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| **Council Working Group onFinancial and Human ResourcesTenth meeting - Geneva, 18 September 2019** |  |
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|  | **Document CWG-FHR 10/16** |
| **24 September 2019** |
| **English only** |

**Chairman of the Council Working Group on Financial
and Human Resources**

**Summary report of the Tenth meeting**

The Council Working Group on Financial and Human Resources is chaired by Mr. Dietmar Plesse (Germany) assisted by six Vice-Chairs as follows:

* Ms Seynabou Seck Cisse (Senegal)
* Ms Vernita D. Harris (United States)
* Mr Mohamed S. Ali Al Muathen (United Arab Emirates)
* Ms Archana Goyal Gulati (India)
* Mr Andreiy S. Zhivov (Russian Federation)
* Mr Vilem Vesely (Czech Republic)

**1 Opening remarks and approval of the revised Agenda (Document [CWG-FHR 10/1 (Rev. 2))](https://www.itu.int/md/S19-CWGFHR10-C-0001/en)**

 **Opening remarks by the Chairman**

1.1 The Chairman welcomed the delegates and acknowledged the presence of the Deputy Secretary-General, Mr. Malcolm Johnson and the Director of the Telecommunication Development Bureau, Ms. Doreen Bogdan-Martin.

 **Welcome remarks by the Deputy Secretary-General**

1.2 The Deputy Secretary-General welcomed the delegates and acknowledged the able leadership of the Chairman and expressed his confidence in a successful completion of the work of the tenth meeting of CWG-FHR.

1.3 The revised Agenda (CWG-FHR 10/1 (Rev. 2)) was approved with the indication that the Statement by the Staff Council would not be made during the meeting of the CWG-FHR.

**2 Statement by the Staff Council**

2.1 The Chairman informed the meeting that the Statement by the staff Council would be made by its Chairman, Mr. Maximilian Jacobson-Gonzalez during the special meeting of the Council to be held on 27 September 2019.

**3 Fellowships**

3.1 Six documents were considered within the context of fellowships. The Chairman indicated that the issue of fellowship policies and related matters would be concluded during the February 2020 meeting of CWG-FHR.

 **Report on the practices of United Nations and UN specialized agencies and intergovernmental organizations fellowship policies (Document** [**CWG-FHR 10/14**](https://www.itu.int/md/S19-CWGFHR10-C-0014/en)**)**

3.2 This document was presented by the secretariat. It highlights the major achievements of the United Nations system organizations in terms of common approaches, simplification and harmonization of policies, procedures, entitlements, and terminology, including a definition of fellowships, their objectives and purposes. It indicates the consensus reached within these organizations on the following broad selection criteria for fellowships, which are expected to ensure transparency: academic meritocracy; professional aptitude; linguistic proficiency; leadership potential; long-term commitment of the fellows to the needs of their countries national capacity development needs; gender balance; and fair geographical distribution.

 **Improving, promoting, and strengthening ITU fellowships (Document** [**CWG-FHR 10/2**](https://www.itu.int/md/S19-CWGFHR10-C-0002/en)**)**

3.3 The secretariat introduced this document and informed the delegates that it had already been presented to Council during its 2019 regular session. The document provides an overview on fellowships, their objective, eligibility, selection criteria, and their importance as a potentially effective tool for enhancing capacity building in the light of rapid technological innovation and increased convergence of services. It also provides an annex with a list of Member States eligible for fellowships classified by the United Nations as developing countries. These include the least developed countries, Small Island developing States, landlocked developing countries and countries with economies in transition. One delegate indicated that the list of eligible countries (from UN) might be further looked at as some small islands not currently included in the list might also be considered as qualifying countries. The Chair noted that two options could be considered, either to rely on the lists established by other entities, e.g. UN or to develop a specific list for the ITU.

 **Measures to improve, promote and strengthen ITU fellowships (Resolution 213 (Dubai, 2018)) (Document** [**CWG-FHR 10/3)**](https://www.itu.int/md/S19-CWGFHR10-C-0003/en)

3.4 This document is a reproduction of Resolution 213 and was included on the agenda for information purposes and was therefore not presented.

 **Service Order No. 07/05 on Policy for awarding fellowships for activities funded through the ITU regular budget (Document** [**CWG-FHR 10/4**](https://www.itu.int/md/S19-CWGFHR10-C-0004/en)**)**

3.5 This Service Order, which has been in force since March 2007, was reproduced for information purposes and was therefore not presented.

 **Contribution by Ghana - Proposed amendments to measures to improve, promote and strengthen ITU fellowships (Document** [**CWG-FHR 10/12**](https://www.itu.int/md/S19-CWGFHR10-C-0012/en)**)**

3.6 The objective of Ghana is to improve accountability and transparency in the eligibility, application and award procedures as well as clear definition and application of the criteria for granting fellowships. The importance of efficient planning, control and reporting was also emphasized.

 **Contribution by El Salvador - Proposal for eligibility criteria, award and selection of fellowships for activities financed from the regular budget of the International Telecommunication Union (ITU) (Document** [**CWG-FHR 10/13**](https://www.itu.int/md/S19-CWGFHR10-C-0013/en)**)**

3.7 This document mainly focuses on the criteria for eligibility, selection and award of fellowships also found in Document CWG-FHR 10/2 from the secretariat. It proposes a few additional provisions, for example, that members wishing to apply for an ITU fellowship must not have any type of debt related to the contributions derived from their contributory unit.

 **Conclusion**

3.8 A consolidated document reflecting the contributions and remarks made during this meeting will be prepared and presented for review at the next meeting of the CWG-FHR to be held in February 2020. Thereafter, a consensual proposal will be submitted to the 2020 session of the Council.

**4 Human Resources Strategic Plan**

4.1 Three documents were considered within the context of the Human Resources Strategic Plan.

 **Human Resources Strategic Plan for 2020-2023: Draft revision to Resolution 1299 (Document** [**CWG-FHR 10/5**](https://www.itu.int/md/S19-CWGFHR10-C-0005/en)**)**

4.2 This document presents some limited revisions to Resolution 1299 for subsequent transmittal to the 2020 session of the Council.

 **Contribution by the United States of America - Establishment of an ITU Strategic Plan for Human Resources (Document** [**CWG-FHR 10/10**](https://www.itu.int/md/S19-CWGFHR10-C-0010/en)**)**

4.3 A delegate from the United States of America introduced this document that aims at reflecting the changes made to Resolution 48 at PP-2018 into Resolution 1299.

 **Consolidated proposed amendments to Council Resolution 1299**

 **(Document** [**CWG-FHR 10/DL/1**](https://www.itu.int/md/S19-CWGFHR10-190918-DL-0001/en)**)**

4.4 The Chairman introduced Document CWG-FHR 10/DL/1 that reflects the proposals made by all proponents relevant to Resolution 1299. It was stressed that most of the proposals were if not similar, consubstantial.

 **Conclusion**

4.5 In the light of the manifold interventions and comments, it was decided that the main proponents meet during the day and prepare a consensual draft revision of Resolution 1299. The meeting then endorsed this consensual draft revision.

**5 Financial issues: Presentation of various funds in ITU**

 **Presentation of Various Funds in ITU** [**(Document CWG-FHR 10/6**)](https://www.itu.int/md/S19-CWGFHR10-C-0006/en)

5.1 The secretariat presented the seven (7) main operating funds related to the regular budget of the Union which have been established to meet the needs of the Council and the plenipotentiary conference. These funds are part of the net asset of the Union, considered on a cash basis and can be covered by the cash and cash equivalent and deposits as reported in the Union’s financial statements. The balance of each fund as of 31 December 2018 are as follows:

* Reserve Account CHF 27,241,000
* Capital Budget fund CHF 9,821,000
* New Building Reserve CHF 5,095,000
* ASHI fund CHF 11,500,000
* Health Insurance fund CHF 22,349,000
* Welfare fund CHF 393,000
* Exhibition working capital fund CHF 7,950,000

 Total CHF 84,349,000

5.2 In addition, the Chair explained the provision for debtors introduced with IPSAS in 2010. This reserve for debtors’ account is not cash based and amounted to CHF 42.2 million end of 2018. Over the past decades, ITU compensated this loss in revenue through savings.

5.3 A delegate suggested that an additional paragraph be added to the document which will enumerate the other various existing funds. The Chair informed the Group that the purpose of the document is to give an overview on processes and concentrate on the funds referred to in the Financial Regulations and Financial Rules including their balance as of the last year-end. The main objective is to raise awareness on these funds in relation to discussions pertaining to the budget.

 **Conclusion**

5.4 The participants considered with interest this document and expressed their appreciation to the secretariat for providing them with this substantial information. This issue of high importance was extensively discussed. The meeting took note of Document CWG-FHR 10/6.

**6 Intersectoral coordination and risk management**

6.1 Two presentations were made by the secretariat and one contribution was considered within the framework of the Intersectoral coordination and risk management.

 **Strengthening Intersectoral Coordination (Document** [**CWG-FHR 10/7**](https://www.itu.int/md/S19-CWGFHR10-C-0007/en)**)**

6.2 The secretariat introduced the presentation on “Strengthening Inter-Sectoral Coordination”, highlighting the continued efforts within the secretariat in this area. The context and guiding principles provided by Resolution 191 (Rev. Dubai, 2018), as well as the relevant parts of the ITU Strategic and Operational Plans were reminded to the delegates, while further improvements to the existing model for inter-sectoral coordination were presented. Delegates thanked the secretariat for the contribution, supported the continued efforts in this area and urged the secretariat to report back to membership on the results achieved in this area.

**Strengthening ITU Risk Management (Document** [**CWG-FHR 10/8**](https://www.itu.int/md/S19-CWGFHR10-C-0008/en)**)**

6.3 The secretariat introduced the presentation on the efforts being undertaken to enhance the risk management arrangements in ITU. Delegates were reminded of the current Risk Management Policy and Risk Appetite Statement, as well as the way that risk management is integrated in the strategic and operational planning processes. As a follow-up to the discussions that took place during the 2019 Session of Council, and Rec.2/2019 of IMAC on the preparation of a risk register identifying clear risk owners across Sectors, regions and the General Secretariat, the secretariat presented to CWG-FHR an overall plan to improve risk management in ITU, following the developments at the UN level –and the related Reference Maturity Model for Risk Management. Several delegations appreciated the ongoing work by the secretariat, however they requested that the process be accelerated; that the secretariat consider calling for external expertise; closely engage with IMAC in the process; and ensure that ITU Member States are kept informed and risk information is being communicated. The secretariat confirmed its commitment to accelerate the process and agreed to follow the proposals presented in the Member States’ contribution.

 **Contribution by Canada, Czech Republic, Denmark, France, Germany, The Netherlands, Poland, Romania, Sweden, Switzerland, and United Kingdom - Accelerating the implementation of risk management arrangements and ensuring ongoing accountability for risks  (Document** [**CWG-FHR 10/9**](https://www.itu.int/md/S19-CWGFHR10-C-0009/en)**)**

6.4 Document CWG-FHR 10/9 was introduced by Switzerland. While acknowledging the efforts deployed by ITU in implementing risk management, the proponents stressed the importance of risk management and requested ITU to accelerate the introduction of risk in ITU. The proponents invited the Secretary-General to:

* Present to the CWG-FHR meeting in February 2020 a detailed action plan (including project milestones and deliverable dates for these) for the implementation of a systematic, enterprise-wide, and integrated operational risk policies, processes, and accountabilities;
* Strongly consider calling for external expertise (consultancy) in order to be assisted in the implementation of best practices in an integrated manner across the organization;
* Associate IMAC as closely as possible with this process drawing on its expert advisory capacity; and
* Ensure that while these policies, processes and accountabilities are being implemented, Membership is kept informed on how current risks are being managed, including who is accountable for specific risks.

 **Conclusion**

6.5 The delegations expressed their appreciation to the secretariat for the two presentations on intersectoral management and risk management. Furthermore, they recognized that steps had been taken to limit duplication and improve coordination among sectors. Nonetheless, delegates also stressed the limits to these improvements and coordination to avoid duplications. Delegates also welcomed the contribution contained in Document CWG-FHR 10/9 and a majority supported the recommendations included in this report. The Chairman indicated that this item would be on the agenda of the next meeting of the CWG-FHR in February 2020 and in that respect, a progress report would be submitted.

**7 Fraud case at a regional office**

7.1 Two documents were considered within the framework of the fraud case at a regional office.

 **Follow-up on remedial actions taken in response to the fraud case at a regional office (Document** [**CWG-FHR 10/15**](https://www.itu.int/md/S19-CWGFHR10-C-0015/en)**)**

7.2 This document was presented by the Director of the Telecommunication Development Bureau. Many actions have been implemented of which new procurement procedures, strengthening of the oversight at the project levels, strengthening of the asset management procedures to include Project Assets, implementation of common IT systems, mobility policy, full review of the ITU accountability framework to be reported to Council 2020, review of the recruitment of experts procedure, etc.

Questions were also raised concerning the SSA contracts and BDT roster, which were addressed by the Chief of HRMD:

* The existing BDT roster of experts:  it was indicated that a cleaning exercise is being launched for modernizing that roster.  The assistance of the UN Reference Checking recently created at the United Nations Campus in Bonn could be used for completing that exercise.
* The publication of the information related to experts’ contracts having been granted:  the reinstatement of that past practice has been under evaluation in cooperation with the Legal Affairs Unit regarding legal consideration in relation with General Data Protection Regulations.  It would then require that a specific provision be introduced into ITU experts’ contract for informing signatories that part of the information related to the contract could be disclosed;
* The existence of a framework allowing loans and secondments from administrations of Member States to the ITU:  the existing framework, which had been established in 2015, presented to the Council and communicated to all Member States in a Circular letter will be republished  as an information document for the next meeting of the CWG-FHR.

 **Contribution by the United States of America - Proposal for a sub-working group in response to Council Decision 613 (Document** [**CWG-FHR 10/11**](https://www.itu.int/md/S19-CWGFHR10-C-0011/en)**)**

7.3 A delegate from the United States of America introduced Document CWG-FHR 10/11 containing a proposal for the CWG-FHR to establish a sub-working group to recommend actions for ITU Council that would strengthen the independence of ITU’s oversight and audit functions, ethics framework, and investigation procedures in view of the UN system-wide best practice and UN Joint Inspection Unit recommendations, as appropriate.

 **Conclusion**

7.4 The meeting expressed strong support to the contribution by the secretariat and commended the measures implemented to strengthen internal controls and improve management in ITU. Concerning the proposal by the United States of America to create a sub-working group, several delegates had concerns either with the creation of the sub-working group or with the terms of reference of such a sub-group. It was instead agreed that this topic of fraud and related matters be a permanent agenda item of the CWG-FHR.

**8 Other business**

8.1 Three oral presentations were made under other business.

 **Update on the process to select an external company specialized in financial crime investigations following the case of fraud at a Regional Office**

8.2 A call for interest was issued and the secretariat will analyse the bids and proceed with the selection of the external company.

 **Update on the process to select the new External Auditor**

8.3 An oral presentation was made by the secretariat. The process is underway. Two regions still need to nominate their member of the Appraisal Committee for the selection of the new External Auditor.

 **The code of conduct to prevent Harassment at UN system event will be applicable to ITU meetings**

8.4 The zero-tolerance stance for sexual harassment in force in the UN system has been embraced by ITU. A task force was created to monitor its implementation in ITU.

**9 Next meeting**

9.1 The next meeting of the Council Working Group of Financial and Human Resources will be held on 3 and 4 February 2020.

**10 Report to Council**

10.1 The Chairman informed delegates that the report of this meeting will be published on the website and delegates will be given at least two (2) weeks to review and provide comments and suggestions.

**11 Conclusions**

11.1 The delegates expressed their gratitude to the Chairman for his efforts and to all the participants for having successfully completed the work of CWG-FHR as scheduled.

11.2 The Chairman thanked the delegates for their very good spirit as well as the secretariat for its support.

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