E
<i>Recommendation 3</i>		f		L	L	L	L	L	L	L	L		L	L			L	L	L		L		L	L	L	L	L	L	L	L
<i>Recommendation 4</i>		c	E																											
<i>Recommendation 5</i>		G		E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E

Legend: L: Recommendation for decision by legislative organ E: Recommendation for action by executive head
 : Recommendation does not require action by this organization **Intended impact:** a: enhanced accountability b: dissemination of best practices
c: enhanced coordination and cooperation d: enhanced controls and compliance e: enhanced effectiveness f: significant financial savings g: enhanced efficiency
o: other.

* Covers all entities listed in ST/SGB/2002/11 other than UNCTAD, UNODC, UNEP, UN-Habitat, UNHCR, UNRWA.