



United Nations

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**OFFICE OF INTERNAL OVERSIGHT SERVICES
INVESTIGATIONS DIVISION**

*This Report is protected by paragraph 18 of
ST/SGB/273 of 7 September 1994*

**ALLEGATIONS OF UNAUTHORIZED OUTSIDE ACTIVITY AND
REMUNERATION**

REDACTED REPORT

ID Case No. 0071-06

13 AUGUST 2007

STRICTLY CONFIDENTIAL

This Investigation Report of the Investigations Division of the United Nations Office of Internal Oversight Services is provided upon your request pursuant to paragraph 1(c) of General Assembly resolution A/RES/59/272. The report has been redacted in part pursuant to paragraph 2 of this resolution to protect confidentiality and sensitive information. OIOS's transmission of this Report does not constitute its publication. OIOS does not bear any responsibility for any further dissemination of the Report.



TO: [REDACTED]

A: [REDACTED]

THROUGH:
S/C DE: [REDACTED]

FROM: [REDACTED]

DE: [REDACTED]

SUBJECT: Allegations of unauthorized outside activity and remuneration

OBJET: [REDACTED]

1. The Investigations Division of the Office of Internal Oversight Services (OIOS) investigated a complaint that [REDACTED] an [REDACTED] in the [REDACTED] [REDACTED] is engaged in an unauthorized outside business, creating a conflict of interest. In particular, the investigation focused on the allegations that [REDACTED]

a) since [REDACTED] operates a private profit-generating [REDACTED] business at [REDACTED] and

b) is involved in the [REDACTED] procurement of [REDACTED] products from companies [REDACTED] has private dealings with [REDACTED]

2. A similar complaint surfaced before the [REDACTED] in an appeal against [REDACTED] selection for the [REDACTED] post [REDACTED] has encumbered, since [REDACTED]. The [REDACTED] made no ruling on [REDACTED] outside activities, but noted that it "merit[s] closer attention by [REDACTED]"

Background

3. The [REDACTED] is autonomous from the [REDACTED], but under its Charter, its personnel, including [REDACTED] staff, is covered by the provisions of the United Nations Regulations and Rules, "subject to such arrangements for special rules as may be agreed upon by the [REDACTED] and the [REDACTED]". Under a [REDACTED] agreement, the [REDACTED] provided the [REDACTED] with authority to implement United Nations Staff Regulations and Rules, except those

1 [REDACTED]

2 [REDACTED]

3 [REDACTED]

reserved to the [redacted] According to this agreement, rules pertaining to outside activity and conflict of interest fall within the [redacted] (or his delegate's) authority.

Outside Activity

[redacted] notified of outside activities

4. On [redacted] [redacted] sought advice from [redacted] the [redacted] about [redacted] outside activities, followed by an update on [redacted] [redacted] Significantly, [redacted] sent both [redacted] on the request of [redacted] [redacted] These [redacted] coincided with complaints raised against [redacted] credentials as newly appointed [redacted]

5. In these [redacted] summarized [redacted] various outside activities involving [redacted] a) operating [redacted] outside office hours where [redacted] [redacted] news and articles and receives an income from [redacted] b) [redacted] of one published book and several [redacted] articles; c) [redacted] at conferences; d) [redacted] member of a [redacted] and e) [redacted] [redacted] advised that none of these outside activities conflicted with [redacted] official functions as an [redacted] and stated that all took place outside working hours. [redacted] added that [redacted] derived revenue from these activities, in particular declaring [redacted] net profit for [redacted] as [redacted]—i.e. adding about [redacted] to [redacted].

[redacted] authorization

6. [redacted] stated to the OIOS that [redacted] reviewed [redacted], but found no discrepancy with applicable regulations and rules. However, [redacted] recommended "in the interest of ensuring full compliance, and in case anyone formal[ly] complaint[s]": a) [redacted] formally write to request the [redacted] approval, and b) continue to do so on [redacted] basis. According to [redacted] [redacted] then authorized [redacted] outside activities. The OIOS found no evidence that [redacted] in line with [redacted] recommendation, made such formal request, or that [redacted] received written authorization from [redacted] for [redacted] outside activities.

7. Later, when [redacted] received [redacted] update, [redacted] sought advice from the [redacted] regarding any limitations on the income from outside activities. [redacted] advised that unofficial guidelines determine that such earnings must not exceed [redacted] or [redacted] of the staff's [redacted].

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seek approval prior to engaging in profit-generating outside activities, thereby violating Staff Regulation 1.2(o) and 1.2(l); second, [redacted] procurement involvement with at least [redacted] company [redacted] receives revenue from for [redacted] constitutes a potential conflict of interest in breach of Staff Regulation 1.2(m); and third, [redacted] initially denied that [redacted] accessed [redacted] website during office hours, only after being confronted did [redacted] explain [redacted] reasons for doing so.

15. The OIOS also finds that the [redacted] management exercised poor judgment in using [redacted] for [redacted] which action could be perceived as allowing [redacted] to use the property of the Organization for personal gain, in addition to supporting a conflict of interest situation. Further, by failing to formally respond to [redacted] [redacted] advising [redacted] of the correct procedure to seek approval for [redacted] various outside activities, the [redacted] [redacted] created a situation which left the [redacted] vulnerable for potential reputational harm.

16. The OIOS concludes that the [redacted] [redacted], in consultation with the [redacted], may wish to reconsider [redacted] various outside activities and revenue derived there from.

Recommendation

17. Recommendation 1: It is recommended that the [redacted] take appropriate action against [redacted]

18. Your response, by [redacted] on any action taken would be greatly appreciated. Should you have any questions or comments, please contact [redacted]

19. Thank you and best regards,

cc:

[redacted]