



**United Nations**

**Review of the implementation of the  
principle of mutual recognition within the  
United Nations system**

**Report of the Joint Inspection Unit**

**Prepared by Gaemelwe Goitseman and Toshiya Hoshino**



# **Review of the implementation of the principle of mutual recognition within the United Nations system**

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**Prepared by Gaeimelwe Goitsewang and Toshiya Hoshino**



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*Executive summary***Review of the implementation of the principle of mutual recognition within the United Nations system****Introduction and review objectives**

The review of the implementation of the principle of mutual recognition within the United Nations system was included in the programme of work of the Joint Inspection Unit (JIU) for 2024. Although this is the first JIU review on this specific topic, matters relating to this subject have been partially covered in previous JIU reviews.<sup>a</sup> Mutual recognition is one of the enablers of the efficiency agenda initiatives and the reform of the United Nations development system. As a result, the review was timely, as only six years remain to achieve the 2030 Agenda for Sustainable Development.

The objectives of the review were to assess, from a system-wide perspective, the status and progress on the implementation of the principle of mutual recognition and the adequacy and effectiveness of related policies and practices, as well as to identify challenges, lessons learned and good practices relating to the implementation of the principle of mutual recognition within the United Nations system.

**Main findings and conclusions**

*There is no authoritative universal definition of the principle of mutual recognition; it is defined on the basis of the agreed framework and context of application*

The principle of mutual recognition has been part of the business practices of member States and international organizations for many years. However, the extent to which it is defined and operationalized differs depending on the agreed framework and context of its application.

The review found that there is no authoritative system-wide definition of mutual recognition. The foundation and context of the principle is derived from General Assembly resolution 71/243, in which the Assembly underscored the need for organizations within the United Nations development system to “operate according to the principle of mutual recognition of best practices in terms of policies and procedures, with the aim of facilitating active collaboration across agencies and reducing transaction costs for Governments and collaborating agencies”. Essentially, “best practices in terms of policies and procedures” provide the context for the application of the principle.

The operational definition that was adopted by the signatory organizations is derived from the 2018 Mutual Recognition Statement, in which the principle is loosely defined as follows: “mutual recognition allows an entity to use or rely on another entity’s policies, procedures, system contracts and related operational mechanisms for the implementation of activities without further evaluation, checks or approvals being required, to the greatest extent practicable”.<sup>b</sup> It emerged from the interviews conducted by the review team that most of the signatory organizations are satisfied with this flexible definition, as it contains adequate operational parameters. Consequently, they considered that there is no need for a formal authoritative definition as that might bring about unnecessary rigidity and legal bottlenecks. This view is shared by the Inspectors.

<sup>a</sup> See JIU/REP/2018/5, JIU/REP/2019/8 and JIU/REP/2020/3.

<sup>b</sup> See <https://unsceb.org/mutual-recognition-statement>.

The General Assembly, in its resolutions 71/243 and 75/233, has emphasized that the principle of mutual recognition applies only to organizations within the United Nations development system. In view of the compelling need for all United Nations system organizations to achieve cost-effectiveness and operational efficiency, the Inspectors strongly recommend that the principle of mutual recognition be adopted by all United Nations system organizations (recommendation 1).

*The principle of mutual recognition is complex and faces several implementation challenges; accordingly, key success factors should be identified if the expected results are to be achieved*

The findings from the data collected through interviews and the JIU questionnaires demonstrate that the principle of mutual recognition is complex and faces implementation challenges. The launch of the Mutual Recognition Statement also raised many questions regarding its enforcement mechanisms. However, interviewees expressed appreciation for the fact that the Statement represents a basic collective commitment by the signatory organizations to apply the principle of mutual recognition “to the greatest extent practicable”.

Given that the principle of mutual recognition lacks enforcement mechanisms, the Inspectors identified seven key success factors that they consider essential to the successful implementation of the principle. These are mutual trust, mutual obligation, mutual responsibility, mutual support, mutual respect, mutual tolerance and mutual satisfaction. Signatory organizations should consider adopting these factors to ensure the implementation of the principle of mutual recognition.

*Mutual recognition and harmonization are complementary and mutually reinforcing*

The review found that the principles of mutual recognition and harmonization work in tandem to enhance coherence, efficiency and programme delivery, as well as to foster inter-agency cooperation. Prior to the formal adoption of the principle of mutual recognition, the United Nations development system had introduced a wide range of system-wide reform measures to harmonize and simplify business practices, at headquarters and at the country level. These harmonized standards and business practices are currently utilized by several United Nations system organizations without them being subjected to further evaluation, checks and approvals. This shows that mutual recognition can easily be applied where there are harmonized business practices and centralized platforms in place. At the same time, the principle of mutual recognition can serve as an alternative in the absence of harmonization, as it recognizes the diversity of regulatory frameworks in the various organizations. In this regard, the relationship between the two principles is complementary and mutually reinforcing. Consequently, the Inspectors are of the view that the two principles should be applied sequentially to ensure systematic implementation.

*There is a lack of a system-wide coordination mechanism and comprehensive operational guidelines to support the operationalization of mutual recognition*

While the available inter-agency mechanisms have made significant strides in supporting the implementation of mutual recognition (e.g. the United Nations Sustainable Development Group Business Innovations Group has played a significant role in developing mutual recognition guidelines), many of the organizations interviewed are of the view that there is a lack of effective coordination across the networks of the High-level Committee on Management. Initially, the coordination role was carried out by the Mutual Recognition Coordination Group, which has since been transformed into the Community of Practice on Mutual Recognition and a network of mutual recognition champions. The dissolution of the Coordination Group undermines the critical coordination role needed among the networks of the High-level Committee on Management. In order to address this coordination gap, the Inspectors recommend that the Community of Practice on Mutual Recognition and the network of mutual recognition champions be tasked with coordinating and developing comprehensive operational guidelines to support the operationalization of mutual recognition in the entities (recommendation 2).

*Embedding the principle of mutual recognition into organizational regulatory frameworks would mitigate associated legal constraints*

Some organizations considered that one of the main obstacles in the operationalization of mutual recognition is the incompatibility of policies, regulations and rules across the different United Nations system organizations. While, in theory, the application of mutual recognition does not require the signatory organizations to change their internal policies and procedures, the review found that the implementation of the principle would be much easier if it was embedded into the regulatory frameworks of the various organizations. Accordingly, the Inspectors recommend that the United Nations system organizations embed the principle of mutual recognition into their regulatory frameworks in order to facilitate its implementation. This alignment would facilitate smoother cooperation and reduce the barriers posed by incompatible regulatory frameworks (recommendation 3).

*There are no objective criteria for determining which best practices should be mutually recognized*

In the United Nations system, mutual recognition is applied in the context of best practices in terms of policies and procedures. The review found that, while the High-level Committee on Management serves as the clearing house for mutual recognition initiatives, there are no objective criteria for determining which best practices should be recognized. The Inspectors suggest that the Committee consider adopting objective criteria for determining the best practices in terms of policies and procedures to be recognized in order to ensure that the comparative advantages of the signatory organizations are mutually appreciated and recognized.

*The advocacy and reporting role of resident coordinators is critical to the successful operationalization of mutual recognition at the country level*

The review considered that resident coordinators and operations management teams are strategically positioned to champion the operationalization of mutual recognition at the country level. However, it was evident from the JIU survey sent to resident coordinators that the operationalization of mutual recognition at the country level is not considered as being part of their responsibilities. Since mutual recognition is an enabler of common business operations, it is logical that resident coordinators, as heads of United Nations country teams, should play an advocacy role in its operationalization at the country level. The Inspectors therefore recommend that the resident coordinators be explicitly assigned an advocacy role and be requested to periodically report on the progress of the operationalization of mutual recognition at the country level (recommendation 4).

*Progress in implementing the principle of mutual recognition has been slow in many functional areas, and varied across the organizations*

The review found that progress in implementing the principle of mutual recognition has been slow in the functional areas<sup>c</sup> – except for procurement – and varied across organizations. The review also found that much of the relative progress in the functional areas was achieved prior to the formal adoption of the principle of mutual recognition through the harmonization of business practices.

According to the data collected through the JIU questionnaire, procurement is the leading example of success in the implementation of mutual recognition within the United Nations system. For instance, 95 per cent of the respondents indicated that they were already applying mutual recognition in the area of procurement. This is followed by human resources at 74 per cent, and information and communications technology (ICT) at 63 per cent. The status of implementation in the areas of finance and facility services stands at 53 per cent, while the lowest level is in logistics at 42 per cent. It is critical that signatory organizations

<sup>c</sup> The six functional areas are procurement, finance, human resources, information and communications technology (ICT), logistics and administration (including facility services).

make concerted efforts to expand the application of the principle of mutual recognition in all six functional areas to enhance operational efficiency and cost-effectiveness.

*There is a lack of comparable data on the efficiency gains from the implementation of mutual recognition*

The review found that there is no common approach for measuring, evaluating and reporting on the implementation of mutual recognition in the United Nations system organizations. This has resulted in the lack of comparable data on efficiency gains. To ensure that mutual recognition is systematically operationalized within the United Nations system organizations, it is vital that monitoring, evaluation and reporting mechanisms be put in place.

To overcome these challenges and make mutual recognition the default approach to inter-agency collaboration, the focus should be on results rather than the implementation process. However, output indicators are crucial for providing guidance to the organizations, with regard to tracking progress and identifying areas for improvement. Furthermore, it was apparent from the data collected that few signatory organizations produce annual reports on the status of implementation of mutual recognition for their legislative organs and governing bodies. The United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services are notable examples of organizations that present annual reports on joint procurement to their executive boards. The Inspectors recommend that the efficiency gains resulting from the implementation of the principle of mutual recognition be included in the regular reporting to the legislative organs and governing bodies of all United Nations system entities to ensure proper monitoring and oversight (recommendation 5).

*Governance and accountability frameworks are unclear*

Several organizations expressed concerns about the status of governance, accountability, risk management and oversight for mutual recognition. Establishing a clear accountability structure and robust risk management is critical to reassure member States that mutual recognition will not compromise process diligence, expose the system to fraud or undermine the integrity of the United Nations system.

The Inspectors are of the view that there is a gap in terms of the governance framework for the implementation of mutual recognition. Furthermore, organizations have raised concerns about accountability, in terms of conformity, particularly in cases of errors, fraud or discrepancies. However, support for mutual recognition should not be hindered by concerns about occasional errors or discrepancies, which are exceptions rather than the norm. It is important to recognize that no system can entirely eliminate risk, and such concerns should not deter organizations from pursuing and/or expanding their application of mutual recognition.

Nevertheless, it is crucial for legal and internal auditing mechanisms to have greater involvement in mutual recognition in order to facilitate compliance with governance standards, risk management and oversight processes.

## **Recommendations**

The present review contains five formal recommendations, of which one is addressed to the legislative organs and governing bodies of the United Nations system organizations, one to the Secretary-General of the United Nations, and three to the executive heads of United Nations system organizations. The formal recommendations are complemented by 19 informal recommendations that are aimed at enhancing the implementation of mutual recognition.



**Recommendation 1**

The executive heads of United Nations system organizations who have not yet signed the Mutual Recognition Statement should do so by the end of 2026 in order to enhance operational efficiency and foster collaboration within the United Nations system.

**Recommendation 2**

The executive heads of United Nations system organizations, through the United Nations System Chief Executives Board for Coordination, should, by the end of 2025, task the Community of Practice on Mutual Recognition and the network of mutual recognition champions with coordinating system-wide efforts to operationalize mutual recognition and developing comprehensive operational guidelines to guide the signatory organizations in the operationalization of the principle. The guidelines should be aimed at increasing the operationalization of mutual recognition in relation to the organizations' current baseline activities.

**Recommendation 3**

The executive heads of United Nations system organizations should, by the end of 2029, take every opportunity to revise existing policies and regulations and explicitly embed the principle of mutual recognition into their regulatory frameworks in order to reinforce its importance for aligning inter-agency gaps and facilitate its wider implementation across the United Nations system.

**Recommendation 4**

The Secretary-General should, by the end of 2026, request the resident coordinators to assume a lead advocacy role and to periodically report progress on the operationalization of mutual recognition at the country level, in line with the guidelines of the networks of the High-level Committee on Management, taking into consideration that mutual recognition is a key enabler of common business operations.

**Recommendation 5**

The legislative organs and governing bodies of United Nations system organizations should, by the end of 2026, request the executive heads of signatory organizations to the Mutual Recognition Statement who have not yet done so to include the efficiency gains resulting from the implementation of the principle of mutual recognition in their regular reporting in order to ensure proper monitoring and oversight.

**Informal recommendations**

1. The Inspectors suggest that the United Nations system organizations embrace the seven key factors for the successful implementation of the principle of mutual recognition (para. 36).
2. The Inspectors suggest that United Nations system organizations adopt a change management strategy into which the principle of mutual recognition is embedded as part of the organizational culture (para. 54).
3. The Inspectors suggest that the enabling role of legal offices be recognized by involving them in regulatory initiatives intended to operationalize the principle of mutual recognition (para. 73).
4. The Inspectors suggest that signatory organizations that do not have internal guidelines on the operationalization of mutual recognition consider developing such materials to guide managers at the country level. They encourage entities that already have internal guidelines to share them with other organizations for reference (para. 78).
5. The Inspectors suggest that focal points be appointed in the six functional areas to support the operationalization of mutual recognition in United Nations system organizations. The focal points should be members of the Community of Practice on Mutual Recognition and/or a network of mutual recognition champions so as to maintain the bridge between entity-driven initiatives and those of the High-level Committee on Management (para. 84).

6. Common Premises is a significant enabler for common business operations; therefore, the Inspectors suggest that it be given high priority, including in the consideration of the opening of field offices by United Nations system organizations (para. 111).
7. To fully realize the benefits of mutual recognition in the area of procurement, the Inspectors suggest that United Nations system organizations make concerted efforts to extend mutual recognition beyond cooperative purchasing by capitalizing on existing contracts (piggybacking) (para. 128).
8. The Inspectors suggest that the principle of mutual recognition be incorporated into the guidelines *Harmonizing UN Procurement: Common UN Procurement at the Country Level* and that those guidelines be adopted and adapted by all United Nations system organizations to support cooperation in procurement (para. 129).
9. The Inspectors suggest that the Procurement Network coordinate the creation of a unified database for vendors and procurement opportunities, as well as for the sharing of long-term agreements, leveraging the United Nations Global Marketplace as the central entry point. The Inspectors also suggest that mechanisms for tracking contracts generated through joint procurement and for monitoring the use of other organizations' contracts be arranged, together with controls to manage the extension of the availability of contracts to other organizations, while still complying with contract restrictions, such as confidentiality (para. 138).
10. The Inspectors suggest that United Nations system organizations that are not currently using the services of the OneHR Centre explore the advantages that the centre may offer to improve efficiencies across the United Nations system. They also suggest that the International Civil Service Commission put together an inter-agency human resources task force to study the potential for further harmonization of job classification processes, including applying mutual recognition, adopting generic job descriptions, to the extent possible, and developing one job catalogue aligned with a harmonized job scale (para. 143).
11. The Inspectors suggest that the operationalization of mutual recognition in the area of logistics follow a more structured, function-based approach that leverages existing global and local initiatives (para. 163).
12. The Inspectors suggest that signatory organizations ensure full application of the standardized costing and pricing principles defined by the Business Innovations Group in order to address transparency and reciprocity issues relating to cost recovery and fee-charging for the application of mutual recognition (para. 170).
13. The Inspectors suggest that entities that have not yet adopted the minimum standards of cybersecurity highlighted in JIU/REP/2021/3 and in the guidelines of the Digital and Technology Network do so without delay (para. 178).
14. The Inspectors suggest that organizations take into consideration the harmonization and interoperability of systems in the mid to long term as they engage in future rounds of enterprise resource planning renewals. The Digital and Technology Network, as well as the Enterprise Resource Planning Solution Division of the Department of Management Strategy, Policy and Compliance and UNDP, as members of the Enterprise Resource Planning Special Interest Group, can play a pivotal role in advancing this agenda (para. 182).
15. The Inspectors suggest that the United Nations Secretariat adopt a simplified policy on travel entitlement to allow for harmonization among the entities that comprise the United Nations Secretariat (para. 191).
16. The Inspectors found that the methodology adopted by the United Nations Population Fund to capture the efficiency gains from the implementation of mutual recognition is a good practice and suggest that other organizations that are not already doing so consider replicating it (para. 203).
17. The Inspectors suggest that the High-level Committee on Management and its networks draw on the approach of the Procurement Network and create a road map and a dashboard to guide the implementation of mutual recognition with global uptake in mind.

Where networks are lacking, such as in the areas of logistics and facility services, the Committee should establish or assign specific task teams to support this work (para. 210).

18. The Inspectors suggest that the High-level Committee on Management, building on the efficiency reporting exercise already being coordinated by the Development Coordination Office, define a high-level framework with key performance indicators to ensure harmonization among organizations in capturing efficiency gains in the six functional areas and related initiatives (para. 211).

19. The Inspectors suggest that ICT systems serve as enablers to facilitate secure and efficient mutual recognition practices and that all parties adopt robust cybersecurity measures in line with the minimum security baseline of the Digital and Technology Network (para. 221).



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## Abbreviations

CEB	Chief Executives Board for Coordination
FAO	Food and Agriculture Organization of the United Nations
IAEA	International Atomic Energy Agency
ICAO	International Civil Aviation Organization
ICSC	International Civil Service Commission
ICT	information and communications technologies
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
IMO	International Maritime Organization
IPSAS	International Public Sector Accounting Standards
ITC	International Trade Centre
ITU	International Telecommunication Union
JIU	Joint Inspection Unit
OIOS	Office of Internal Oversight Services
OneHR Centre	United Nations Global Centre for Human Resources Services
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNEP	United Nations Environment Programme
UNFPA	United Nations Population Fund
UN-Habitat	United Nations Human Settlements Programme
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children’s Fund
UNIDO	United Nations Industrial Development Organization
UNODC	United Nations Office on Drugs and Crime
UNOPS	United Nations Office for Project Services
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UNSDG	United Nations Sustainable Development Group
UN Tourism	World Tourism Organization
UN-Women	United Nations Entity for Gender Equality and the Empowerment of Women
UPU	Universal Postal Union
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization

## I. Introduction

1. The present review of the implementation of the principle of mutual recognition within the United Nations system was included in the programme of work of the Joint Inspection Unit (JIU) for 2024. The subject of the review falls within two of the four thematic areas of focus articulated in the Unit's strategic framework for 2020–2029.<sup>1</sup> Although this is the first review that JIU is carrying out on this specific topic, the subject has been partially covered in previous JIU reviews.<sup>2</sup>

### A. Background

2. There is no authoritative system-wide definition of mutual recognition. However, in the context of the United Nations system, mutual recognition is loosely defined as a principle that “allows an entity to use or rely on another entity's policies, procedures, system contracts and related operational mechanisms for the implementation of activities without further evaluation, checks or approvals being required, to the greatest extent practicable”.<sup>3</sup>

3. Essentially, mutual recognition enables one United Nations system organization to obtain services from another United Nations system organization if the latter can provide services more efficiently. The objective of mutual recognition is to better enable United Nations organizations to develop partnerships and to work together towards delivering the overall United Nations mission, the 2030 Agenda for Sustainable Development, and the specific mandates of the participating United Nations organizations by benefiting from the comparative advantages of the different United Nations organizations while incurring minimum transaction costs in doing so.<sup>4</sup>

4. The formal adoption of the principle of mutual recognition in 2018 was a direct response to General Assembly resolution 71/243. The principle of mutual recognition is one of the three enablers of the efficiency agenda for achieving the Sustainable Development Goals.<sup>5</sup> Entities within the United Nations development system “should operate according to the principle of mutual recognition of best practices in terms of policies and procedures, with the aim of facilitating active collaboration across agencies and reducing transaction costs for Governments and collaborating agencies.”<sup>6</sup> This was further reinforced by the Secretary-General in his report on repositioning the United Nations development system to deliver on the 2030 Agenda, of December 2017, in which he requested “all entities to accelerate their efforts to meet the mandate, set out in resolution 71/243, to operate according to the principle of mutual recognition of best practices in terms of policies and procedures,”<sup>7</sup> in advancing common business operations.

5. Thus, with the aim of furthering the implementation of the Secretary-General's reform agenda, in 2018, the High-level Committee on Management of the United Nations System Chief Executives Board for Coordination (CEB) and the United Nations Sustainable Development Group (UNSDG) developed the Mutual Recognition Statement that has since

<sup>1</sup> They are (a) management and administration practices and methods of the United Nations system in the areas of human and financial resources, administration, results-based management, strategic planning and management, change management, risk management, security and safety, and the use of digital technologies; and (b) internationally agreed goals and conventions addressing policies, strategies, and programmes, as well as coordination and collaboration on the realization of internationally agreed development goals, such as the 2030 Agenda for Sustainable Development.

<sup>2</sup> See JIU/REP/2018/5, JIU/REP/2019/8 and JIU/REP/2020/3.

<sup>3</sup> Mutual Recognition Statement. Available at <https://unsceb.org/mutual-recognition-statement>.

<sup>4</sup> United Nations Sustainable Development Group (UNSDG) website, “Business operations” (<https://unsdg.un.org/2030-agenda/business-operations>).

<sup>5</sup> The other two enablers are standardized client satisfaction and standardized pricing and costing principles. See <https://unsdg.un.org/2030-agenda/business-operations>.

<sup>6</sup> General Assembly resolution 71/243, para. 52.

<sup>7</sup> A/72/684-E/2018/7, para. 44.

been adopted and signed by the executive heads of 23 organizations.<sup>8</sup> The Statement formalizes their joint commitment to apply, to the greatest extent practicable, the principle of mutual recognition in respect of the administration and implementation of their activities.

6. In 2020, on the eve of the new quadrennial comprehensive policy review cycle (2021–2024), the General Assembly, in its resolution 75/233, reiterated the imperative for United Nations organizations to operate according to the principle of mutual recognition and urged the organizations of the United Nations development system that had not yet done so to sign the Mutual Recognition Statement.

## B. Objectives, scope and methodology

7. The present review was conducted with a view to enhancing the effectiveness and efficiency of the United Nations system by facilitating active collaboration across entities and reducing transaction costs for Governments and collaborating entities.

8. **Scope.** The scope of the review is system-wide. It focuses on the six functional areas highlighted in the Mutual Recognition Statement, namely, finance, human resources, procurement, logistics, information and communications technology (ICT), and administration (including facility services). Given the importance of mutual recognition as an enabler of the common business operations,<sup>9</sup> they have been included in the review. The scope of the review was limited to the JIU participating organizations that are signatories to the Mutual Recognition Statement only.<sup>10</sup> JIU participating organizations that have not signed the Statement have been excluded.<sup>11</sup> However, since the principle of mutual recognition is applicable and beneficial to all United Nations system organizations, the recommendations contained in the report are addressed to all JIU participating organizations. The review also considered the work of the inter-agency mechanisms<sup>12</sup> involved in the operationalization of the principle of mutual recognition.

9. **Objectives.** The objective of the present review is to provide the legislative organs, governing bodies and executive heads of JIU participating organizations with up-to-date

<sup>8</sup> Food and Agriculture Organization of the United Nations (FAO), International Civil Aviation Organization (ICAO), International Fund for Agricultural Development (IFAD), International Labour Organization (ILO), International Organization for Migration (IOM), International Trade Centre (ITC), International Telecommunication Union (ITU), United Nations, Joint United Nations Programme on HIV/AIDS (UNAIDS), United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Educational, Scientific and Cultural Organization (UNESCO), United Nations Population Fund (UNFPA), United Nations Human Settlements Programme (UN-Habitat), Office of the United Nations High Commissioner for Refugees (UNHCR), United Nations Children's Fund (UNICEF), United Nations Industrial Development Organization (UNIDO), United Nations Office for Project Services (UNOPS), United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), World Food Programme (WFP), World Health Organization (WHO) and World Meteorological Organization (WMO).

<sup>9</sup> Common business operations comprise the following: business operations strategy, common back office, common premises and shared service centres.

<sup>10</sup> Data for the present review was collected from 21 JIU participating organizations signatories of the Mutual Recognition Statement only, namely FAO, ICAO, ILO, ITC, ITU, UNAIDS, UNDP, UNEP, UNESCO, UNFPA, UN-Habitat, UNHCR, UNICEF, UNIDO, UNOPS, UNRWA, United Nations Secretariat (including United Nations Conference on Trade and Development (UNCTAD) and United Nations Office on Drugs and Crime (UNODC), which are part of the Secretariat), UN-Women, WFP, WHO and WMO.

<sup>11</sup> JIU participating organizations that have not signed the Mutual Recognition Statement are International Atomic Energy Agency (IAEA), International Maritime Organization (IMO), World Tourism Organization (UN-Tourism), Universal Postal Union (UPU) and World Intellectual Property Organization (WIPO).

<sup>12</sup> United Nations System Chief Executives Board for Coordination (CEB), the High-level Committee on Management and its networks, the Mutual Recognition Coordination Group, United Nations Sustainable Development Group (UNSDG) and its Business Innovations Group.



information on the status of implementation of the principle of mutual recognition. The specific objectives of the review are to:

- (a) Assess the status and progress of the implementation of the principle of mutual recognition;
- (b) Assess the adequacy and effectiveness of the policy initiatives, procedures and practices adopted to implement the principle of mutual recognition;
- (c) Assess the impact that the principle has had in realizing efficiency and cost savings, and fostering cooperation and collaboration across United Nations system organizations;
- (d) Identify risks, challenges and obstacles that inhibit the full implementation of the principle of mutual recognition;
- (e) Identify good practices and lessons learned in relation to the implementation of the principle of mutual recognition;
- (f) Explore ways and means to improve the implementation of the principle of mutual recognition within the United Nations system.

10. **Methodology.** In accordance with the internal standards and working procedures of the Unit, the methodology for the review combined qualitative and quantitative approaches for data collection and analysis, including the following:

(a) **A desk review.** The review team conducted an extensive desk review of all available documentation on mutual recognition, including previous relevant JIU reports, and an analysis of relevant policy documents, regulations and procedures of the signatory organizations. Annex I contains background information on the documents analysed;

(b) **Questionnaires.** Two questionnaires requesting qualitative and quantitative information and supporting documentation were sent to the 21 JIU participating organizations which are signatories of the Mutual Recognition Statement; 19 organizations responded to the questionnaire requesting supporting documentation, and 19 responded to the detailed corporate questionnaire regarding substantive information.<sup>13</sup> Annex II contains background information on the responses to the questionnaires.

(c) **Interviews.** Drawing on the responses to the questionnaires, a total of 60 interview sessions were conducted with 236 key stakeholders in signatory organizations, relevant inter-agency mechanisms,<sup>14</sup> common business operations,<sup>15</sup> and one resident coordinator. In order to obtain a field perspective and gather additional information and opinions on the status of implementation of mutual recognition, field missions were undertaken between June and July 2024 to Copenhagen, Nairobi and New York. Annex III contains background information on the interviews.

(d) **Survey of resident coordinators.** In order to obtain the views of the resident coordinators, as heads of United Nations country teams, an online survey designed and administered by JIU was sent to 103 resident coordinators in May 2024. The results of the survey are referenced in various sections of the report. Annex IV contains background information on the survey results.

11. The review was conducted in accordance with the JIU statute and its internal procedures. Due consideration was given to protecting the confidentiality of stakeholders who responded to the questionnaires, queries and surveys, as well as to those who participated in the interviews. In fulfilling its professional and ethical obligations, the review team

<sup>13</sup> The following JIU participating organizations provided responses to the questionnaire requesting substantive information: FAO, ICAO, ILO, ITC, ITU, United Nations Secretariat, UNAIDS, UNDP, UNEP, UNESCO, UNFPA, UNHCR, UNICEF, UNIDO, UNOPS, UNRWA, UN-Women, WFP and WMO.

<sup>14</sup> High-level Committee on Management Procurement and Human Resources networks, Mutual Recognition Coordination Group, Common Procurement Activities Group and United Nations Global Centre for Human Resources Services (OneHR Centre).

<sup>15</sup> UNOPS Shared Service Centre and the Common Back Office in Nairobi.

maintained its independence, fairness, neutrality and professional integrity during the planning, execution and drafting phases of the review.

12. For quality assurance purposes, in accordance with article 11.2 of the JIU statute, the draft report was subjected to an internal peer review to test the recommendations against the collective wisdom of the Unit. The revised draft report was then circulated to the participating organizations covered in the review for them to correct any factual errors and provide comments on the findings, conclusions and recommendations. Their comments were taken into consideration in finalizing the report, although the final responsibility for the review rests solely with the authors.

13. The review contains five formal recommendations: one addressed to the legislative organs and governing bodies of the United Nations system organizations; one to the Secretary-General of the United Nations; and three to the executive heads of United Nations system organizations. It also contains 19 informal recommendations that complement the formal recommendations and are aimed at enhancing the implementation of the principle of mutual recognition. To facilitate the handling of the report, as well as the implementation of the recommendations and the monitoring thereof, annex VI contains a table specifying whether the report is being submitted to the legislative organs, governing bodies or the executive heads of the organizations for action or for information.

### **C. Acknowledgements**

14. The Inspectors wish to express their appreciation to all the JIU participating organizations that responded to the corporate questionnaire and provided relevant policy documents. They also extend their appreciation to all those who willingly shared their knowledge and opinions through the interviews and online survey. The Inspectors also wish to thank the JIU focal points in the participating organizations who were instrumental in administering the questionnaires and facilitating the interviews.

## II. Snapshot of the application of the principle of mutual recognition in the United Nations system

### A. Evolution and definition of mutual recognition

*There is no authoritative universal definition of mutual recognition; rather, it is defined on the basis of the agreed framework and context of application*

15. The principle of mutual recognition has been the cornerstone of inter-agency collaboration in the United Nations system for several years. United Nations system organizations had been applying the principle of mutual recognition in their business transactions with one another prior to its formal adoption as one of the enablers of the efficiency agenda initiatives. The United Nations system has not adopted an authoritative system-wide definition of mutual recognition. The review found that all the signatory organizations have adopted the “loose” definition of the principle contained in the Mutual Recognition Statement: “mutual recognition allows an entity to use or rely on another entity’s policies, procedures, system contracts and related operational mechanisms for the implementation of activities, without further evaluation checks or approvals being required, to the greatest extent practicable.” It was apparent from the existing body of knowledge that the extent to which the principle of mutual recognition is defined and operationalized differs based on the agreed framework and context of application.

16. Basically, mutual recognition is a voluntary arrangement between parties and among United Nations system organizations for the recognition of each other’s best practices in terms of policies and procedures. The way in which mutual recognition is utilized in the United Nations system clearly shows that the principle can be applied in different contexts. Hence, there is no authoritative system-wide definition of the principle of mutual recognition.

17. The principle of mutual recognition first rose to system-wide prominence in relation to inter-agency collaboration through General Assembly resolution 71/243, which underscored the need for entities within the United Nations development system to “operate according to the principle of mutual recognition of best practices in terms of policies and procedures, with the aim of facilitating active collaboration across agencies and reducing transaction costs for Governments and collaborating agencies”.

18. This was further buttressed by the Secretary-General in his report of December 2017, in which he requested all entities to accelerate their efforts to operate according to the principle of mutual recognition<sup>16</sup> in advancing the common business operations. In a calculated effort to implement General Assembly resolution 71/243, the Mutual Recognition Statement was signed and launched in 2018.

19. Many interviewees were of the view that there is no need for an authoritative system-wide definition of mutual recognition, as this would create unnecessary rigidity and legal bottlenecks.

20. The Inspectors support the view that there is no need for an authoritative system-wide definition of mutual recognition. The description derived from the Mutual Recognition Statement is comprehensive enough and establishes sufficient operational parameters.

### B. Operational parameters of the principle of mutual recognition

*The Mutual Recognition Statement heightened the momentum to embrace the principle of mutual recognition*

21. The Mutual Recognition Statement provides the operational parameters of the principle of mutual recognition. The review found that the signing and launch of the Mutual Recognition Statement in 2018 accelerated the momentum to embrace the principle of mutual

<sup>16</sup> A/72/684-E/2018/7, para. 44.

recognition. At the same time, the launch of the Statement raised many questions about the exact meaning and scope of mutual recognition.

22. With the signing of the Statement by the top executive level, the signatory organizations committed to work to implement the principle in the six functional areas of the Business Operations Strategy at the country level, which are the target areas of the initiatives of the UNSDG Business Innovations Group, namely, finance, human resources, procurement, logistics, ICT, and administration (including facility services). The Business Operations Strategy is structured around these six common service lines, which form the basis of cooperation at the country level.

23. Essentially, the Mutual Recognition Statement represents a broad consensus on adopting common or shared services without requiring further review of the providers' policies and procedures.

24. As highlighted above, most of the signatory organizations find the Mutual Recognition Statement to be adequate in terms of its overall definitional language and direction. However, the Statement is perceived as lacking a comprehensive operational framework and enforcement mechanism. Furthermore, the Statement is not legally binding; it is merely an expression of the joint commitment of the executive heads of the signatory organizations to apply the principle of mutual recognition "to the greatest extent practicable". Unlike in the European Union, the application of the principle of mutual recognition has no legal force in the United Nations system. Some signatory organizations maintain that the phrase "to the greatest extent practicable" provides a convenient excuse not to – and a disincentive to – fully embrace the principle of mutual recognition.

25. Contrarily, some organizations maintain that the phrase is necessary because the principle is not an administrative rule. Each organization that is signatory to the Mutual Recognition Statement must follow its own rules and procedures for putting the principle into effect. The organizations underlined that flexibility in the application of the principle is vital as individual organizations have different mandates, business models, and legal and governance frameworks.

26. The Statement formalizes the joint commitment to apply the principle of mutual recognition to the greatest extent practicable, by allowing an organization to use or rely on another organization's policies, procedures, system contracts and related operational mechanisms for the implementation of activities without the requirement of further evaluation, checks or approvals.

27. As with any principle, mutual recognition has safeguard mechanisms. For instance, in applying the principle, the signatory organizations are required to observe the following:

- Maintain sound financial management and internal control systems to ensure that funds are used for the purposes intended with due attention to considerations of efficiency and effectiveness
- Subject their financial and administrative management systems to internal and external auditing arrangements in line with internationally accepted standards
- Reaffirm their commitment to the single-audit principle
- Ensure that appropriate mechanisms are in place to significantly mitigate the risk of fraud and corruption and to address allegations and proven instances of fraud and corruption
- Undertake appropriate measures, including capacity strengthening, to mitigate risks posed by any weakness identified in their financial and administrative management systems and arrangements<sup>17</sup>

28. As one organization stated in its response to the JIU questionnaire: "mutual recognition is based on the premise that all United Nations agencies meet international audit and internal control standards and are regularly assessed against these standards. Therefore, using each other's systems and processes should not pose a risk to the agencies, even when

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<sup>17</sup> Mutual Recognition Statement.

some regulations or rules are different from one agency to the next. The purpose is not to harmonize policies and processes but rather to enhance cost-effectiveness in recognizing, for instance, that if for a specific service or needs, one agency possesses a competitive advantage and best practice, another agency may not need to duplicate the service but rather rely on that agency to fulfil its needs.”

29. It was evident from the data collected during the interviews that the principle of mutual recognition is not fully understood, as some equate it with the principle of reciprocity. Recognizing the policies, procedures and system contracts of another organization does not imply that the service provider should equally recognize the service recipient’s policies or procedures. The principle is grounded in the conviction that United Nations system organizations can trust and recognize each other’s policies, procedures and system contracts. While the principle of mutual recognition presupposes the equal status of the signatory organizations, it does not imply reciprocity or automatic recognition in the context of the United Nations system. Fundamentally, mutual recognition does not have to be all-encompassing. There are exceptions, as with any principle. In the United Nations context, the principle is based on best practices in terms of policies and procedures.

30. The findings of the present review reveal that mutual recognition can be bilateral or multilateral in application. Mutual recognition arrangements are normally facilitated through a memorandum of understanding or a service-level agreement. Although mutual recognition is not legally binding in the context of the United Nations system, the enforcement mechanisms can be administered through the signing of a service-level agreement.

31. The Inspectors share the view that, since mutual recognition is not an administrative rule and its application is based on many factors, the caveat “to the greatest extent practicable” is essential, as it reflects the flexibility that characterizes the operationalization of mutual recognition.

32. Both General Assembly resolution 71/243 and the Mutual Recognition Statement provide that the principle of mutual recognition of best practices in terms of policies and procedures should be applied only by organizations within the United Nations development system. However, most of the organizations interviewed are of the view that the principle of mutual recognition should be applied by all United Nations system organizations. That view is premised on the understanding that mutual recognition facilitates the implementation and administration of administrative support activities, creates cost-saving and fosters collaboration across United Nations system organizations. Since all United Nations system organizations strive to achieve cost-effectiveness and operational efficiency in advancing their respective mandates, it is critical that the principle of mutual recognition be applied by all United Nations system organizations in all their work streams.

33. In its resolution 75/233, the General Assembly reiterated that organizations within the United Nations development system should operate according to the principle of mutual recognition of best practices in terms of policies and procedures, with the aim of facilitating active collaboration across agencies and reducing transaction costs for Governments and collaborating agencies; took note of the Mutual Recognition Statement; and urged organizations of the United Nations development system that had not yet done so to sign on to the Statement.

34. In view of the enormous potential benefits that the principle of mutual recognition presents, the Inspectors strongly recommend that the Mutual Recognition Statement be opened for signature to all United Nations system organizations, and not only to those within the United Nations development system.

35. The recommendation set out below is expected to enhance the efficiency of the United Nations system.

#### **Recommendation 1**

**The executive heads of United Nations system organizations who have not yet signed the Mutual Recognition Statement should do so by the end of 2026 in order to enhance operational efficiency and foster collaboration within the United Nations system.**

### C. Key success factors for the implementation of mutual recognition

*The principle of mutual recognition is complex and presents implementation challenges; accordingly, key success factors should be identified if the expected results are to be achieved*

36. It was apparent from the interviews conducted that the principle of mutual recognition is complex and still marked by uncertainties. Consequently, key success factors should be identified if the expected results are to be achieved. JIU has identified seven key factors that are all critical to the successful implementation of the principle of mutual recognition (see table 1). **The Inspectors suggest that United Nations system organizations embrace the seven key factors for the successful implementation of the principle of mutual recognition.**

Table 1

#### Key factors for the successful implementation of mutual recognition

<i>Key success factors</i>	<i>Description</i>
1. Mutual obligation	For mutual recognition to work, there should be a shared obligation between the contracting parties. The organizations concerned should agree to be bound in some way. This can be achieved through the signing of a memorandum of understanding or a service-level agreement, as appropriate.
2. Mutual trust	Confidence in another United Nations system organization's service standards facilitates recognition and acceptance. Mutual recognition requires trust in each other's regulatory frameworks, products and services. This can be achieved through the application of the Standardized Client Satisfaction principles. <sup>a</sup>
3. Mutual respect	Mutual recognition is based on the spirit of respect. It is important for United Nations system organizations to respect each other and recognize each other's added value irrespective of organizational size.
4. Mutual support	For mutual recognition to be a success, it is important that participating organizations support each other in the spirit of delivering as one. This fosters inter-agency collaboration, which is key to advancing the noble ideals of the United Nations.
5. Mutual responsibility	The effective application of the principle of mutual recognition depends on the participating organizations' commitment to discharge their responsibilities by turning the principles into actions to the maximum extent possible.
6. Mutual tolerance	It is vital that the signatory organizations accept and tolerate each other's differences by sharing their best practices in their business operations.
7. Mutual satisfaction	Mutual recognition works well when the partnership is rewarding to both parties. The application of the Standardized Client Satisfaction principles and the Standardized Pricing and Costing standards will help the parties to conduct business in efficient and effective ways.

*Source:* JIU.

<sup>a</sup> Further to General Assembly resolutions 67/226 and 71/243 which called for enhanced efficiency of the United Nations development system, the Secretary-General set the target for the efficiency agenda. The proposed efficiency interventions are supported by three key enablers defined by the Business Innovations Group: standardized client satisfaction principles – to safeguard minimum quality standards of services provided; standardized pricing and costing standards – to establish common standards for defining how the price and cost of a service are established across the United Nations System; and the principle of mutual recognition, which, once endorsed, allows one United Nations entity to obtain services from another United Nations entity if the latter can provide services more efficiently (<https://unsdg.un.org/2030-agenda/business-operations>).

## D. Nexus between mutual recognition and harmonization

*Mutual recognition and harmonization are complementary and mutually reinforcing*

37. Over the years, the United Nations system has been grappling with diverse policies, regulations and rules of the different organizations, which were found to be undermining concerted efforts to enhance the efficiency and effectiveness of the entire system. In an endeavour to find practical solutions to these persistent challenges, the United Nations system sequentially employed the principles of harmonization and mutual recognition. Mutual recognition can be applied in two instances: first, it can be applied where harmonization is unattainable; and second, it provides a conducive environment in which harmonization is necessary and attainable. Harmonization is therefore one of the factors shaping opportunities for mutual recognition.

38. Mutual recognition and harmonization are complementary and mutually reinforcing. The two concepts work in tandem to enhance coherence, efficiency and programme delivery, as well as foster inter-agency cooperation. It was obvious from the interviews conducted that the nexus between the principles of mutual recognition and harmonization are sometimes misconstrued. It is, therefore, vital to delineate the relationship between the two principles. Therefore, for the purpose of the present review, harmonization is defined as the process of creating common standards or common business practices among parties concerned.

39. Prior to the formal adoption of the principle of mutual recognition, the United Nations system had introduced a wide range of system-wide reform measures to harmonize and simplify business practices at the headquarters and country levels. In the area of business operations, considerable reform initiatives have been initiated through the activities of the CEB mechanisms and several countries that had adopted the Delivering as One approach, which have shown notable results in the planning and execution of various reform measures in support of the harmonization and simplification of business practices in all areas of business operations.<sup>18</sup>

40. Over several decades, the United Nations system sought to harmonize and simplify business practices at the country level through inter-agency coordination and by establishing a variety of basic common services. For instance, the General Assembly, in its resolution 32/197 of 19 December 1977, encouraged the United Nations system organizations to achieve uniformity in the functional areas.<sup>19</sup> In line with this undertaking, the General Assembly, in its resolution 62/208 of December 2007, encouraged the continuing development of harmonized approaches to further harmonize and simplify business practices and reduce travel costs and other recurring communications costs.

41. It is evident from the above-mentioned resolutions that the United Nations had embarked on the harmonization process long before the formal adoption of the principle of mutual recognition, and that the system-wide approach had produced tangible results. The high-level commitments referred to in these resolutions resulted in the establishment of common premises, the adoption of a harmonized approach to cash transfers, the use of long-term agreements or system contracts of other United Nations system organizations (piggybacking), the reuse of solicitation results, the use of procurement services of other United Nations system organizations and the adoption of a common services programme.

42. This wide range of harmonized standards and business practices are utilized by several United Nations system organizations without further evaluation, checks and approvals, and without necessarily being referred to as mutual recognition initiatives. Contemporary efforts of mutual recognition promote harmonization through the spirit of collaboration and delivering as one. Essentially, mutual recognition is an enabler of harmonization among those

<sup>18</sup> See United Nations, *Assessing the Cost and Benefits of Simplifying and Harmonizing Business Practices of UN Entities at the Country Level: Preparation for the 2012 Quadrennial Comprehensive Policy Review of Operational Activities for Development of the United Nations System*, unedited draft (New York, 2012). Available at [www.un.org/en/ecosoc/qcpr/pdf/qcpr\\_2012\\_business\\_operations\\_report-unedited\\_draft-13.06.2012.pdf](http://www.un.org/en/ecosoc/qcpr/pdf/qcpr_2012_business_operations_report-unedited_draft-13.06.2012.pdf).

<sup>19</sup> General Assembly resolution 32/197, annex, paras. 32 and 28 (d).

who agreed to collaborate. Mutual recognition is generally perceived to work better when there are harmonized business practices and centralized platforms, such as common premises, common back offices and global shared services. This is because the mutual recognition of policies and procedures is embedded into diverse systems with harmonization and even, in some cases, centralization platforms. In this regard, the relationship between the principles of harmonization and mutual recognition is complementary.

43. Such complementarity is in line with General Assembly resolution 75/233, in which the United Nations development system was requested to “further simplify and harmonize agency-specific programming instruments, business practices, processes, common business operations and reporting, as well as leverage and utilize, as appropriate, digital technologies solutions in alignment with the United Nations Sustainable Development Cooperation Framework, including by taking necessary steps at the headquarters level, as appropriate”.

44. It should be noted, however, that harmonization is not an end in itself. Despite the concerted efforts to harmonize business practices, it is obvious that full harmonization is not possible as United Nations system organizations have distinct mandates, business models and governance frameworks. While the principle of mutual recognition was adopted as one of the enablers of the efficiency agenda initiatives, it was also introduced as an alternative to harmonization. This means that when harmonization is not possible, mutual recognition should be applied as an alternative to advance greater efficiency. In sum, the principle of mutual recognition respects the diversity among the United Nations system organizations, while allowing an organization to recognize another organization’s policies and procedures without having to change its own regulatory framework.



### III. Benefits and challenges of mutual recognition

*There is a need to balance the benefits of mutual recognition with its challenges and unintended downsides, which may mean choosing between United Nations system-wide efficiency and organization-specific needs*

45. As stated in both General Assembly resolution 71/243 and the Mutual Recognition Statement, the aim of mutual recognition is “facilitating active collaboration across agencies and reducing transaction costs of Governments and collaborating agencies” within the United Nations development system. The review has identified a wide range of benefits to be gained from implementing mutual recognition. However, there are challenges associated with the implementation of mutual recognition. An overview of the key advantages and disadvantages are discussed in this chapter.

#### A. Benefits of mutual recognition

46. Mutual recognition provides a wide range of benefits, which have been well articulated in various documents relating to the subject matter. The benefits of mutual recognition are summarized below:

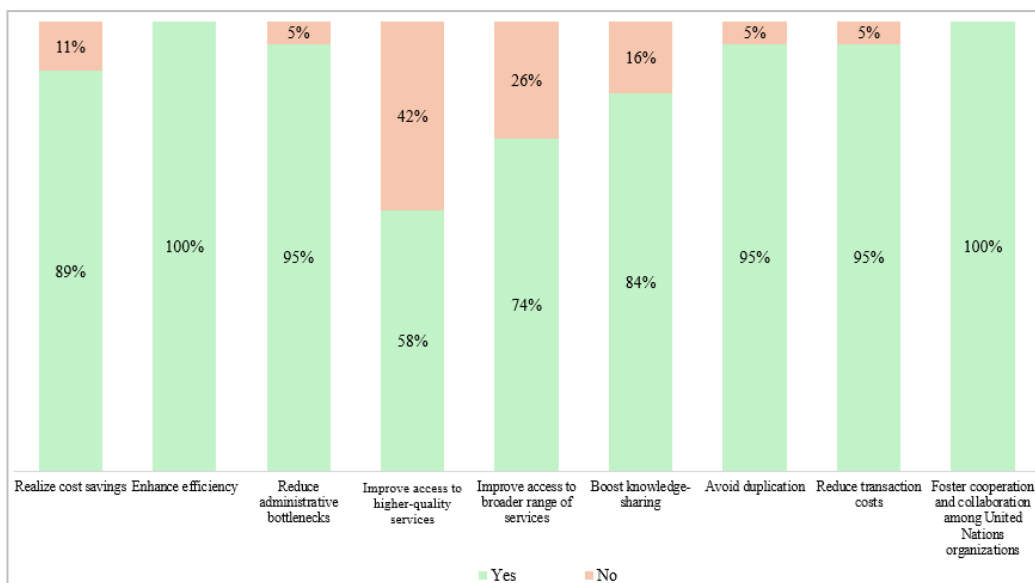
Mutual recognition can increase the agility of operations and remove barriers to collaboration that result from inconsistent or incompatible policies, rules and procedures among United Nations system organizations. Implementing mutual recognition can also:

- Simplify and foster inter-entity service delivery
- Enable deeper forms of collaboration and integration between United Nations system organizations worldwide
- Allow entities to use the optimal contracts and services of other signatory United Nations system organizations (assuming third-party consent)
- Increase efficiency by avoiding the duplication of activities, e.g. republishing procurement notices, double-auditing, or resigning of individual entity contracts
- Function as a critical enabler for the creation of common back offices and a network of global shared service centres<sup>20</sup>

47. One question in the JIU questionnaire requested participants to rate the expected benefits of implementing mutual recognition. All the signatory organizations that responded to the questionnaire rated “Fostering cooperation and collaboration among United Nations system organizations” and “Enhancing efficiency” at 100 per cent. “Avoiding duplication” (95 per cent), “Reducing transaction costs” (95 per cent), “Reducing administrative bottlenecks” (95 per cent), “Realizing cost savings” (89 per cent) and “Boosting knowledge sharing” (84 per cent) were also very highly rated. Notably, 74 per cent of organizations reported that these anticipated benefits have been realized, particularly in the areas of procurement, where advantages were most evident in the use of long-term agreements, and common services under the Business Operations Strategy. In addition, the survey of resident coordinators indicated that 60 per cent of respondents had observed a reduction in duplication of efforts, which further enhances the emphasis on overall efficiency. However, only 58 per cent of respondents expect that mutual recognition will improve access to higher quality services (see figure I).

<sup>20</sup> United Nations, Mutual Recognition Statement: Frequently Asked Questions (September 2022). Available at <https://unsceb.org/mutual-recognition-statement-frequently-asked-questions>.

Figure I  
**Expected benefits of implementing mutual recognition, according to questionnaire respondents**



Source: Responses to the JIU questionnaire.

48. Given the raft of opportunities that mutual recognition provides and the imperative for cost-effectiveness, it is critical that the operationalization of the principle of mutual recognition be made a high priority in order to maximize the expected benefits.

## B. Challenges relating to mutual recognition

49. Despite progress made thus far, respondents to the JIU questionnaire and interviewees highlighted challenges that appear to hamper the full operationalization of mutual recognition. The result is that signatory organizations have different degrees of success in implementing the principle.<sup>21</sup>

50. Potential conflicts between the regulations and rules and legal frameworks of the United Nations system organizations have been cited as a major hindrance to the implementation of mutual recognition. Incompatible policies, regulations and rules across the different United Nations system organizations make it difficult for them to fully rely on services provided by other entities, despite the fact that the application of mutual recognition does not envisage a change of policies, regulations and rules. Some entities mentioned the risk of applying mutual recognition, not as a principle to facilitate efficiency, but to circumvent the regulatory framework of the organization. Legal offices have been cited as “barriers” rather than enablers in the process of reconciling legal frameworks.

51. Unexpected cost implications might pose a challenge. A lack of transparency and reciprocity around cost recovery and fee-charging has led to uneven costs associated with the implementation of mutual recognition within the United Nations system. Mutual recognition has allowed organizations to collaborate despite not having harmonized systems, policies and procedures, and can drive harmonization in the long term. However, such alignment and eventual harmonization may also require advance costs and investment in change management and capacity-building.

52. On one hand, some United Nations system organizations are concerned that in applying mutual recognition, they will lose control over their specific operational requirements or quality standards, and fear potential subsequent liabilities. On the other hand,

<sup>21</sup> Report of the High-level Committee on Management at its forty-fourth session, October 2022 (CEB/2022/5). Available at <https://unsceb.org/sites/default/files/2022-12/CEB.2022.5%20HLCM%2044th%20Session%20-%20Final%20Report.pdf>.

other United Nations system organizations question the need to apply internal controls to recognized policies and procedures that have already been subjected to controls in another organization. Regardless, it is expected that the participating United Nations system organizations “subject their financial and administrative management systems to internal and external auditing arrangements in line with internationally accepted standards”.<sup>22</sup> As processes become more interlinked across organizations owing to mutual recognition of policies and procedures, ensuring proper internal controls, oversight and accountability can become more complex, while responding to the very purpose of mutual recognition to have more simplified and efficient processes. It is a difficult, but nonetheless necessary, balance to strike between system-wide efficiency and organization-specific needs, which is more likely to work if acceptable standards for various procedures (such as thresholds, approval levels and internal controls, including those that are automated in systems) are developed, endorsed and consistently applied system-wide. Clear delineation of responsibilities and risk management protocols, as well as application of the standardized client satisfaction principles, should also provide the required assurance to United Nations system organizations having such concerns.

53. There is a lack of awareness and of a common understanding of the principle at both the management and operational levels. It emerged from the interviews that the principle of mutual recognition is either unfamiliar as a concept or its scope and operationalization are perceived as vague. In its 2024 progress report<sup>23</sup> to the High-level Committee on Management, the Mutual Recognition Coordination Group highlighted that “the lack of awareness and of a common understanding of the mutual recognition principle, at all levels of responsibility, ... was a significant and high priority challenge across the UN system”. Despite efforts by the coordination group to raise awareness about the principle, more needs to be done to further expand knowledge about the principle, in particular at the field level through the United Nations country teams, operations management teams or regional operations management teams.

54. Some organizations are reluctant to cede control or change long-standing practices, either owing to a lack of commitment and/or resistance to change. This was mainly attributed to fear of losing the organization’s specific identity. Overcoming institutional inertia and fostering a culture of collaboration and trust between United Nations system organizations, while maintaining individual identity has been a key challenge to the implementation of mutual recognition. **The Inspectors suggest that United Nations system organizations adopt a change management strategy into which the principle of mutual recognition is embedded as part of the organizational culture.** See JIU/REP/2019/4 for further guidance.

55. There is a lack of comprehensive system-wide operational guidance on mutual recognition. Operationalizing mutual recognition across diverse United Nations system organizations, which have different mandates, governance structures and operational models, presents significant complexities. Developing common standards and protocols that work for all entities requires extensive coordination and (re)alignment with the initial purpose of the Mutual Recognition Statement. Interviewees reported a lack of clarity and guidance on opportunities for inter-agency collaboration, including for cooperative purchasing using existing contracts (piggybacking).

56. Identification of system-wide best practices for mutual recognition in the United Nations system is a challenge. Mutually recognizable practices have been determined through various methods: (a) establishing policy instructions and guidelines at headquarters level that can be applied regionally or in-country; (b) identifying business practices pre-approved by executive leadership for mutual recognition; (c) authorizing heads of office at regional/country levels to use the policies of partner United Nations system organizations to reach objectives more efficiently; and (d) submitting potential mutual recognition cases to headquarters for case-by-case approval when not covered by existing guidelines. However, whether these practices can be labelled as “best” for the entire United Nations system remains to be determined as there are no inter-agency mechanisms or criteria for such purposes. Who is to say that an organization’s procedures merit adoption by others? While being cognizant

<sup>22</sup> Mutual Recognition Statement.

<sup>23</sup> CEB/2024/HLCM/9.

of the daunting task of identifying which best practices, procedures or services are to be mutually recognized, especially when it comes to adapting these to country specific contexts,<sup>24</sup> there is a vacuum when it comes to ensuring that the United Nations system is actually replicating and recognizing the right and best available practices.

57. Financial and human resources concerns that were expressed by most interviewees drew attention to the need to balance the benefits of mutual recognition with the perception that efficiency gains, or cost avoidances (i.e., opportunity costs associated with avoiding duplication through mutual recognition), might directly translate into budget cuts and/or staff cuts. For the efficiency agenda to materialize, a safe environment must be provided. Not every dollar saved should be a dollar less for the United Nations system; cost-efficiencies are not money that is not needed, but rather are an opportunity to redeploy resources for more effective, innovative and impactful purposes. At the same time, more expensive services cannot be justified when cheaper options are available. In the event that workloads should decrease because of mutual recognition, repurposing of staff should be prioritized.

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<sup>24</sup> JIU cautioned “against the excessive fragmentation that would result from a bottom-up assessment of agency-specific comparative advantage in each country” and suggested that “a principal service provider for country-level services should be considered” (JIU/REP/2018/5, executive summary).

## IV. Adequacy and effectiveness of policies and regulatory frameworks to operationalize mutual recognition

*There is a lack of a system-wide coordination mechanism and comprehensive operational guidelines to support the operationalization of mutual recognition*

58. The formal application of mutual recognition is relatively new within the United Nations system. To facilitate its effective operationalization, it is important that a comprehensive regulatory framework and operational guidelines be developed at both the system-wide and organizational levels. Notwithstanding the joint commitment by the executive heads of the signatory organizations to the Mutual Recognition Statement, the Inspectors found that not much has been achieved in operationalizing and mainstreaming mutual recognition across the various levels of the regulatory structures of the United Nations system.

### A. System-wide frameworks and operational guidelines

#### 1. Resources supporting the operationalization of mutual recognition

59. Before the launch of the Mutual Recognition Statement, efforts had been made system-wide to advance the harmonization of practices within the six functional areas of the United Nations system organizations. For instance, in 2012, the Department of Economic and Social Affairs commissioned a report on assessing the cost and benefits of simplifying and harmonizing business practices of United Nations entities at the country level. The study assessed the ongoing reform process at the time and the progress made in simplifying and harmonizing business practices at the country level in the areas of finance, human resources, procurement, ICT, common premises and common services.

60. In 2016, the United Nations Sustainable Development Group published a Policy map of harmonized business operations, which presented a list of harmonized policies, with summaries and links to the actual documents. These policy documents reflect the harmonized policies for procurement, human resources, ICT, finance, logistics and fleet management, and facility services.<sup>25</sup>

61. At the system-wide level, the main authoritative document guiding the operational parameters of the principle of mutual recognition is the Mutual Recognition Statement that was signed and launched in 2018. To enhance coordination between the different strands that support the operationalization of mutual recognition, the High-level Committee on Management, together with the Business Innovations Group created the Mutual Recognition Coordination Group in April 2023. The coordination group was tasked with working closely with the United Nations Sustainable Development Group to coordinate with the networks of the High-level Committee on Management for the development/revision of management policies to address bottlenecks in the application of the mutual recognition principle as identified by relevant reform streams; and to formulate common comprehensive operational guidance on mutual recognition that can be shared with entities and also disseminated to country/field offices, as well as to raise awareness of the benefits offered by mutual recognition-based initiatives and of the available opportunities within the United Nations System.<sup>26</sup>

62. In addition to complementing the work of the networks of the High-level Committee on Management on mutual recognition, the coordination group has developed several guidelines to support the signatory organizations in the implementation of the principle.

<sup>25</sup> See [https://unsdg.un.org/sites/default/files/Policy-Map-of-Harmonized-Business-Operations\\_Nov-30.pdf](https://unsdg.un.org/sites/default/files/Policy-Map-of-Harmonized-Business-Operations_Nov-30.pdf).

<sup>26</sup> See CEB website, "Mutual Recognition" (<https://unsceb.org/mutual-recognition>).

Noteworthy are the mutual recognition guidelines,<sup>27</sup> frequently asked questions on the Statement, a quiz to be used for awareness-raising activities, and stories of successful mutual recognition implementation. The Business Innovations Group has also developed several useful documents to promote mutual recognition, including an infographic entitled “Mutual recognition essentials – 7 steps to implementation”, a mutual recognition factsheet, the terms of reference for mutual recognition champions, and talking points for mutual recognition champions.<sup>28</sup>

63. CEB provided examples of mutual recognition implementation across various functional areas in United Nations system organizations.<sup>29</sup> The Efficiency Road Map 2022–2024 developed by the United Nations Sustainable Development Group in April 2022 discusses various forms of cooperation to improve efficiency and emphasizes that “the Mutual Recognition Statement forms the foundation” for all the efficiency initiatives carried out under the auspices of the Business Innovations Group.

64. Mutual recognition is also a feature of the business operations strategy. The Business Operations Strategy, 2019 Guidance states that “the principle of mutual recognition facilitates the development and implementation of BOS.”<sup>30</sup> The Common Business Operations, 2020 Guidance acknowledges that mutual recognition is “a critical enabler for the creation of common business operations”, and encourages the widest possible uptake thereof.

65. The review found that the available system-wide guidelines on mutual recognition are fragmented and not comprehensive enough to facilitate the operationalization of the principle. As highlighted in the 2024 progress report of the High-level Committee on Management Mutual Recognition Coordination Group, the lack of awareness and of a common understanding of the principle, at all levels of responsibility, and of how it could be leveraged to increase efficiency and reduce administrative bottlenecks, was the main challenge across the United Nations system.

66. Comprehensive operational guidelines should offer clear, operational instructions tailored to the specific contexts of different functional areas, potentially under the guidance of the networks and task teams of the High-level Committee on Management. Such guidance will help bridge the gap between high-level policy and on-the-ground implementation, facilitating smoother cooperation and alignment across organizations.

## **2. Inter-agency mechanisms supporting the operationalization of mutual recognition**

67. As highlighted above, there are several inter-agency mechanisms that support the operationalization of mutual recognition. Figure II illustrates such inter-agency mechanisms and their specific roles in supporting the operationalization of mutual recognition.

68. While the United Nations inter-agency mechanisms highlighted in figure II have made significant strides in supporting the implementation of mutual recognition, many organizations interviewed are of the view that the dissolution of the Mutual Recognition Coordination Group has created a coordination vacuum across the various networks of the Committee. The coordination group was charged with coordinating the main strands that support the operationalization of mutual recognition. However, at its forty-seventh session held in Nairobi in April 2024, the High-level Committee on Management decided to transform the coordination group into a community of practice and to form a network of mutual recognition champions to advance the agenda.<sup>31</sup> The Inspectors consider that the coordination vacuum that has been created needs to be addressed urgently. At present, it is

<sup>27</sup> The guidelines highlight the benefits of mutual recognition and provide information on its operational framework, how to apply the principle, examples of successful stories and possible functional areas for application of mutual recognition.

<sup>28</sup> See <https://unsceb.org/mutual-recognition>.

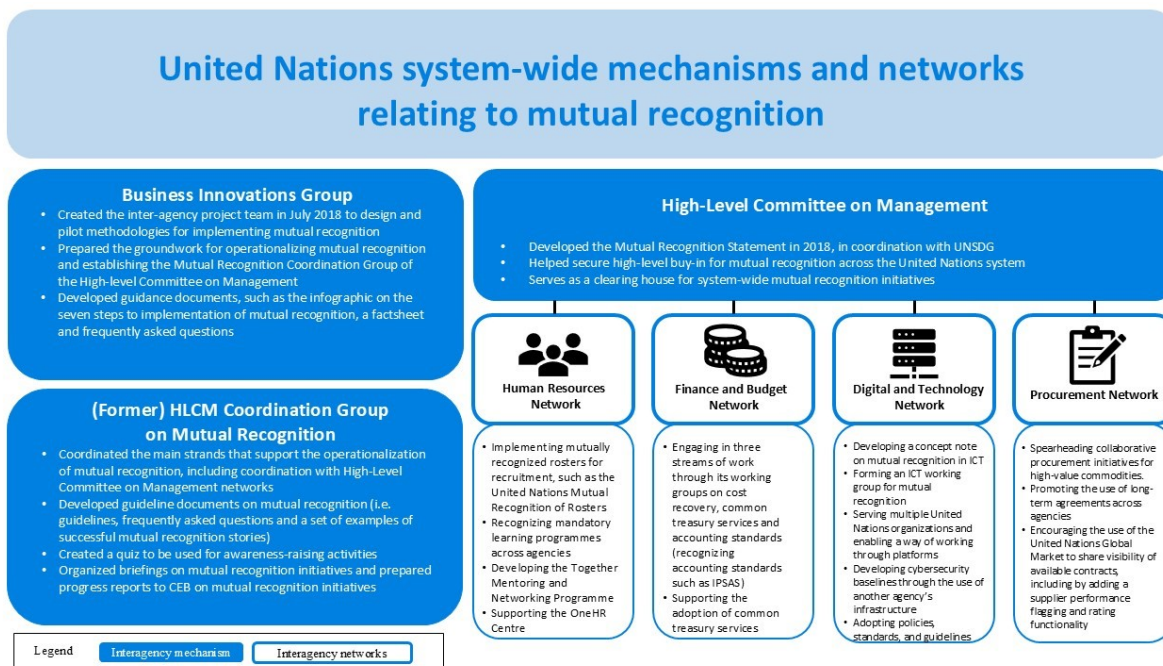
<sup>29</sup> CEB, Examples in practice (internal document not available to the public).

<sup>30</sup> See <https://unsdg.un.org/resources/business-operations-strategy-bos-20-guidance>.

<sup>31</sup> See CEB/2024/3. Available at <https://unsceb.org/session-report-406>.

not clear if the newly created inter-agency frameworks will be assigned the coordination role. Given this coordination vacuum and the fragmentation of mutual recognition guidelines, the Inspectors are of the opinion that the Community of Practice on Mutual Recognition and the network of mutual recognition champions should be tasked with coordinating system-wide efforts to operationalize mutual recognition and developing comprehensive operational guidelines to guide the signatory organizations in the operationalization of the principle. The work of the various networks of the Committee are mutually supportive and it is vital that they are properly coordinated to avoid becoming silos. It is also vital that those appointed to serve in new the inter-agency frameworks have the requisite competencies and are at the appropriate level of seniority, and membership should be as inclusive as possible.

Figure II  
United Nations system-wide mechanisms and networks relating to mutual recognition



Source: JIU.

69. The recommendation set out below is expected to strengthen coherence and harmonization within the United Nations system organizations.

**Recommendation 2**

**The executive heads of United Nations system organizations, through the United Nations System Chief Executives Board for Coordination, should, by the end of 2025, task the Community of Practice on Mutual Recognition and the network of mutual recognition champions with coordinating system-wide efforts to operationalize mutual recognition and developing comprehensive operational guidelines to guide the signatory organizations in the operationalization of the principle. The guidelines should be aimed at increasing the operationalization of mutual recognition in relation to the organizations' current baseline activities.**

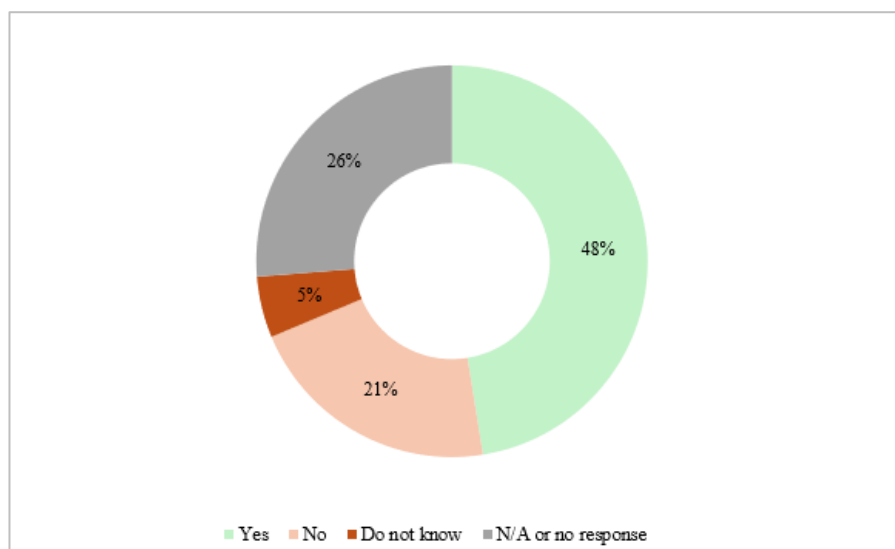
## B. Embedding mutual recognition into organizational policies and procedures

*Embedding the principle of mutual recognition into organizational regulatory frameworks mitigates associated legal constraints*

70. As shown in figure III, 48 per cent of the signatory organizations consider the incompatibility of policies, regulations and rules among the different United Nations system organizations to be the main bottleneck in the operationalization of mutual recognition. While, ideally, the application of mutual recognition does not require organizations to change their policies and procedures, in practice, divergent regulatory frameworks can hamper the application of the principle.

Figure III

**Perception of United Nations system organizations on regulatory incompatibilities as a bottleneck to the implementation of mutual recognition**



Source: Responses to the JIU questionnaire.

71. It was apparent from the interviews conducted that the rigid nature of certain legal aspects complicates the implementation and application of mutual recognition. Internal organizational rules were found to be impediments to the application of the principle, effectively defeating the purpose of mutual recognition by requiring adherence to the standards of the organization in which the process or initiative originated rather than recognizing and accepting the standards of the organization seeking to collaborate with that organization and use its processes or initiatives.

72. The review found that many signatory organizations apply mutual recognition as a routine process unintentionally, while others do not utilize it on a regular basis owing to the absence of regulatory frameworks and internal guidelines. Thus, as emphasized by the Business Innovations Group, “for mutual recognition to reach its potential in terms of being the key enabler for sharing of services under GSS, BOS, LSSC/CBO or Common Premises, the entities will need to internalize it and align internal policies and procedures as needed”.<sup>32</sup> Aligning internal policies and procedures, and ensuring that they are conducive to inter-organization collaboration and service sharing would facilitate smoother cooperation and reduce the barriers posed by diverse regulatory frameworks.

73. Although not included in the six functional areas of the Mutual Recognition Statement, the legal function can play a pivotal role in enabling the mutual recognition of policies, procedures and services within the United Nations system. Legal offices should

<sup>32</sup> UNSDG Efficiency Road Map 2022–2024, April 2022. Abbreviations: GSS, global shared services; BOS, business operations strategy; LSSC, local shared service centre; CBO, common back office.



serve as enablers, rather than barriers, to fostering collaboration among United Nations system organizations. To allow the legal office to play such an enabling role, the principle of mutual recognition should be embedded into the regulatory frameworks of the signatory organizations. For instance, the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) has established a process under its Policy, Procedure and Guidance framework for adopting the policies and procedures of other United Nations system organizations when there is an existing policy gap in its own organization. To avoid “reinventing the wheel” by creating policies that already exist in another United Nations system organization, the Inspectors consider that this is a practice worth emulating by the signatory organizations with a view to embedding the culture of mutual recognition into the United Nations system. **The Inspectors suggest that the enabling role of legal offices be recognized by involving them in regulatory initiatives intended to operationalize the principle of mutual recognition.**

74. The legal offices of the signatory organizations should serve as enablers for the implementation of mutual recognition. Legal offices play a pivotal role in providing legal advice and can ensure that mutual recognition is applied in compliance with the regulatory framework of the respective organizations. They can also develop the enabling legal instruments for the implementation of mutual recognition. In order to ensure the successful implementation of mutual recognition, the signatory organizations should work together from the outset of any initiative to identify common practices, develop common strategies, and proceed according to commonly defined legal terms and specifications. Fostering collaboration among United Nations system organizations from the beginning of any mutual recognition initiative can build trust and facilitate the alignment of requirements, processes and legalities. While commonly agreed terms and conditions for contracts could facilitate legal harmonization to some extent, contractual provisions of the United Nations system organizations may differ depending, for instance, on the legal status of the organizations involved, the scope of work, the nature of procured goods or services, or the relevant operational or financial requirements (e.g. different delivery terms, liability and warranty terms and insurance provisions).

75. Rather than being treated as an add-on, the principle of mutual recognition should be embedded or integrated as an explicit, standard and foundational element of policy design, and deeply woven into the operational fabric of the policies, regulatory frameworks and operational guidelines of the United Nations system organizations, in particular the United Nations 2.0 framework.<sup>33</sup>

76. Every opportunity for revision should be seized to incorporate mutual recognition into regulatory frameworks, which would reinforce the importance of the principle in aligning existing inter-agency gaps and facilitate its wider implementation across the United Nations system. The recommendation set out below is expected to strengthen coherence and harmonization within the United Nations system:

### **Recommendation 3**

**The executive heads of United Nations system organizations should, by the end of 2029, take every opportunity to revise existing policies and regulations and explicitly embed the principle of mutual recognition into their regulatory frameworks in order to reinforce its importance for aligning inter-agency gaps and facilitate its wider implementation across the United Nations system.**

*Lack of organizational internal guidelines and administrative instructions on mutual recognition undermines its operationalization at the country level*

77. Policies and internal guidelines are vital to the successful implementation of mutual recognition. When asked specifically about policies, guidelines or general administrative instructions to guide managers at the regional and country levels in implementing mutual

<sup>33</sup> See United Nations 2.0: Our Common Agenda, Policy brief 11 (September 2023). Available at <https://www.un.org/sites/un2.un.org/files/our-common-agenda-policy-brief-un-2.0-en.pdf>.

recognition, only 32 per cent of organizations reported that they have such documents. However, 63 per cent of organizations confirmed that they are largely implementing mutual recognition within the United Nations development system, which highlights the discrepancy between the availability of formal guidance for field operations and the scope of implementation.

78. A few organizations have developed internal guidelines for implementing mutual recognition. The Food and Agriculture Organization of the United Nations (FAO) was the first to do so, followed by United Nations Children's Fund (UNICEF), World Food Programme (WFP) and United Nations Population Fund (UNFPA). The guidelines of these organizations provide comprehensive explanations of mutual recognition in the context of the six functional areas by detailing its scope and how it is operationalized, including examples, practical considerations, future direction, resources and support for organizations. They are worth replicating. **The Inspectors suggest that signatory organizations that do not have internal guidelines on the operationalization of mutual recognition consider developing such materials to guide managers at the country level. They encourage entities that already have internal guidelines to share them with other organizations for reference.**

## V. Mutual recognition in practice

### A. Status of implementation of the seven steps for mutual recognition defined by the Business Innovations Group

*Not much progress has been achieved in implementing the Business Innovations Group's seven steps for the implementation of mutual recognition*

79. In December 2020, the Business Innovations Group issued the infographic entitled “Mutual recognition essentials – 7 steps to implementation”,<sup>34</sup> as part of a series of documents to support the operationalization of mutual recognition. The seven steps are: (1) sign the Mutual Recognition Statement; (2) brief senior management; (3) assess and agree on areas of work in which to apply mutual recognition; (4) appoint a network of mutual recognition champions to promote the principle; (5) issue policy instructions or guidelines; (6) establish a mechanism for future requests; and (7) maintain a register to track and evaluate the benefits of mutual recognition.

80. Although the seven steps were issued more than four years ago, not much progress has been achieved in implementing them beyond step 1 – signing the Mutual Recognition Statement – and step 2 – briefing senior management. Figure IV summarizes the status of implementation of the seven steps relating to mutual recognition in JIU participating organizations by signatories to the Statement.

Figure IV  
Status of implementation of the 7 steps relating to mutual recognition



Source: Responses to the JIU questionnaire.

81. Despite the apparent minor progress in the implementation of the seven steps for mutual recognition, several organizations maintain that some progress has been achieved, although the seven steps have not been followed methodologically. They attribute the failure to systematically follow the seven steps – especially steps 4, 6 and 7 – to the fact that mutual recognition is considered an integral part of the management reforms and within the purview of the six functional areas. They further argue that the establishment of a network of mutual recognition champions would require additional human capital – a challenge that was mostly raised by small United Nations system organizations. Some organizations, such as UNDP,

<sup>34</sup> Available at <https://unsceb.org/mutual-recognition-7-steps-implementation>.

FAO, WFP, UNICEF and the United Nations Secretariat, have already incorporated the principle of mutual recognition, at least in procurement.

82. Some organizations (UNICEF, FAO, WFP and UNFPA) have partially or fully provided for steps 3, 4, 5 and 6 through their internal guidelines on the implementation of mutual recognition. These internal guidelines cover some practical issues relating to the six functional areas and common business operations, as well as the way forward in the implementation of mutual recognition.<sup>35</sup> The development of operational guidelines is a critical step in the adoption and implementation of mutual recognition. For its part, the Office of the United Nations High Commissioner for Refugees (UNHCR) has implemented steps 3, 5 and 6 for procurement, and incorporated instructions for collaboration into related policies, rules and procedures.<sup>36</sup>

83. UN-Women is the only organization that has implemented step 7 so far, and the Inspectors commend the entity for this achievement. UN-Women also mentioned that when it adopts a policy from another United Nations system organization, it is incorporated into its Policy, Procedure and Guidance portal.

84. The challenges regarding the implementation of the Business Innovations Group's seven steps are most stark in relation to steps 4, 6 and 7. This is clear from the responses regarding those steps in the JIU questionnaire. With regard to step 4 – appoint a network of mutual recognition champions to promote mutual recognition – some organizations suggest that this step is redundant because mutual recognition is already incorporated into their administrative functions. In addition, some organizations expressed hesitation about increasing the workload of their staff by assigning them additional responsibilities as mutual recognition champions. This is a serious challenge for organizations that are already facing staff shortages. Furthermore, several organizations stated that, since the energy and appetite for mutual recognition already exists in their organization, it would be counterproductive to assign precious resources to act as awareness-raising mechanisms. In order to ensure effective coordination in the implementation of mutual recognition, UNICEF has appointed division focal points across the six functional areas. This is worth emulating by other signatory organizations. Considering the limited progress and the lack of understanding of how to operationalize the principle of mutual recognition at both the headquarters and country levels – such as lack of awareness of available initiatives and few available resources – division focal points can guide both headquarters and country operations in operationalizing mutual recognition. **The Inspectors suggest that focal points be appointed in the six functional areas to support the operationalization of mutual recognition in United Nations system organizations. The focal points should be members of the Community of Practice on Mutual Recognition and/or a network of mutual recognition champions so as to maintain the bridge between entity-driven initiatives and those of the High-level Committee on Management.**

85. Some organizations consider that it is more important to measure and report on the results relating to mutual recognition, than to “micromanage” or “coordinate” it. However, other organizations suggest that more coordination of mutual recognition is needed, in particular to enable knowledge and best practices to “trickle down” from management to the operational level.<sup>37</sup>

86. Step 6 of the seven steps – establish a mechanism for future requests – was the step most selected as not yet being taken into consideration by the participating organizations. Some organizations note that there is a low volume of new requests to apply mutual recognition and that they are addressed on an ad hoc basis.

<sup>35</sup> See UNICEF, “Your guide to mutual recognition”; FAO, “FAO’s internal guide to the Mutual Recognition Statement”; WFP, “Mutual recognition information note” (January 2021), UNFPA, “Your guide to mutual recognition” (March 2021).

<sup>36</sup> See UNHCR, Policy on procurement, May 2021 (UNHCR/HCP/2021/01); Administrative Instruction on the Rules and Procedures of UNHCR Committees on Contracts at Headquarters and in the Field (UNHCR/AI/2018/5/Rev.1); Administrative Instruction on Procurement (UNHCR/AI/2021/05).

<sup>37</sup> See chap. VI, sect. A, below for more information.

87. Step 7 – maintain a register to track and evaluate the benefits of mutual recognition – also presented challenges to the organizations. One challenge is in the area of ICT, as systems do not currently support a function for registering mutual recognition applications. Developing a systematic approach to capturing the benefits generated by mutual recognition, in particular through contract sharing, has also proved to be challenging.

88. While the seven steps may be better understood as a checklist rather than a sequential process – as many of the steps can be accomplished independently of each other – all the topics covered by the seven steps are instrumental for advancing mutual recognition. Moreover, the seven steps do not provide a comprehensive guide for rolling out mutual recognition. Guidance similar to those developed for the business operations strategy<sup>38</sup> and common back offices<sup>39</sup> could be helpful in promoting a more consistent adoption of the seven-step framework. Although the responsibility for the operationalization of mutual recognition is in the hands of the various United Nations system organizations owing to their diverse nature and specific business models, further operational guidance would support a common understanding and a harmonized approach to the implementation of mutual recognition.

## **B. Mutual recognition as an enabler of efficiency agenda initiatives**

*All United Nations system organizations, irrespective of their size and business model, have comparative advantages in the provision of certain services*

89. There is consensus among the signatory organizations that mutual recognition is an enabler of the efficiency agenda and beneficial to the business operations strategy, common premises, common back offices and global shared services. These common business operations<sup>40</sup> represent a new collaborative and innovative way of operating at the country level. However, it was apparent from the interviews conducted that the linkage between mutual recognition and these common business operations is not fully understood by some United Nations system organizations. These efficiency initiatives – which are in line with the “Delivering as One” approach<sup>41</sup> that was launched by the then Secretary-General in 2006 – were developed in response to General Assembly resolutions 62/208 and 64/289.

90. The General Assembly, through its resolutions on the quadrennial comprehensive policy review emphasized the need for the United Nations to implement changes to pursue “more cost-efficient support services, by reducing the duplication of functions and administrative and transaction costs through the consolidation of support services at the country level; and the requirement for integrated support across the United Nations system

<sup>38</sup> UNSDG, Business Operations Strategy, 2019 Guidance (October 2019).

<sup>39</sup> See Common Back Office Resources (<https://help.uninfo.org/un-info/common-back-office-cbo/introduction>).

<sup>40</sup> Common business operations is an umbrella term that encompasses all joint operations solutions under the efficiency agenda: business operations strategy, common back offices, global shared services and common premises.

<sup>41</sup> See A/61/583. The Delivering as One approach is based on the four principles of one leader, one programme, one budget and one office. Some of the achievements from the independent evaluation of the Delivering as One approach conducted in 2011–2012 include: increased coherence among organizations, lowered transactions costs for Governments, strengthened collaboration with governments, increased transparency of resource requirements for the United Nations system at country level, economies of scale, improved services, joint procurement procedures, common recruitment system, and joint programming to reduce duplication. Some of the challenges identified include: high transactions costs for United Nations country team, organizations remain accountable to own governing bodies, unequal accountability between resident coordinator and United Nations country team, no harmonized regulations and rules, no consolidated data for assessment of savings, operational costs remain high, only few instances of common premises, slow decisions from headquarters, some joint programmes fragmented by excessive number of organizations and partners, accountability structures fragmented. Resident coordinators and United Nations country teams reported insufficient support from headquarters to meet their needs in a timely fashion (<https://unsdg.un.org/resources/independent-evaluation-delivering-one-summary-report>).

for the 2030 Agenda for Sustainable Development.”<sup>42</sup> To implement this undertaking, the Secretary-General, in his report<sup>43</sup> of December 2017, outlined a series of targets regarding common business services and back-office functions to support the implementation of the 2030 Agenda. These reform measures, which are now known as the “efficiency agenda”, are aimed at realizing cost avoidance and performance improvement by harmonizing, centralizing and consolidating the use of resources to generate efficiencies in financial and quality terms, which are to be redeployed as part of programmes to better support the 2030 Agenda.

91. In the context of the Secretary-General’s commitment to reform the business practices of the United Nations, the Business Innovations Group was tasked with delivering and building on the proposals envisioned to maximize programmatic gains by harmonizing back-office functions, expanding common premises and mutually recognizing policies across various United Nations system organizations. The Secretary-General set a broad projection of savings of about \$310 million per year by 2022 across the United Nations system for the efficiency agenda. The Business Innovations Group has since developed additional guidance and workstreams to implement the following initial targets<sup>44</sup> set by the Secretary-General to advance the efficiency agenda, including:

- Establishing common back offices for all United Nations country teams by 2022
- Ensuring compliance with an improved Business Operations Strategy by 2021
- Increasing the proportion of United Nations common premises to 50 per cent by 2021
- Exploring various options, including the possible consolidation of location-independent business operations into six or seven networks of shared service centres
- Transitioning to a new generation of United Nations country teams
- Integrating United Nations information centres into resident coordinator offices<sup>45</sup>

92. Those targets were not achieved, which led to the adoption of a revised efficiency road map for the period 2022–2024. The new road map adjusted the original efficiency strategy, but maintained the initial projected savings of \$310 million per year. The business operations strategy, common premises, global shared services and common back offices are important instruments for enhancing the efficiency and effectiveness of the United Nations system through common operations support to United Nations programme implementation. Common business operations encourage “the widest possible uptake of recently introduced best practices, including mutual recognition, client satisfaction principles, costing and pricing principles, service-level agreements and use of technology platforms with digital solutions to support decision-making, access to services and case management.”<sup>46</sup> The implementation status of these common business operations, together with the three key enablers, are shown in figure V.

## 1. Implementation status of the efficiency agenda initiatives

93. Mutual recognition along with standardized client satisfaction principles and standardized pricing and costing standards are the enablers of the efficiency agenda initiatives. Mutual recognition plays a pivotal role in removing bureaucratic barriers and increasing the agility of operations in developing partnerships and working together towards the overall United Nations mission. It underscores the confidence that United Nations system

<sup>42</sup> UNSDG website, “Business Operations”.

<sup>43</sup> A/72/684-E/2018/7.

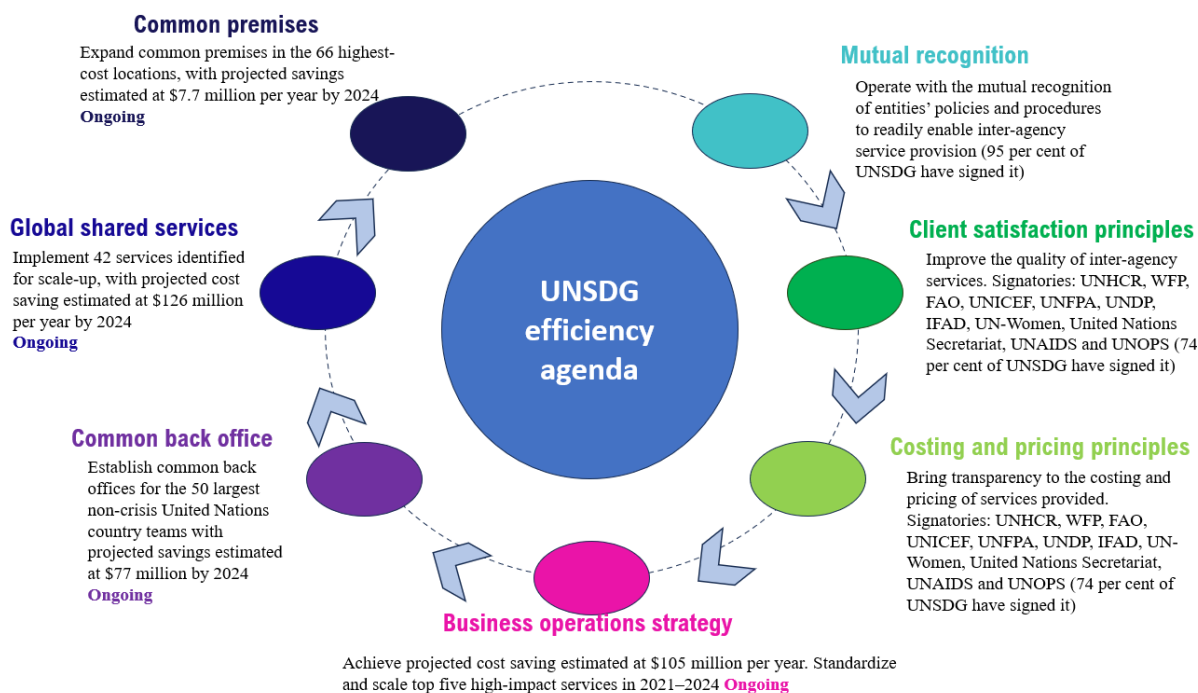
<sup>44</sup> To facilitate the success of these targets, the Business Innovations Group defined three enablers, namely, mutual recognition, standardized client satisfaction principles and standardized pricing and costing standards, which are critical to the achievement of common business operations.

<sup>45</sup> See A/72/684-E/2018/7.

<sup>46</sup> UNSDG, Common Business Operations, 2020 Guidance (May 2020), p. 5.

organizations have achieved high levels of proficiency in managing their governance and control arrangements.

Figure V  
Efficiency agenda initiatives



Source: United Nations Sustainable Development Group, Common Back Office (CBO) Briefing, July 2024 (slides). Available at <https://help.uninfo.org/un-info/common-back-office-cbo/introduction>.

94. In its resolution 75/233, the General Assembly stressed “the need for the United Nations development system to strengthen and improve the ongoing design and implementation of harmonized business practices in order to optimize opportunities for collaboration, including the Business Operations Strategies, Common Back Offices and Common Premises at the country level, and to strengthen its reporting processes on impact in terms of efficiency gains resulting from these new business practices, while recognizing progress in this regard, in order to free up more funding for development activities, including coordination”.

## 2. Business Operations Strategy and its linkages with mutual recognition

95. To ensure effective implementation of the Business Operations Strategy and mutual recognition, it is vital to understand the linkages between the two concepts. However, it was apparent from the interviews conducted that, while many regard mutual recognition as an enabler for the strategy, the linkages between the two are not fully understood.

96. The Business Operations Strategy was created in 2012 as a response to a call for simplification and harmonization of the United Nations system. It is “a results-based framework that focuses on joint business operations with the purpose of eliminating duplication, leveraging the common bargaining power of the United Nations, and maximizing economies of scale. It is facilitated by the principle of mutual recognition and it constitutes a reliable evidence-based foundation for the establishment of common back offices.”<sup>47</sup> The strategy focuses on common services that are implemented jointly or delivered by one United Nations organization on behalf of other United Nations system organizations. Therefore, the impact of the strategy at the country level depends on the extent to which the principle of mutual recognition is embraced as an enabler. The revised and

<sup>47</sup> UNSDG, Business Operations Strategy, 2019 Guidance (October 2019), foreword.

streamlined Business Operations Strategy 2.0 was launched in October 2019 and signed by 131 United Nations country teams, which represents full compliance with the set target.

97. The strategy is structured around six common service lines: finance, human resources, procurement, logistics, ICT and administration (including facility services). These are the same common service lines that constitute the functional areas/scope of operation of the mutual recognition principle. Hence, it is not surprising that mutual recognition is operationalized in the context of the Business Operations Strategy. Since the strategy provides an operational framework that guides the United Nations business operations at the country level, it seems logical to affirm that it constitutes the groundwork for the implementation of mutual recognition at the country level.

98. In his December 2017 report, the Secretary-General highlighted the linkage between the strategy and mutual recognition and encouraged the United Nations country teams “to ensure compliance with an improved Business Operations Strategy by 2021,” building on existing country experiences, adding that “progress towards that goal is also contingent on progress on the mutual recognition of policies and procedures by organizations of the United Nations development system”.<sup>48</sup> In short, the principle of mutual recognition and the business operations strategy are mutually reinforcing.

### 3. Common Back Office and its linkages with mutual recognition

99. The Common Back Office initiative is an integral part of the efficiency agenda which is aimed at improving programme implementation through improved business support services. The common back offices are an extension of the business operations strategy; they consolidate and integrate a range of services into one facility at the country level. A common back office is “a country-level shared service centre with a dedicated team and an inter-agency governance board that, through consolidation and specialization, aims to eliminate duplication, leverage collective bargaining power and other economies of scale, and improve the speed of delivery and quality of services, ultimately ensuring the satisfaction of clients”.<sup>49</sup>

100. The business operations strategy and the common back office are complementary: the business operations strategy refers to collaboration between organizations and their service units, while the common back office focuses on consolidation of service provision.<sup>50</sup> In the same way as the strategy, the common back office covers the six common service lines: finance, human resources, ICT, procurement, logistics and administration (including facilities management and light vehicle fleet management), and consolidates them into one single platform at the country level, with mutual recognition as an enabler.

101. Common back offices, as shared services, operate as an internal client service centre which charges for services provided to its clients and uses service-level agreements as contractual agreements that specify cost, time and quality performance management.<sup>51</sup>

102. The initial target of establishing common back offices for all United Nations country teams by the end of 2022 was not achieved, owing in part to challenges brought on by the COVID-19 pandemic, and the realization that each common back office is a significant change management process that requires time and resources to design, plan and implement. The target has now been reduced to 50 countries by the end of 2024.

103. The first common back office was launched in Nairobi on 2 January 2024. This was followed by common back office expansions in Brazil and Viet Nam on 13 May 2024. The common back office in Nairobi is serviced by the United Nations Office at Nairobi together with UNICEF and WFP. It offers 101 services to over 3,500 staff from more than 60 United Nations system organizations.<sup>52</sup> Regarding the service providers of the common back office

<sup>48</sup> A/72/684-E/2018/7, para. 44.

<sup>49</sup> UNSDG, Common Back Office – Frequently Asked Questions (April 2023), para. 1.1. Available at <https://help.uninfo.org/un-info/common-back-office-cbo/introduction>.

<sup>50</sup> Ibid., para. 1.2.

<sup>51</sup> UNSDG website, “Business Operations”.

<sup>52</sup> E/2024/5, para. 45.



in Nairobi, the United Nations Office at Nairobi provides most of the services, UNICEF provides a harmonized approach to cash transfers, and WFP provides logistics services, including the United Nations Booking Hub. The main concerns raised by some United Nations system organizations regarding the establishment of the back office in Nairobi are about the following: perception as a threat to staff positions; opt-in and opt-out policies are perceived as too strict, while others consider that they are not strict enough and require an enforcement mechanism.

104. Interviewees expressed the view that the facility represents the shared commitment of the United Nations to foster a more efficient, united and impactful United Nations presence in Nairobi, even though it is too early to assess its performance. Many also considered that it will serve as an important benchmark for other United Nations country teams.

105. The interviews conducted with the United Nations system organizations in Nairobi revealed that the co-location of United Nations system organizations under common premises at the United Nations Office at Nairobi has instilled a culture of cooperation, joint programming, and delivering as one, thus making it easier to embrace the principle of mutual recognition. Many organizations interviewed were of the view that, while the benefits of the common back office may vary from organization to organization, it drives cost avoidance and operational quality improvements. It was also apparent from the interviews conducted that the extent to which mutual recognition is implemented at the country level depends on the delegation of authority for the respective functional areas. For instance, it was reported that, in procurement, there is reasonable delegation of authority to managers at the country level compared to other functional areas. This is one explanation as to why mutual recognition is more advanced in procurement than in other functional areas.

#### 4. Common Premises and its linkages with mutual recognition

106. Common Premises entail the co-location of two or more resident United Nations entities present in a country. It is a key enabler for location-dependent common services and shared services between organizations and forms an integral part of United Nations efforts to advance common operations at the country level. The primary objectives of common premises are to achieve cost-efficiency through reduction of operational costs, effective utilization of shared resources, enhanced security and a unified presence at the national and subnational levels.<sup>53</sup>

107. Common premises and common services had been envisioned since the inception of the United Nations system – well before the repositioning of the United Nations development system. Common premises took root as part of the reform measures in response to the financial crises afflicting the United Nations.<sup>54</sup>

108. In his July 1997 report on renewing the United Nations, the then Secretary-General stated that “all United Nations entities with ongoing missions at the country level will operate in common premises – “UN House” – and operate under a single United Nations flag. In countries where there is a resident coordinator, all funds and programmes as well as United Nations information centres will become part of a single United Nations office under the resident coordinator”.<sup>55</sup>

109. In the succeeding years, the General Assembly periodically underscored the idea of common premises and common services in the context of operational activities of the United Nations development system.<sup>56</sup>

110. In an effort to obtain the greatest return on investment, common premises have been prioritized in the 66 highest cost locations, which is estimated to generate \$7.7 million per

<sup>53</sup> UNSDG website, “Business Operations”.

<sup>54</sup> JIU/REP/2020/3, para. 1.

<sup>55</sup> A/51/950, para. 51.

<sup>56</sup> See, for example, resolutions 44/211, 46/219, 47/199, 48/209, 50/120, 53/192, 56/201, 59/250, 62/208, 67/226 and 71/243.

year in savings.<sup>57</sup> Common premises projects were completed in eight countries in 2023,<sup>58</sup> and 43 are in progress – the largest in Egypt (hosting 2,700 staff from 36 United Nations system organizations) and the closest to completion in Senegal (bringing together 34 United Nations system organizations and a total of 1,800 staff).<sup>59</sup>

111. Although the concept of common premises has been part of the United Nations vision since its establishment, there is still significant potential for increasing adoption of the concept. Common premises provides ample opportunities for the application of mutual recognition. **Common Premises is a significant enabler for common business operations; therefore, the Inspectors suggest that it be given high priority, including in the consideration of the opening of field offices by United Nations system organizations.**

## 5. Global Shared Services and its linkages with mutual recognition

112. In his December 2017 report, the Secretary-General called on the United Nations development system “to explore various options, including the possible consolidation of location-independent business operations into ... networks of shared services centres.” The centres do not have to be attached to one geographical space, but can be sourced from any location across the globe and driven by cost and quality considerations. “The networks would be managed by the larger entities in the system to take advantage of their scale and geographical coverage and would offer services to other entities in the system.”<sup>60</sup> The seven United Nations system organizations collaborating on global shared services are the United Nations Secretariat, UNDP, UNHCR, UNICEF, UNOPS, WFP and World Health Organization (WHO). These organizations constitute the Global Shared Services Task Team that was formed at the end of 2021 to advance a global shared services-driven expansion of shared services centres across the United Nations system and ensure alignment between the services architecture for the location-independent services and the services provided by location-dependent local shared service centres.<sup>61</sup> Mutual recognition works as a critical enabler for the creation of common back offices and global shared service centres.

113. It was apparent from the data collected that the highest levels of efficiency gains are likely to be achieved from the centralizing of functions at the global level in global shared services. These services are projected to generate approximately \$126 million per year in cost savings by 2024. However, progress in the establishment of global shared service centres has been slow since 2018. This is attributable to: (a) a lack of direct accountability and ownership within the system for the initiative – with the High-level Committee on Management focusing on system-wide policy changes and the UNSDG Business Innovation Group focusing on business operations and efficiencies at the level of United Nations country teams; and (b) potential costs linked to the establishment of global shared service centres (e.g. loss of jobs, start-up costs).<sup>62</sup>

114. According to the UNSDG Efficiency Road Map 2022–2024, global shared services are estimated to contribute 40 per cent of the efficiency gains. For the period 2023–2024, 37 services were prioritized for scale-up. Table 2 shows the five services that were prioritized for scale-up in 2022.

115. The key challenges in gaining efficiencies from common business operations at the country level include differences in rules and procedures; a mismatch between country-level objectives and corporate support; and the different interests and capacities within the United Nations country teams.<sup>63</sup>

<sup>57</sup> UNSDG Efficiency Road Map 2022–2024 (April 2022).

<sup>58</sup> Antigua and Barbuda, Bolivia (Plurinational State of), Colombia, Ethiopia, Iraq, Mali, Morocco and United Republic of Tanzania.

<sup>59</sup> E/2024/5, para. 46.

<sup>60</sup> A/72/684-E/2018/7, para. 47.

<sup>61</sup> UNSDG Efficiency Road Map 2022–2024 (April 2022).

<sup>62</sup> “Towards a global shared services architecture: the case of UN shared services”, High-level conceptual outline (June 2021).

<sup>63</sup> JIU/REP/2018/5, para. 105.

Table 2  
**Five services that were prioritized for scale-up in 2022**

<i>Organization</i>	<i>Service</i>	<i>Organizations signed up</i>
UNDP	Benefits and entitlements	45
UNOPS	Procurement and order management (United Nations Web Buy Plus)	18
United Nations Secretariat	Procurement of vehicles	*
WFP	Passenger mobility and carpooling (United Nations Booking Hub)	16
WFF and UNHCR	United Nations Fleet	12

*Source:* UNSDG Efficiency Road Map 2022–2024.

\* The Department of Operational Support currently provides direct vehicle procurement support to all United Nations Secretariat entities. In addition, vehicle contracts are being utilized by United Nations agencies, funds and programmes in accordance with mutual recognition. However, the Shared Services initiative for vehicle procurement was never formally launched, as it appeared to set up direct competition with the United Nations Fleet initiative. Instead, the Secretariat has been in discussion with WFP and UNHCR to determine how best to have the procurement of vehicles by the Secretariat complement their efforts.

116. Mutual recognition essentially entails the granting of a “pre-approved licence” to their offices by the executive management of United Nations system organizations authorizing them to access and use the policies, procedures and assets of other United Nations organizations. In humanitarian emergencies – and in a developmental context – this allows United Nations organizations to cooperate and benefit from already established United Nations footprints with minimum delay and transaction costs.<sup>64</sup>

117. Mutual recognition is more complicated when applied to services, and this has led to limited implementation and application of the principle. The three principles – mutual recognition, standardized client satisfaction and standardized pricing and costing – are mutually reinforcing as enablers of common business operations. The relationship between a service provider and a service recipient is governed by a service-level agreement which sets the minimum standards for service delivery. In line with the commitments made by United Nations system organizations on standardized client satisfaction principles and standardized pricing and costing principles, a set of minimum requirements for service delivery has been agreed to ensure the implementation of efficient, effective, equitable and continuously improving business operations. Accordingly, the principle of mutual recognition should not be applied in isolation from the other two principles.<sup>65</sup>

118. The linkages between the principle of mutual recognition and the efficiency initiatives are not fully understood and substantiated. This is due to the lack of comprehensive operational guidance on how to apply mutual recognition as an enabler for the implementation of common business operations at the country level. The success of these common business operations depends largely on the extent to which the principle of mutual recognition is applied, therefore it is vital that such guidance is developed to guide managers and officers.

119. The three principles are critical for the development and implementation of the above-mentioned efficiency initiatives (see table 3).

<sup>64</sup> UNSDG website, “Mutual Recognition” (<https://unsdg.un.org/2030-agenda/business-operations>).

<sup>65</sup> UNSDG, Common Business Operations, 2020 Guidance (May 2020).

Table 3

**Importance of the three principles in developing and implementing the efficiency initiatives**

<i>Key enablers</i>	<i>Description</i>
Mutual recognition	<ul style="list-style-type: none"> <li>• Enables deeper forms of collaboration and integration between United Nations system organizations globally</li> <li>• Simplifies and fosters inter-agency service delivery</li> <li>• Allows organizations to use the optimal contracts and services of other signatory United Nations system organizations</li> <li>• Increases efficiency by avoiding the duplication of activities, such as republishing procurement notices, double auditing or resigning of individual organization contracts</li> <li>• Functions as a critical enabler for the creation of common business operations and networks of global shared service centres<sup>a</sup></li> </ul>
Standardized client satisfaction	<ul style="list-style-type: none"> <li>• Establishes the minimum quality standards for a service delivered by one United Nations organization to another</li> <li>• Sets up methods and tools to effectively monitor and track client satisfaction levels</li> <li>• Develops key performance indicators to ensure adequate service delivery performance</li> <li>• A service-level agreement is drawn up for each applicable service provided to service recipients</li> </ul>
Standardized pricing and costing standards	<ul style="list-style-type: none"> <li>• Establishes common standards defining how the price and costs of a service are determined across the United Nations system</li> <li>• Brings transparency to the pricing and costing of services</li> <li>• Sets out the basis of pricing, including details of cost components, details, and undertakings concerning the expected services in the service-level agreement<sup>b</sup></li> </ul>

*Source:* JIU.

<sup>a</sup> UNSDG, Common Business Operations, 2020 Guidance (May 2020).

<sup>b</sup> UNSDG, Common Back Office Briefing (July 2024). Available from <https://help.uninfo.org/uninfo/common-back-office-cbo/introduction>.

## 6. Role of resident coordinators and operations management teams in promoting mutual recognition

*The advocacy and reporting role of the resident coordinators is critical to the successful operationalization of mutual recognition at the country level*

120. Resident coordinators and operations management teams are strategically positioned to champion and advocate for the operationalization of mutual recognition at the country level. Regarding the JIU survey that was sent to resident coordinators, 60 per cent of the respondents confirmed that they are familiar with the principle of mutual recognition, although they do not regard it as part of their portfolio responsibilities – they consider it the responsibility of the operations management teams; 76 per cent said they need more information on how to implement the principle in their duty station; while 80 per cent stated that they did not benefit from any training or awareness-raising activity on the principle when they took up their leadership positions.

121. It was evident from the responses to the JIU survey that the operationalization of mutual recognition at the country level is not under the direct leadership of the resident coordinators. However, since mutual recognition is an enabler of common business operations, it is logical that the resident coordinators, as heads of United Nations country teams, should play an advocacy role in operationalizing the principle at the country level. This perspective was supported by many United Nations system organizations interviewed at the United Nations Office at Nairobi.

122. The lack of direct accountability and ownership at the country level undermines the operationalization of mutual recognition. Resident coordinators, the most senior United Nations representatives at the country level, are responsible for coordinating the United Nations country teams, facilitating discussion and agreement among all United Nations system organizations operating within the country and developing a comprehensive five-year strategic plan that coordinates agencies' funding and programme strategies. This coordination role helps in identifying opportunities for agencies to mutually recognize and utilize each other's resources and capabilities. Resident coordinators also play a pivotal role in establishing centralized common back offices to provide shared operational support services, which enable agencies to mutually recognize and utilize common services.

123. However, when asked how empowered they felt to mainstream the principle of mutual recognition within their country team, only 32 per cent of the resident coordinators surveyed responded "very empowered" or "empowered". Moreover, the Resident Coordinator generic job description does not elaborate on their specific tasks to support the implementation of mutual recognition.<sup>66</sup> Resident coordinators' central coordinating role and focus on fostering cooperation and operational efficiency suggest, however, that they are well positioned to promote and implement mutual recognition principles among United Nations agencies at the country level.

124. The recommendation set out below is expected to enhance coordination and cooperation within the United Nations system.

#### **Recommendation 4**

**The Secretary-General should, by the end of 2026, request the resident coordinators to assume a lead advocacy role and to periodically report progress on the operationalization of mutual recognition at the country level, in line with the guidelines of the networks of the High-level Committee on Management, taking into consideration that mutual recognition is a key enabler of common business operations.**

125. Recommendation 4 is in line with General Assembly resolution 72/279, in which the Secretary-General was requested "to strengthen the authority and leadership of resident coordinators, as the highest-ranking representatives of the United Nations development system, over United Nations country teams, and system-wide accountability on the ground for implementing the United Nations Development Assistance Framework and supporting countries in their implementation of the 2030 Agenda".<sup>67</sup>

<sup>66</sup> One of the duties and responsibilities in the Resident Coordinator job description is: "Advances, with the United Nations Country Team, country-specific measures to promote United Nations common business operations, including common premises and back offices, to enable joint work and generate greater efficiencies, synergies and coherence, in accordance with General Assembly resolution 71/243". There is no explicit reference to mutual recognition. See <https://unsdg.un.org/resources/un-resident-coordinator-generic-job-description>.

<sup>67</sup> General Assembly resolution 72/279, para. 9.

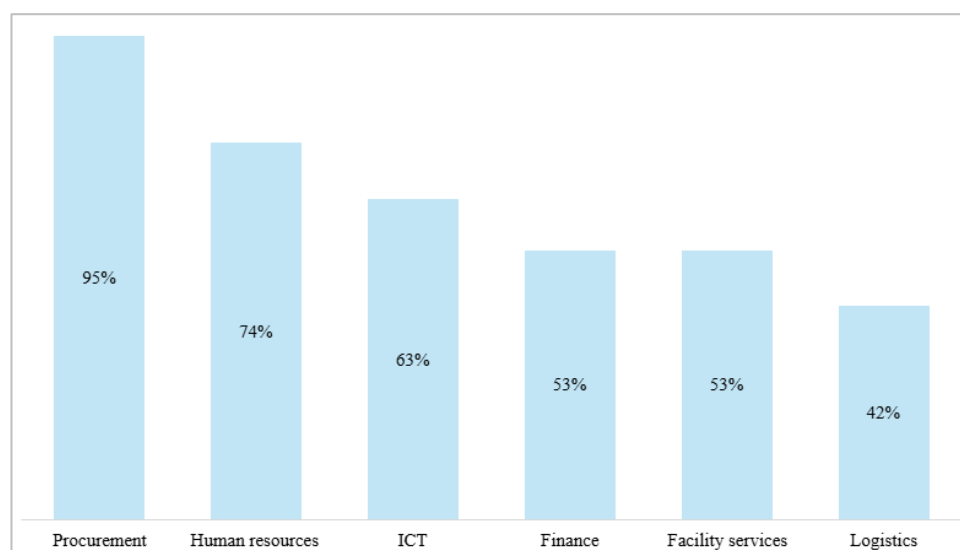
### C. Status of implementation of mutual recognition in the six functional areas of the Mutual Recognition Statement

*The overall status of implementation of mutual recognition in the functional areas, except for procurement, has been slow*

126. Progress in implementing mutual recognition varies across the different functional areas and organizations. Although many organizations indicated that they have implemented mutual recognition in all six functional areas, the Inspectors consider that the overall quality and scope of implementation remains limited. Figure VI shows the percentage of organizations that have implemented mutual recognition, by functional area, based on the responses to the JIU questionnaire.

Figure VI

#### Status of implementation of mutual recognition, by functional area



Source: Responses to the JIU questionnaire.

#### 1. Procurement

*Procurement is currently the functional area in which implementation of the principle of mutual recognition is most advanced, and it could serve as an example for the other areas. However, there is still room for improvement to maximize the benefits of the principle of mutual recognition*

##### a. Status of implementation of mutual recognition in procurement

127. Procurement has emerged as a leading example of success in the implementation of mutual recognition within the United Nations system. This has been attributed to the proactive efforts of the High-level Committee on Management Procurement Network. The benefits of mutual recognition are evident in the quick and clear efficiency gains realized by United Nations system organizations in the area of procurement, including economies of scale, improved market response to larger procurement volumes, reduced procurement process time frames and lower tendering costs.

128. However, many signatory organizations have not yet fully leveraged mutually recognized procurement schemes beyond the most common and basic use of long-term agreements. Opportunities that may generate more efficiencies –financial or otherwise – are therefore missed. For instance, some procurement initiatives, such as United Nations Global Marketplace and United Nations Web Buy, could be further utilized and expanded. In this regard, the Inspectors are of the view that conscious efforts should be made at both the individual organizational and system-wide levels to ensure that the benefits of applying the principle of mutual recognition are adequately incorporated into procurement strategies to

the greatest extent possible. Mutual recognition is mostly equated with the concept of piggybacking (i.e. cooperative purchasing using existing contracts), which involves leveraging existing contracts to streamline processes. While piggybacking is indeed an effective and practical method for implementing mutual recognition, it represents the most basic application of mutual recognition. Procurement cooperation can take several forms or modalities.<sup>68</sup> **To fully realize the benefits of mutual recognition in the area of procurement, the Inspectors suggest that United Nations system organizations make concerted efforts to extend mutual recognition beyond cooperative purchasing by capitalizing on existing contracts (piggybacking).**

129. Most of the signatory organizations attribute the advancement of mutual recognition in the procurement function to the relative success achieved in harmonizing procurement regulations, processes and procedures. The procurement function has been key in promoting harmonization within the United Nations system, which facilitates the implementation of mutual recognition. The *UN Procurement Practitioner's Handbook* underscores this role by promoting harmonization and highlighting good practices, including shared general procurement principles and similar processes and procedures.<sup>69</sup> The guidelines for harmonizing procurement at the country level plays a pivotal role in supporting the advancement of cooperation in procurement at the operational level.<sup>70</sup> **The Inspectors suggest that the principle of mutual recognition be incorporated into the guidelines *Harmonizing UN Procurement: Common UN Procurement at the Country Level* and that those guidelines be adopted and adapted by all United Nations system organizations to support cooperation in procurement.**

#### b. Role of the High-level Committee on Management Procurement Network

130. The significant progress achieved in procurement cooperation within the United Nations system can be traced back to the initiation of the United Nations procurement reform in 1999. The reform was initially led by the Inter-Agency Procurement Working Group, which was formalized as the Procurement Network under the High-level Committee on Management in 2007.<sup>71</sup>

131. The Procurement Network has spearheaded efforts to harmonize, standardize, streamline and simplify procurement processes. The network's notable achievements include the development of a harmonized table of contents for United Nations procurement manuals, a new long-term agreement form, chapter 14 on cooperation in the *United Nations Procurement Manual*, and the *UN Procurement Practitioner's Handbook*.<sup>72</sup> A key tool supporting these efforts is the progress-tracking dashboard, which enhances transparency and facilitates continuous monitoring of the implementation of mutual recognition.<sup>73</sup> The Procurement Network has also developed tools, such as a communication model for mutual

<sup>68</sup> *UN Procurement Practitioner's Handbook* (March 2020), p. 145. Available at [www.ungm.org/Shared/KnowledgeCenter/Pages/PPH2](http://www.ungm.org/Shared/KnowledgeCenter/Pages/PPH2).

<sup>69</sup> *Ibid.*, sect. 1.4, and for further information regarding United Nations procurement reform, see sect. 1.5.

<sup>70</sup> *Harmonizing UN Procurement: Common UN Procurement at the Country Level*, version 3.1 (March 2025). Available at [https://unsdg.un.org/sites/default/files/HLCM-Harmonizing-UN-Procurement\\_Guidelines\\_2015.pdf](https://unsdg.un.org/sites/default/files/HLCM-Harmonizing-UN-Procurement_Guidelines_2015.pdf).

<sup>71</sup> It should be noted that procurement cooperation had already been established to some extent prior to these reforms. For example, the Common Procurement Activities Group was established in Geneva in May 1952 (CPAG 2021 Annual Report. Available at [www.ungeneva.org/sites/default/files/2022-06/2021-CPAG-Annual-Report\\_0.pdf](http://www.ungeneva.org/sites/default/files/2022-06/2021-CPAG-Annual-Report_0.pdf)).

<sup>72</sup> The *UN Procurement Practitioner's Handbook* is intended as "a descriptive and supplementary handbook of good procurement practices within the UN system rather than a prescriptive or normative document challenging existing organizational-specific procurement manuals, policies and procedures" (preface). Staff of individual organizations must comply with their own procurement manuals.

<sup>73</sup> Mutual recognition in procurement is anchored in the Procurement Network, primarily through the Harmonization Working Group and a dedicated task force on mutual recognition led by UNDP. The task force focuses on increasing the number and variety of long-term agreements uploaded to the United Nations Global Marketplace, which serves as the central platform for uploading, using and tracking long-term agreements across United Nations agencies.

recognition awareness campaigns, which is a key contribution to the implementation of the principle, and a mutual recognition survey to establish baseline data, identify challenges and enable ongoing monitoring and reporting on implementation progress.<sup>74</sup>

**c. Guidance for the implementation of mutual recognition in procurement**

132. The *United Nations Procurement Manual*<sup>75</sup> and the *UN Procurement Practitioner's Handbook*,<sup>76</sup> two of the key guides in this service line, barely mention mutual recognition in procurement, rather treating it as a special principle to be applied in “procurement cooperation”<sup>77</sup> or joint procurement with other United Nations organizations.<sup>78</sup> However, mutual recognition should not be limited to what is perceived as special cases of joint procurement with United Nations system organizations, but should be applied to everyday procurement practices under the common procurement framework. The strategic shift to common procurement in the United Nations system involves an integrated approach to mutual recognition in which needs are defined up front, procurement processes are designed accordingly, while the necessary legal adjustments are made to support it.

**d. Role of inter-agency platforms and location-based mechanisms in relation to mutual recognition**

133. Mechanisms and platforms such as United Nations Global Marketplace and location-based inter-agency networks such as the Common Procurement Activities Group in Geneva and the Common Procurement Working Group in Nairobi play a crucial role in operationalizing mutual recognition. These initiatives provide unified market visibility for the United Nations and consolidate expertise from various organizations. In addition, local groups enable joint bids, information-sharing and faster procurement processes – all of which are facilitated by mutual recognition.

**e. Managing the complexity of processes of multiple entities**

134. Although much has already been achieved, the implementation of mutual recognition in procurement within the United Nations system faces significant challenges. Collaborative procurement processes, while beneficial, are often slower and more complex than independent efforts, which places administrative burdens on lead entities. Although smaller entities benefit from these processes, they frequently lack the capacity to fully engage in decision-making or contribute resources. The challenge of aligning requirements across different United Nations system organizations further complicates the process, particularly when it comes to specifications and contract terms.

135. On one hand, as the procurement environment becomes increasingly complex, coordination across multiple entities can pose a challenge to risk management, legal compliance and decision-making processes. On the other hand, as the processes are reviewed by more entities, due diligence can often be stronger in joint processes. Managing changes

<sup>74</sup> The mutual recognition awareness communication template and baseline survey are mentioned in the Summary of decisions and outcomes of the 34th HLCM Procurement Network Session, held in Montreal from 18 to 20 April 2023.

<sup>75</sup> *United Nations Procurement Manual* (rev. June 2024). Available from [www.un.org/Depts/ptd/about-us/procurement-manual](http://www.un.org/Depts/ptd/about-us/procurement-manual).

<sup>76</sup> *UN Procurement Practitioner's Handbook*, first published in 2006, has played a significant role in promoting harmonization in this field. The most recent edition was updated in 2022 by the Working Group on Professional Development of the High-level Committee on Management Procurement Network.

<sup>77</sup> For example, chap. 14 of *United Nations Procurement Manual*, entitled *Cooperation*, was adopted by several organizations, including the United Nations Secretariat, ILO, UNFPA and UNOPS, which mention the Mutual Recognition Statement. The UNESCO Operational Guidelines on Procurement acknowledges the Mutual Recognition Statement in its Background section; UNHCR's Policy on Procurement (UNHCR/HCP/2021/01) refers to mutual recognition in chap. 5, sect. 5.3, in relation to enhancing collaboration with other United Nations organizations.

<sup>78</sup> See *United Nations Procurement Manual*, chap. 14, and *UN Procurement Practitioner's Handbook*, chap. 9.



to specifications, delivery schedules or contract terms are also more difficult when contracts are shared. These challenges make effective oversight and coordination crucial.

**f. Balancing global and local efforts**

136. Balancing global and local procurement efforts presents additional challenges. In some cases, separate bidding processes at the country level may result in better prices than the joint procurement agreement, and centralized procurement can inadvertently increase local costs, which would reduce overall value for money. The principle of fairness is also at risk when contracts intended for one organization are leveraged across multiple entities, potentially leading to an unequal distribution of opportunities among suppliers.<sup>79</sup> Vendor-related challenges include the reluctance of powerful suppliers to agree to United Nations terms, particularly in providing consistent services across different regions. Decentralization of procurement offices may also threaten local procurement groups such as the Common Procurement Activities Group.

137. To navigate these challenges, a balanced approach is required. Joint solicitations leading to long-term agreements should be pursued at both the global and local levels, with careful attention to avoid creating monopolies or delays or ignoring local contexts. Regional long-term agreements should be established to improve access, particularly for the Global South, with consideration given to geographical diversity and cost-efficiency. Strategies to prevent vendor lock-in, such as multiple contracts with different agencies, secondary bidding and limiting the duration of long-term agreements, are also crucial.

**g. Leveraging the United Nations Global Marketplace**

138. The potential of the United Nations Global Marketplace to support mutual recognition in procurement is heavily dependent on the active participation of entities and the transparent sharing of information, including long-term agreements. Reluctance to share long-term agreements, especially for strategic goods and services, limits the potential for mutual recognition; access to central funds to generate them should minimize this reluctance. **The Inspectors suggest that the Procurement Network coordinate the creation of a unified database for vendors and procurement opportunities, as well as for the sharing of long-term agreements, leveraging the United Nations Global Marketplace as the central entry point. The Inspectors also suggest that mechanisms for tracking contracts generated through joint procurement and for monitoring the use of other organizations' contracts be arranged, together with controls to manage the extension of the availability of contracts to other organizations, while still complying with contract restrictions, such as confidentiality.** Enterprise resource planning systems and other vendor portals should, as much as possible, be integrated into the United Nations Global Marketplace.

139. The Inspectors commend the Procurement Network for developing the International Procurement seminars, generated through the United Nations Global Marketplace, which provide an opportunity for companies to engage with the United Nations system entities, learn about their procurement practices, tender opportunities and how to do business with the United Nations.<sup>80</sup>

<sup>79</sup> Aggregation of requirements, either by volume or by increasing the number of locations for service delivery, makes it more difficult for smaller suppliers and local suppliers in economies in transition to access awards. This may be to the detriment of the revitalization of local economies that the United Nations may have a positive effect on.

<sup>80</sup> See [www.ungm.org/Shared/KnowledgeCenter/Pages/VBS\\_BusSeminar](http://www.ungm.org/Shared/KnowledgeCenter/Pages/VBS_BusSeminar).

## 2. Human resources

*Different human resources policies and regulations have slowed the positive impact of mutual recognition in the area of human resources, including the lack of harmonization of posts, salary scales and hiring processes, as well as the need for assurance mechanisms to maintain accountability*

### a. Harmonization of human resources regulations, rules, policies and procedures

140. While all functional areas have identified significant obstacles to establishing harmonized or common policies, rules, regulations and guidelines, the functional area of human resources has expressed particularly strong concerns about these challenges. Concerted efforts have been made over the years to harmonize some human resources-related policies and procedures. However, progress has been slow as a result of disparities in contractual arrangements and in grading and job classification criteria. As in other functional areas, agency-specific policies and procedures were identified as the most significant barrier to the harmonization of human resources-related policies and procedures.<sup>81</sup> It is to be noted that differences in human resources practices and policies may be the result of decisions of the governing bodies. Thus, differences in human resources policies and practices may stem from factors and therefore beyond the control of the human resources offices and executive heads. Although the High-level Committee on Management Human Resources Network has played a vital role in facilitating initiatives for harmonizing and reforming human resources business practices, and enhancing and facilitating inter-agency mobility, the implementation of the principle of mutual recognition could further facilitate a more integrated and responsive workforce, reduce duplication and transaction costs, and thereby enable more effective collaboration between United Nations system organizations, despite differing regulations and rules.

141. The International Civil Service Commission (ICSC) has made progress in aligning monetary and other benefits, such as parental leave and mandatory age of separation, across the United Nations system organizations, however, achieving alignment in policies, regulations and rules remains a significant challenge that may need support from both governing bodies and executive heads. The more operational and detailed a document becomes, the more difficult it is to maintain alignment across different entities.<sup>82</sup> Despite the challenges posed by this lack of harmonization, United Nations system organizations can still direct their efforts towards fostering cooperation by applying the principle of mutual recognition to overcome some of the barriers to collaboration.

### b. Enabling human resources management through mutual recognition

142. Although most recruitment is post specific, the principle of mutual recognition has the potential to further streamline recruitment, onboarding and other human resources functions. For instance, if one organization has already processed a candidate through their staff selection system, another organization should be able to hire them without repeating the entire evaluation process, thereby saving both time and resources. The United Nations Global Centre for Human Resources Services (OneHR Centre),<sup>83</sup> is an example of a centre that facilitates this. OneHR Centre offers, inter alia, services such as job classification, background/reference verification, using the ClearCheck database and other United Nations security lists, and organization design.<sup>84</sup> Although the number of organizations that use one

<sup>81</sup> United Nations, *Assessing the Cost and Benefits of Simplifying and Harmonizing Business Practices of UN Entities at Country Level* (Unedited draft, June 2012).

<sup>82</sup> One interviewee stated that “While staff regulations among entities may be relatively well-aligned, discrepancies become more apparent when considering staff rules; and these differences are even more pronounced in operational manuals and provisions”.

<sup>83</sup> See <https://onehr.un.org/>. The OneHR Centre is managed operationally by the United Nations Secretariat, although the Secretariat only uses the background checking services. Several United Nations system organizations use the centre’s services, including UNDP, United Nations Capital Development Fund, UNESCO, UNOPS, UNRWA, WMO, ILO, FAO, the United Nations Secretariat, and UNHCR.

<sup>84</sup> See the OneHR brochure. Available from <https://onehr.webflow.io/>.

or more of the OneHR service lines has increased,<sup>85</sup> the centre faces implementation challenges when it comes to managing stakeholder expectations and gaining buy-in, as there may be resistance to change, costs implications, fear of job loss or loss of control over human resources processes, and differing priorities among United Nations system organizations. Currently, mutual recognition is fully implemented in the background verification service in 15 signatory organizations.

143. Job classification in the United Nations system has still not fully adopted the principle of mutual recognition. While all common system organizations are required to use the same job classification standards provided by ICSC (which are based on the complexity of the job, including responsibility and context), no organization is currently able to rely on the classifications in other organizations owing to different policies. Organization-specific job classification processes cause variations in assessments within the United Nations system, resulting in frequent job reclassifications and non-recognition of grades attributed by other United Nations system organizations. Moreover, some United Nations system organizations that are funding- and donor-driven may underclassify posts to fit their available budgets. The availability of common system-wide generic job profiles, in particular when co-developed by subject-matter experts in multiple organizations, could considerably reduce the need for different job classifications and the related costs and enhance harmonization. **The Inspectors suggest that United Nations system organizations that are not currently using the services of the OneHR Centre explore the advantages that the centre may offer to improve efficiencies across the United Nations system. They also suggest that ICSC put together an inter-agency human resources task force to study the potential for further harmonization of job classification processes, including applying mutual recognition, adopting generic job descriptions, to the extent possible, and developing one job catalogue aligned with a harmonized job scale.**

144. Mutual recognition has the potential to facilitate greater mobility of staff across United Nations system organizations. Employees can be reassigned or seconded to different agencies with minimal bureaucratic hurdles, allowing the United Nations system to respond more flexibly to changing needs and priorities. This would be particularly beneficial in emergency situations where the rapid deployment of personnel is critical. While inter-agency mobility is still facilitated by the Inter-Organization Agreement concerning Transfer, Secondment or Loan of Staff among the Organizations Applying the United Nations Common System of Salaries and Allowances of 2012, in practice, long-known barriers, such as the non-recognition of continuing and permanent contracts, promotion on secondment, and secondments as viable contractual modalities, have not been addressed. Recommendation 9<sup>86</sup> of JIU/REP/2019/8 on staff exchange and inter-agency mobility remains relevant, especially considering that only 26 per cent of JIU participating organizations have implemented it. The matter may be given further consideration by the High-level Committee on Management in taking into account the legal framework of each organization.

145. Although mutual recognition of rosters, joint recruitments and common platforms<sup>87</sup> for job application and recruitment should have been implemented as part of the roll-out of mutual recognition, only few initiatives have so far been identified. The United Nations Mutual Recognition of Roster project<sup>88</sup> is being discussed for a selected number of positions.

<sup>85</sup> In the period 1 January to 31 December 2023, the caseload increased by 42 per cent for background checks and by 24 per cent for job classifications compared to the period 1 January to 31 December 2022. See the progress report of the Mutual Recognition Coordination Group, March 2024 (CEB/2024/HLCM/9).

<sup>86</sup> “The Secretary-General and other executive heads who are members of CEB should, by the end of 2021, define how the mutual recognition of rules and procedures will be applied to overcome regulatory and procedural barriers to inter-agency mobility, and report on measures taken to the Economic and Social Council at its 2022 session in the context of the annual report of the Secretary-General on the work of CEB” (JIU/REP/2019/8).

<sup>87</sup> For example, the Inspira platform, which has been used by WFP, UNICEF, and the United Nations Secretariat for job application purposes.

<sup>88</sup> The roster is a mutual recognition-based initiative supported by a digital technology solution provided by the United Nations Secretariat.

Supply and demand for the profiles are determined based on the needs of the participating United Nations organizations on a regular basis, through the dedicated Human Resources Network sub-working group. As a result, only jobs that fulfil the following criteria are included: (a) they must be high in demand/critical for the workforce of these organizations; (b) there must be a supply of roster candidates for these jobs by at least one participating United Nations organization; (c) job profiles and requirements should be comparable across the participating United Nations organizations (determined by a desk review before inclusion in the roster). Applicant profiles of each participating United Nations organization are different within the dedicated sub-working group, however, the common and most relevant data points have been identified and agreed on for inclusion in the mutual recognition roster. Each candidate included in the roster for selected jobs has the same standardized data points for the recruiters and hiring managers to review. Eligible roster candidates for the selected jobs are supplied by the participating United Nations organizations. To be eligible, a candidate must have an active roster membership in the participating United Nations organization that was subjected to an independent compliance review. The membership expiration date for candidates in the mutual recognition roster is based on their expiration date on the source roster. For instance, if a candidate is supplied by UNICEF, their roster membership is valid for three years. Candidates whose membership in the supplier organization's roster has expired are automatically removed from the mutual recognition roster. For candidates with infinite roster memberships as per the policy of the source organization, every quarter, the mutual recognition roster sends them an automated request for confirmation of continued interest, in which they can register their interest by indicating "Yes" or "No". This information is visible to the hiring managers and recruiters, who will only reach out to those candidates who indicated "Yes". Therefore, the mutual recognition roster should not include inactive candidates or candidates who no longer have the required qualifications. Despite those processes, challenges have been reported in the implementation of the mutual recognition roster, including that profiles do not necessarily match the organization's needs and requirements, and thus do not attract the right pool of candidates; and that the absence of an expiration date leaves inactive candidates or candidates who no longer have the required qualifications in the roster. A pilot location-based roster for General Service staff is currently being conceptualized by the OneHR Centre in Bonn. Should this roster materialize, the Inspectors suggest that the Human Resources Network use it as a blueprint for other location-based roster initiatives and consider common criteria for roster inclusion, as well as alignment of job classification by common grades, responsibilities and types of contracts. The Inspectors encourage the United Nations system, through the Human Resources Network, to pursue the mutual recognition of rosters, as it would allow for greater career support and development. While some entities (e.g. ILO and FAO) do not have rosters, because they claim that their recruitment processes do not allow automatic engagement of candidates from rosters, they may want to use existing rosters as a source for focused outreach.

146. Another initiative that is being discussed within the Human Resources Network is the mutual recognition of mandatory learning programmes, which would introduce a consistent and broader consideration of equivalent training. Since April 2023, the number of United Nations agencies, funds and programmes that have joined the United Nations Secretariat in the mutual recognition of mandatory learning programmes has increased to 13<sup>89</sup> with two to five equivalent mandatory learning programmes identified. A memorandum of understanding template has been prepared to conclude agreements with United Nations system organizations participating in the mutual recognition of equivalent mandatory learning programmes. The Inspectors support such initiatives and encourage their roll-out in the United Nations system to facilitate inter-agency mobility and reduce duplication of efforts and costs in learning programmes. Nonetheless, it is vital that common mandatory learning programmes be optimized in both form and number. The Inspectors note that their tracking across United Nations system organizations remains a challenge.

<sup>89</sup> UNICEF, UNDP, United Nations Volunteers programme (UNV), UNFPA, WHO, UNHCR, WFP, United Nations Framework Convention on Climate Change (UNFCCC), FAO, ITC, IFAD, UNAIDS and the Organisation for the Prohibition of Chemical Weapons (OPCW).

### c. Challenges and considerations

147. Despite its advantages, it was apparent from the data collected that the implementation of mutual recognition in the area of human resources faces several challenges that are impeding the progress expected. Differences in organizational cultures, legal frameworks and operational practices hamper the seamless integration of human resources functions across organizations. In addition, ensuring consistent quality and standards across the different entities requires careful coordination and oversight.

148. Distinct enterprise resource planning systems and recruitment platforms are yet another obstacle to the implementation of mutual recognition in the area of human resources because they make it challenging for hiring entities to post jobs, collect applications and evaluate prospective employees in the absence of a centralized platform. Mutual recognition in human resources could be enabled by ICT solutions, such as UN Digital ID,<sup>90</sup> that provide further interoperability, which would reduce the duplication of work for both hiring entities and prospective employees.

149. In addition to the long-standing barriers (i.e. non-recognition of continuing and permanent contracts, of promotion on secondment and of secondment as a viable contractual modality) to the full implementation of the 2012 Inter-Organization Agreement concerning Transfer, Secondment or Loan of Staff among the Organizations Applying the United Nations Common System of Salaries and Allowances, “there is not always mutual recognition of prior participation in health insurance schemes across the system without reservation. Although the number of years of staff participation in contributory health insurance plans of other United Nations organizations are recognized by all schemes, ILO and WHO require that 5 of the 10 years required to be eligible for after-service health insurance need to be from their respective plans.”<sup>91</sup>

150. Operationalizing mutual recognition necessitates robust assurance mechanisms to maintain accountability and quality control. Agencies must establish clear guidelines and performance metrics to ensure that shared human resources services meet the agreed standards. This requires ongoing collaboration and communication among United Nations system organizations to address any discrepancies or issues that arise. This could be done through the Human Resources Network.

## 3. Logistics

*Mutual recognition in logistics is crucial for fostering greater operational efficiency*

151. The implementation of mutual recognition in the area of logistics is crucial for fostering greater operational efficiency. In this context, logistics encompasses not only the movement and storage of goods – such as transportation, warehousing and distribution – but also the critical movement of personnel, particularly in field operations. Effective fleet and fleet management are essential components of this framework by ensuring that both goods and personnel can be mobilized swiftly and safely. By synergizing and mutually recognizing logistics processes across various United Nations system organizations, the system can minimize redundancies, reduce costs and enhance the speed and reliability of operations.

152. In addition, the integration of global shared services extends the benefits of mutual recognition beyond logistics by encompassing strategic sourcing, supplier management and the provision of unified platforms for users. These services are critical to the effective management of logistics and can significantly reduce the procurement workload. Logistics services require substantial procurement efforts, whether it is sourcing vehicles, securing transportation contracts or managing warehousing needs.

<sup>90</sup> UN Digital ID is a flagship digital transformation project, sponsored by the High-level Committee on Management, that is delivering on the Secretary-General’s United Nations 2.0 data-driven transformation vision. See <https://unsceb.org/topics/un-digital-id>.

<sup>91</sup> JIU/REP/2023/9, executive summary; see also para. 63.

153. Logistics is naturally integrated into procurement. The Procurement Network and the *UN Procurement Practitioner's Handbook* provide essential guidance on logistics from a procurement perspective.<sup>92</sup>

154. By leveraging mutual recognition, signatory organizations can streamline the procurement processes, thereby reducing duplication of efforts and enabling a more efficient allocation of resources across the United Nations system. Furthermore, by speaking as one voice to the freight industry, signatory organizations will gain stronger negotiating power, especially for urgent transportation needs.

155. The sharing of fleet resources among United Nations system organizations at the local level has proven to be an effective strategy. Mutual recognition facilitates this by ensuring that vehicles are utilized to their fullest potential, including by reducing idle time and preventing situations where critical operations are delayed owing to a lack of available transport. This approach maximizes efficiency and promotes a culture of collaboration and resource optimization within the United Nations system.

156. Organizations such as UNICEF and WFP have demonstrated that warehousing can be a strategic tool in supply-chain management. Through mutual recognition, warehouses can be utilized more effectively across different agencies, ensuring that inventory management, storage and distribution are aligned with the broader goals of the United Nations. The strategic use of warehousing not only supports timely delivery of goods but also contributes to overall cost savings and improved supply chain resilience.

157. Some examples of services that are mentioned in manuals and internal guidelines for the implementation of mutual recognition in logistics are:

- (a) Sharing technical requirements and expertise;
- (b) Joint forecasting, logistics and warehousing for market shaping;
- (c) Joint assessments and strategies with United Nations and non-United Nations partners;
- (d) Sharing and collaboratively managing warehouses, inventory, vehicles and equipment;
- (e) Consolidating country-level logistics-related contracting;
- (f) In-country distribution and transport;
- (g) Third-party freight forwarding;
- (h) Common services for customs clearances;
- (i) Fuel management.

158. Mutual recognition within logistics has relied significantly on global shared services, such as United Nations Fleet, United Nations Booking Hub and United Nations Global Service Centre. Table 4 provides an overview of those services.

159. UNICEF is the lead agency for the provision of third-party logistics in the area of freight forwarding. This is a classic example of mutual recognition in practice. In 2016, UNICEF led a collaborative tender that resulted in global third-party logistics and freight forwarding services contracts, established from July 2017 for periods of up to seven years. Today, the outcome of that tender benefits 12 United Nations system organizations through the application of mutual recognition. The organizations implement separate contracts based on the tender outcome, established under UNICEF policies and procedures.<sup>93</sup>

160. Local logistics initiatives often involve the reception, storage and distribution of goods therefore the practice of warehouse sharing is common. For example, in Afghanistan and Ethiopia, FAO and WFP have collaborated on logistics using the robust WFP supply chain service to facilitate the delivery of FAO supplies on a cost-recovery basis. Another

<sup>92</sup> *UN Procurement Practitioner's Handbook*, chap. 12.

<sup>93</sup> UNICEF, "Your guide to mutual recognition".

example is the United Nations Mobility initiative<sup>94</sup> that is being implemented in Kenya by WFP as a “tier 2” service under the common business operations framework. These local initiatives demonstrate the potential for mutual recognition to enhance logistics efficiency at the country level, provided that clear agreements and cost-recovery mechanisms are in place.

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<sup>94</sup> A global shared service for booking and managing passenger mobility, ride-sharing and inter-agency carpooling. It is offered through the United Nations Booking Hub.

Table 4  
Examples of global shared services in logistics

<b>United Nations Fleet</b>	United Nations Fleet <sup>a</sup> offers comprehensive light vehicle leasing services, including procurement, preparation, shipping, insurance and disposal. It was incubated by the Business Innovations Group <sup>b</sup> and officially launched in 2022 as a joint operation of WFP and UNHCR. <sup>c</sup> United Nations Fleet implements the key principles of client satisfaction, cost recovery and mutual recognition.
<b>United Nations Booking Hub</b>	Launched in 2015 as an internal WFP service, the United Nations Booking Hub <sup>d</sup> has evolved into an inter-agency platform offering a range of field services, including United Nations vehicles and drivers, flights, accommodation, access to health clinics and counsellors as well as facilities (meeting rooms and office space), that the humanitarian community can book and that are managed by United Nations entities. Many United Nations system organizations have mutually recognized WFP policies and procedures, streamlining internal checks and approvals for service use. <sup>e</sup> Some organizations have highlighted their restricted access to some of the services provided, likely due to differences in policies, regulations and rules, which highlights the need for broader integration across the United Nations system that can be promoted through mutual recognition.
<b>United Nations Global Service Centre</b>	Based in Brindisi, Italy, the United Nations Global Service Centre is an initiative of the Department of Operational Support, that began as a logistics base for peacekeeping operations in 1994. Since 2011, it has expanded into a global service centre providing various services, including supply chain services. Feedback from the United Nations Secretariat indicates that accessing documents and information from the Centre can be complex, as it lacks a clear process to facilitate such communication.

Source: JIU.

<sup>a</sup> See UN Fleet: Optimised Fleet Services for the UN, brochure. Available at [www.unhcr.org/sites/default/files/2023-04/un-fleet-brochure.pdf](http://www.unhcr.org/sites/default/files/2023-04/un-fleet-brochure.pdf).

<sup>b</sup> The Business Innovations Group estimated recurring savings of \$17 million to \$28 million per annum, and one-off savings of \$25 million to \$69 million, considering an opportunity to extend the model to more than 20,000 light vehicles.

<sup>c</sup> WFP and UNHCR have operated global fleet leasing since 2007 and 2014, respectively, operating a total of 10,000 light vehicles.

<sup>d</sup> See United Nations Booking Hub (<https://unbooking.org>).

<sup>e</sup> CEB, "Mutual recognition examples in practice".

161. Despite efforts to centralize logistics activities through shared services within the United Nations system, significant challenges remain. A primary obstacle is the variation in policies, regulations and rules across the United Nations system organizations. Some organizations have developed their own logistics frameworks that make it difficult for them to rely on services provided by other entities. For mutual recognition to become the default approach in logistics, it must be integrated into each organization's policies, regulations and rules. This will require a concerted effort to find common ground across these frameworks, to ensure that logistics services can be effectively shared and trusted across the United Nations system.



162. Another challenge is the resistance from some entities to share warehouse space. Despite the clear benefits of shared warehousing, concerns about capacity management and associated risks have led to reluctance to fully adopt this practice.

163. According to the responses to the JIU questionnaire, although there are commendable initiatives in logistics, the functional area seems to be lagging behind in the implementation of mutual recognition. This may be due to the lack of a structured approach to classify individual initiatives (such as United Nations Fleet) under the logistics functional area, with coordination resting within few large organizations for specific initiatives. For example, UNICEF classifies long-term agreements for custom clearances under the functional area of logistics, while the United Nations Secretariat classifies them under procurement. Similarly, some other initiatives are not linked clearly to any of the six functional areas. For example, WFP understands that the United Nations Booking Hub is related to management services, which do not fall under the six areas of implementation of mutual recognition under the United Nations management reform. As a compromise, the hub is classified under logistics. **The Inspectors suggest that the operationalization of mutual recognition in the area of logistics follow a more structured, function-based approach that leverages existing global and local initiatives.**

164. Mutual recognition within the United Nations logistics framework has the potential to enhance the adoption and efficiency of global shared services, strengthen the United Nations' negotiating power within the freight industry, promote the effective use of fleet resources, and optimize warehousing as a strategic asset. These benefits would collectively contribute to a more agile, responsive and cost-effective United Nations system that can meet the complex logistical demands of global operations.

#### 4. Finance

*The status of implementation of mutual recognition in the area of finance is limited as it is confined to only a few areas of work*

##### a. Harmonization of financial regulations and rules

165. While mutual recognition in finance and budget can be a stepping stone towards harmonization, the reverse is also true since harmonization of business practices in this area started before the adoption of the Mutual Recognition Statement. These include common banking services (e.g. global master banking agreements), the harmonized foreign exchange platform, the harmonized approach to cash transfers, as well as the system-wide adoption of International Public Sector Accounting Standards (IPSAS). It seems that no new major initiatives have been instituted in finance and budget since the signing of the Mutual Recognition Statement. United Nations system organizations that have played a leading role in the harmonization of financial regulations and rules include the United Nations Secretariat, UNDP, UNFPA, UNICEF and WFP.

166. The harmonization of financial regulations and rules could result in efficiency gains and cost reductions. However, differences in agency-specific policies, regulations and rules pose the most significant impediment to the harmonization of financial regulations and rules at the headquarters and country levels. This explains why there has been little progress in the harmonization of financial regulations and rules within the United Nations system. This, therefore, makes a strong case for the application of the principle of mutual recognition.

##### b. Enabling financial operations through mutual recognition

167. While the Finance and Budget Network of the CEB High-level Committee on Management plays a major role in supporting mutual recognition of good practices, innovative management approaches and partnerships relating to finance and budget in the United Nations system, it also recognizes that the different United Nations agencies have varied business models and mandates that necessitate varied approaches and policies. This makes full harmonization across all the agencies challenging. As a result, the Finance and Budget Network has been supporting collaboration among United Nations system organizations from the outset of any initiative aimed at building trust among participants. In

doing so, the network has mainly engaged in three streams of work through its respective working groups: cost recovery, common treasury services (e.g. global master banking agreements) and accounting standards (e.g. adoption of IPSAS). Regarding the latter, some interviewees mentioned the need to further standardize accounting policies to deal with overheads in the use of donor funds between United Nations agencies.

168. While the network had started contemplating harmonization in the treasury area, with a focus on banking services, as early as 2011, an important step towards the harmonization of United Nations banking services in Africa was taken in May 2016 with the signing of the Master Banking Agreement between the United Nations Secretariat, UNDP, UNICEF and Ecobank Transnational Incorporated (a pan-African banking conglomerate with banking and treasury operations in 36 African countries). Global master banking agreements provide banking and treasury services, along with common legal terms and conditions and a standard price for banking fees for the entire United Nations system. To date, three banks – and possibly a fourth – have agreements with the United Nations system. This means that all United Nations organizations, irrespective of their size and negotiating power, can access the same prices and quality for services. These agreements will also provide for the immunities and privileges of United Nations organizations in relation to reducing United Nations system organizations' risks vis-à-vis financial institutions, with the assistance of the legal affairs offices.

169. **Streamlining processes and reducing costs.** Some United Nations system organizations reported that they have participated in several initiatives relating to the Finance and Budget Network's streams of work aimed at reducing costs. For example, UN-Women reported that it has engaged jointly with other United Nations system organizations in common areas of work on accounting and financial reporting in order to reduce costs. Another example for reducing costs is joint participation in common actuarial valuation exercises. The streamlining of processes that is facilitated by mutual recognition leads to significant reductions in transaction costs and administrative burdens. By eliminating the duplication of tasks, mutual recognition fosters a more cost-efficient support system, which is essential for effective financial management within the United Nations system.

170. **Cost recovery, fees and mutual recognition.** It is an established practice for United Nations system organizations to apply cost recovery (guided by the standardized costing and pricing principles defined by the UNSDG Business Innovations Group) for the services they provide to other United Nations system organizations. However, it was revealed that some entities charge a fee in addition to cost recovery, thereby making a profit from their collaboration with other organizations. For example, OneHR charges a unit fee in a transparent manner, which allows the procuring agencies to compare internal versus outsourcing costs. To encourage agencies to publish their long-term agreements on United Nations Web Buy, UNOPS proposes a cost recovery/fee-sharing modality of 15 per cent of the administrative fee collected. This proposal may cause some agencies to post their long-term agreements on United Nations Web Buy only, and not on United Nations Global Market in the future. The lack of transparency and reciprocity with regard to cost recovery and fee-charging for applying mutual recognition principles undermines the very spirit of mutual recognition and should be urgently resolved by CEB through the Finance and Budget Network. There should be an emphasis on cost recovery as a solution to the administrative burden on service providers through mutual recognition initiatives. This blind spot in the application of mutual recognition may be remedied through the strict application of the standardized costing and pricing principles. **The Inspectors suggest that signatory organizations ensure full application of the standardized costing and pricing principles defined by the Business Innovations Group in order to address transparency and reciprocity issues relating to cost recovery and fee-charging for the application of mutual recognition.**

171. **Enhancing transparency and accountability.** Mutual recognition contributes to increased transparency and accountability in financial operations. For example, some United Nations system organizations, such as International Telecommunication Union (ITU), have entered into agreements with UNDP to make financial transactions in the field on their behalf, for which they are billed in a transparent manner. These agreements allow for agile practices related to hiring experts, transferring payments and paying for goods and services.

172. While mutual recognition has mainly been applied in the area of finance – because budgets are governed by the respective legislative organs and governing bodies of United Nations system organizations – there may be room for exploring how mutual recognition could facilitate efficiencies in results-based budgeting, further integration of budgeting and planning, and further collaboration between chief finance officers and comptrollers. The Inspectors encourage the involvement of the legislative organs and governing bodies in supporting further collaboration among the United Nations system organizations in results-based budgeting processes.

## 5. Information and communications technology (ICT)

*ICT is an enabler for the implementation of mutual recognition in all areas by facilitating collaboration, data-sharing and access to common services*

173. Information and communications technologies (ICT) play a significant role in the United Nations system as they serve as a strategic enabler for the United Nations system organizations to deliver on their respective mandates. In order to enhance coherence, effectiveness and efficiency of the United Nations operational activities, some ICT reforms were adopted over the years in order to harmonize and simplify business practices.<sup>95</sup>

174. Although ICT is a strategic enabler for operations and mandate fulfilment, several ICT services are acquired as commodities and can be made more efficient through mutual recognition. Mutual recognition in ICT is often intertwined with procurement through sharing of ICT contracts and long-term agreements established by other entities. This is especially true in procurement of software, hardware and licencing agreements, which may benefit from collaboration and cost reductions through economies of scale and lower transaction costs. Similarly, entities can benefit through collaboration in ICT areas such as cybersecurity.

175. In such instances, standardization and harmonization are welcome as they will provide efficiency in terms of time and costs, which would enable entities to focus their resources on delivering mandates. For cases in which standardization and harmonization are neither possible nor desired, mutual recognition should enable collaborating entities to deliver as one, and compatibility and interoperability of systems may be targeted to enable this. ICT could facilitate more simple, efficient and transparent transactions between entities that recognize each other's policies and processes in the six functional areas. The High-level Committee on Management Digital and Technology Network<sup>96</sup> and the Office of Information and Communications Technology play a crucial role in enabling this.

176. There are several examples of collaboration and coordination in the area of ICT. The United Nations International Computing Centre provides digital and technology services<sup>97</sup> to several United Nations entities, including as the service provider for the United Nations Digital ID, its flagship digital transformation project.<sup>98</sup> Moreover, individual entities are also

<sup>95</sup> Some of the harmonized business practices that ICT has facilitated include common ICT security, inter-agency collaboration services, common domain connectivity, shared ICT infrastructure, common ICT support, common ICT data network and common standards costing approaches for ICT services and investments. The harmonization of these business practices has provided the necessary platform for the operationalization of mutual recognition in the ICT functional area.

<sup>96</sup> In 2014, the ICT Reference Group issued Guidelines for Delivering as One in ICT at the Country Level with the aim of identifying country-level opportunities for and developing action plans to implement common initiatives. In 2023, the High-level Committee on Management established a sub-working group under its Digital and Technology Network to further advance mutual recognition within the area. In order to advance harmonization and mitigate risks related to the implementation of mutual recognition, the sub-working group established an inventory of ICT policies, standards and guidelines for all United Nations system organizations. The sub-working group has also promoted a set of fundamental policies, standards and guidelines for the area (ICT Sub-working Group on Mutual Recognition, Mutual recognition survey results).

<sup>97</sup> Services include Common Secure services, which cover cybersecurity oversight and governance in addition to operational components, data and analytics services under its Data Action Portfolio, and automation of processes under their Robotic Process Automation service (see [www.unicc.org](http://www.unicc.org)).

<sup>98</sup> See <https://unsceb.org/topics/un-digital-id>.

offering services that have enabled cooperation and harmonization in ICT. For example, the WFP Building Blocks initiative<sup>99</sup> is the humanitarian sector's largest blockchain-based cash distribution system that leverages blockchain technology to coordinate humanitarian aid with other humanitarian agencies and to securely and efficiently transfer cash assistance to refugees. UNHCR has taken steps to encourage mutual recognition in ICT by acting as a service provider, participant and initiator of joint initiatives, including through cash-based interventions using blockchain technology in collaboration with the United Nations International Computing Centre, and with the United Nations payment portal and the United Nations Partners Portal. For its part, UNDP and consortium partners developed the Quantum management system<sup>100</sup> – a cloud-based digital engagement platform that connects over 75 United Nations partner agencies.

177. Mutual recognition may further enable automation of processes to support inter-agency collaboration, joint initiatives at both the programme and management levels, and access to common services with fewer impediments. ICT is key to providing solutions that will allow the United Nations system to advance, not only within the other five functional areas of the Mutual Recognition Statement, but also for challenges related to monitoring and reporting on the implementation of mutual recognition. In short, ICT is a strategic enabler of mutual recognition wherever it can reduce friction between collaborating entities by facilitating clearer and faster communications and transactions.

178. Another core role of ICT in advancing Delivering as One action is through data- and information-sharing, both of which are enabled by ICT solutions and require the application of mutual recognition. Data- and information-sharing carry risks related to the availability, integrity and confidentiality of digital information and to the security of ICT infrastructure. In this sense, they require a high degree of mutual trust between the entities exchanging data, in particular where cybersecurity and data privacy standards are concerned. The Digital and Technology Network, the main inter-agency mechanism within the United Nations system for the promotion of cooperation and collaboration on digital and technology-related matters, has issued several guidelines, including on information security. However, because the guidelines are not binding, there are challenges to ensuring the enforcement of a minimum standard of expected security. Despite these challenges, the mutual recognition survey launched by the Digital and Technology Network ICT Sub-working Group in 2024 determined that collaboration in ICT is high. **The Inspectors suggest that entities that have not yet adopted the minimum standards of cybersecurity highlighted in JIU/REP/2021/3 and in the guidelines of the Digital and Technology Network do so without delay.** The lack of minimum cybersecurity standards poses significant risks in terms of cyberthreats, data protection, privacy and other cyber-related matters, not only for the entity that has failed to adopt such standards, but also for its collaborating entities. Entities should not compromise on minimum standards of cybersecurity when implementing mutual recognition. Collaborating entities must also ensure they meet the required level of security to safeguard the integrity and successful implementation of mutual recognition processes.

179. There are numerous challenges facing the implementation of mutual recognition in ICT. Primary among these challenges are the perception that ICT tools must be tailor-made for the specific needs of an entity, the entrenchment of entity-distinct enterprise resource planning systems and the costs associated with creating a unified enterprise resource planning system, and the lack of readily available financial resources to enable broader harmonization. Moreover, differing business models, policies, regulations and rules pose a challenge for collaboration among common ICT services and information-sharing. Some entities expressed apprehension about being “locked in” or dependent upon certain vendors and technologies by procuring ICT assets and services from a single provider, which may result in limited flexibility and adaptability moving forward. In addition to these causes of concern, there is variation among United Nations entities regarding risk appetite, including concerns about accountability, due diligence and legal responsibility for data protection, which poses an obstacle to further harmonization of ICT systems and the implementation of mutual

<sup>99</sup> See <https://innovation.wfp.org/project/building-blocks>. See also JIU/REP/2020/7.

<sup>100</sup> See [www.undp.org/quantum](http://www.undp.org/quantum). Partners include United Nations Capital Development Fund, United Nations Institute for Training and Research, UN-Women, UNFPA, United Nations System Staff College, UNV, United Nations University, WMO and ICAO.

recognition. For these reasons, there is need for a deeper analysis of best practices that can capitalize on efficiencies available in ICT, while looking forward to ways in which entities may be encouraged to adopt mutual recognition to the greatest extent practicable.

180. It would be advisable for the Digital and Technology Network, together with the Office of Information and Communications Technology to continue to lead the implementation of mutual recognition in ICT by designing a road map for further harmonization and for increasing compatibility and interoperability of systems. The road map should take into consideration the implementation of mutual recognition throughout the United Nations system. It should take into account the results of the survey on mutual recognition in the area of ICT and the current major roadblocks to integration and collaboration among ICT systems, such as cybersecurity and hosted rather than cloud-based systems. One example of success in this area is UNHCR and UNDP's business initiatives to transform their in-premise data centres into completely cloud-based ones.

181. The road map could include the establishment of an ICT mutual recognition framework for adopting minimum standards for policies, processes and procedures of other United Nations system organizations, which could contribute to encouraging clear communication and collaboration. Examples could include fundamental guidelines and policies on cybersecurity and cloud-based data-sharing. Such a framework would help to ensure interoperability, rather than enforce uniformity of systems, while at the same time assuage concerns about due diligence and risk management by serving as a governance framework. Such interoperability among entities within an appropriate governance structure with clear cybersecurity and data privacy standards would foster trust and advance ICT collaboration. Consultation with legal departments to ensure appropriate adoption, review and monitoring mechanisms are essential.

182. While some efforts have been made to integrate and harmonize systems, improve interoperability among them and provide a common data source to enterprise resource planning solutions in the United Nations system organizations,<sup>101</sup> enterprise resource planning systems have generally been designed and adopted without due consideration of their system-wide implications. Although some United Nations system organizations have recently renewed their enterprise resource planning systems, **the Inspectors suggest that organizations take into consideration the harmonization and interoperability of systems in the mid to long term as they engage in future rounds of enterprise resource planning renewals. The Digital and Technology Network, as well as the Enterprise Resource Planning Solution Division of the Department of Management Strategy, Policy and Compliance and UNDP, as members of the Enterprise Resource Planning Special Interest Group, can play a pivotal role in advancing this agenda.**

183. Lastly, the Digital and Technology Network can play a crucial role in increasing consistency in terminology by developing a common glossary of terms similar to what was done for the harmonized procurement policies.<sup>102</sup> In addition, the Digital and Technology Network should promote the use of automation and artificial intelligence tools across the United Nations system, as these technologies are becoming increasingly important for the efficient functioning of integrated systems. To advance mutual recognition, it is essential that

<sup>101</sup> For example, with regard to procurement, the United Nations Global Marketplace has been the common portal for commercial entities to submit their interest to do business with the United Nations system. The United Nations Secretariat was one of the first entities to integrate enterprise resource planning with the Global Marketplace, in 2013. However, not all other agencies have followed suit. The Secretariat also utilizes the United Nations Partner Portal, allowing for standardized and harmonized verifications and eliminating duplication of efforts for potential partners and United Nations staff, and has an interface with UNDP to facilitate the financial exchange of information supporting agreements of services provided by those organizations. The United Nations Joint Staff Pension Fund uses an enterprise resource planning solution to transmit human resources and pension-related data and process separations.

<sup>102</sup> See the summary of conclusions of the twelfth session of the High-level Committee on Management's Procurement Network, September 2012 (CEB/2012/HLCM\_PN/12); and *UN Procurement Practitioner's Handbook*, "Glossary of procurement terms".

networks collaborate and coordinate their efforts, and the High-level Committee on Management should lead the way in facilitating this coordination.

## 6. Administration (including facility services)

*The physical co-location of United Nations system organizations at the country level and the consolidation of location-independent business operations into a network of shared services advances “delivering as one”, thus reducing overhead costs for the United Nations system and transaction costs for national Governments*

184. Administration and facilities management within the United Nations system can benefit significantly from the mutual recognition of services by promoting streamlined resource management across several entities. United Nations system organizations can centralize key services such as security, cleaning, medical support, event organization, vehicle management, insurance, information technology (IT) support, United Nations laissez-passer issuance and travel through mutual recognition.<sup>103</sup> Centralized management of these services enhances harmonization, optimizes operations and alleviates administrative burdens. A critical enabler of this efficiency is the use of common premises, where two or more United Nations system organizations co-locate at the national or subnational levels, often supported by shared services. As a core component of United Nations reform, common premises not only foster resource-sharing but also act as a mechanism for mutual recognition, which improves collaboration and operational alignment. This approach aligns with the broader United Nations goal of maximizing resource efficiency as co-location encourages deeper cooperation and more effective service delivery.<sup>104</sup>

185. The operationalization of mutual recognition in administration and facilities management encompasses both local and global shared services. While certain services, such as cleaning, event organization and travel management, are primarily local and often depend on the use of common premises, global shared services can play a crucial role in enhancing efficiency across the United Nations system. Global shared services, such as the UNHCR Global Disposal Service<sup>105</sup> and the Common Procurement Activities Group’s management of travel and electricity offer specialized capabilities that several entities can leverage. These global services complement local initiatives, which contributes to the overall efficiency of resource management and reinforces the system-wide implementation of mutual recognition.

186. Several interviewees reported that the Task Team on Common Premises and Facility Services has played a key role in increasing the number of common premises globally. The availability of harmonized co-location documents has significantly reduced the need for extensive legal reviews.<sup>106</sup> Currently, an online tool is being developed to automate the planning and implementation of common premises.<sup>107</sup> This platform aims at providing standardized and consistent monitoring of premises and their establishment, seeking alignment with the processes set by the task team. The Inspectors commend the task team for this initiative, recognizing its potential value for advancing the common premises agenda, and encourage the prompt launch of the project.

187. In addition to local services and common premises, some United Nations system organizations serve as hosts by providing administrative services to others. For example, the United Nations Secretariat in New York provides a range of services to all United Nations system organizations, including office space, United Nations laissez-passer issuance, pouch

<sup>103</sup> UNSDG, “Mutual Recognition Statement—frequently asked questions” (September 2022); and High-level Committee on Management, Mutual Recognition Coordination Group, “Mutual recognition guidelines” (April 2021).

<sup>104</sup> UNSDG website, “Business Operations”.

<sup>105</sup> UNSDG and UNHCR, “UN common disposal services by UNHCR: practice note for the Business Operations Strategy”. Available at [https://unsdg.un.org/sites/default/files/2021-09/Global%20Disposal%20Services-UNHCR\\_BOS.pdf](https://unsdg.un.org/sites/default/files/2021-09/Global%20Disposal%20Services-UNHCR_BOS.pdf).

<sup>106</sup> Until 2017, the Task Team reported through the Joint Funding and Business Operations Network, however, since 2017, it is reporting to the Business Innovations Group. See JIU/REP/2020/3.

<sup>107</sup> Common Premises Manual, Introduction. Available at <https://help.uninfo.org/un-info/common-premises/cp-manual>.

and mail delivery, commercial aviation safety advice and the extension of travel agreements to organizations such as UNICEF and UNDP. The Secretariat also hosts special events for other organizations, offering access to facilities, conferencing, broadcasting and exhibit services. In Nairobi, the Secretariat acts as the primary service provider for common business operations.<sup>108</sup> In 2018, JIU proposed that a model whereby a single organization provides hosting services for other organizations would help to overcome bureaucratic barriers and foster greater operational efficiency and cooperation across the United Nations system.<sup>109</sup>

188. The implementation of mutual recognition in administration (including facility services) faces several challenges. It remains unclear as to what extent mutual recognition has been effectively leveraged to advance common services and premises. However, several interviewees stated that although common services and premises existed prior to the adoption of the Mutual Recognition Statement, the principle was instrumental in facilitating the implementation of the common back office in Nairobi. Similarly, mutual recognition should be leveraged to streamline and accelerate the establishment of other common back offices, common premises, as well as local, regional and global shared services.

189. Common services can be costly and resource-intensive for smaller agencies, which makes it difficult for them to fully participate. Therefore, it is crucial to focus on supporting and including smaller entities in mutual recognition efforts. Tailored support and flexibility should be provided to accommodate their unique needs and ensure that they can benefit from shared services without being overwhelmed by costs or administrative burdens.

190. Some initiatives have faced challenges in scaling up, which may be owing to the fees charged, concerns relating to maintenance of identity, among others. Overcoming this reluctance requires demonstrating the operational benefits and efficiency gains of shared services for the entire system, as well as highlighting the impact of some entities opting out. For example, UNOPS has estimated a positive return on investment from expanding the use of the United Nations Web Buy Plus platform, showing the importance of increasing platform adoption to enhance economies of scale.

191. Travel management was highlighted as an area where mutual recognition could improve efficiencies. Although a single system-wide travel service may be impractical, there are examples of centralized inter-agency travel management. For example, WFP has transitioned from a local approach to travel management to a global consolidated approach, which improves compliance and oversight of travel, provides efficiency gains in process improvements and contract management, and enables better management of and increase in cost-efficiencies in WFP airline agreements. With UNHCR using the same global travel management company contract and receiving the same global benefits, this new model may be more appropriate as travel management services become more virtual. Inter-agency regional or country-specific arrangements should also be encouraged. Centralizing regional travel services can help build long-term relationships with travel agencies and can benefit the entities using the service, as demonstrated by UNOPS in Copenhagen. To further implement mutual recognition in relation to travel, **the Inspectors suggest that the United Nations Secretariat adopt a simplified policy on travel entitlement to allow for harmonization among the entities that comprise the United Nations Secretariat.**

192. Security is another area that would benefit significantly from further implementation of mutual recognition, and it is apparent that it has not yet been fully explored. The Inspectors noted that recognition of United Nations badges varies across entities and duty stations, with some entities being more advanced in this area than others. In addition, some offices have more streamlined processes for granting United Nations staff access to the premises.

193. Implementing mutual recognition in administration and facilities management also presents an opportunity to adopt good practices in sustainability. Entities should explore cooperation in areas such as energy efficiency, waste management and sustainable building practices. Leveraging resources from different entities can support an environmentally

<sup>108</sup> The United Nations Secretariat in New York provides medical services/clearances, income tax reimbursement services for United States nationals to UNDP, UNICEF, UNFPA, UN-Women, UNOPS and WHO, and health, property, liability and staff-related commercial insurance.

<sup>109</sup> JIU/REP/2018/5, para. 108 and recommendation 4.

sustainable approach to shared facilities and operations, further enhancing the long-term impact of mutual recognition. The JIU review of mainstreaming environmental sustainability across organizations of the United Nations system is a crucial reference for this endeavour.<sup>110</sup> Recommendation 6 emphasizes the importance of strengthening coordination between headquarters and field agencies, as well as among field agencies. Mutual recognition is a key enabler for coordination among country offices.

194. Two JIU reports are particularly relevant for advancing the implementation of mutual recognition in the area of administration and facilities management. They are JIU/REP/2018/5 and JIU/REP/2020/3. Both reports highlighted that, at the time, progress in developing common business operations were modest.

195. The report JIU/REP/2018/5 on administrative support services highlights the critical role of mutual recognition in advancing the efficiency agenda. Recommendation 7 calls upon the Secretary-General and other executive heads of entities with field-based programmes to develop a specific proposal that defines how to apply mutual recognition as a vehicle for capacity consolidation, so as to reduce redundancy and rationalize physical presence.<sup>111</sup>

196. The report JIU/REP/2020/3 on common premises emphasizes that centralizing administrative functions that are not location-dependent presents the most substantial opportunity for improving efficiency. The business operations strategy has a key role to play in clarifying which common services truly require co-location and what measures are necessary to optimize efficiency gains from common premises.<sup>112</sup> Mutual recognition can facilitate the relocation of administrative functions that are not location-dependent to global shared services.

## 7. Comparative advantages of leveraging mutual recognition

*There are no objective criteria for determining which best practices should be mutually recognized*

197. While the High-level Committee on Management plays a pivotal role in determining the services and practices that could be mutually recognized, there are no objective criteria for determining those practices. As a result, a pattern has emerged within the United Nations system whereby big organizations with substantial resources are service providers and tend to determine what constitutes best practice in the United Nations system, without any specific procedures or criteria. Smaller organizations are mostly service recipients. This has created power dynamics and imbalance in the United Nations system, which underscores the need to explore the comparative advantage of small United Nations system organizations and the creation of objective criteria to determine which best practices should be mutually recognized.

198. Exploration of the comparative advantage of smaller United Nations system organizations would enhance cost effectiveness and foster cooperation within the United Nations system. For instance, if one organization has a competitive advantage that could benefit other entities having that specific need (e.g. the need for a meteorological scientific officer), other entities should consider relying on that organization (in this case, WMO), rather than duplicating the service or acquiring it from outside the United Nations system.

199. Several United Nations organizations interviewed mentioned comparative advantages of leveraging mutual recognition to improve efficiency and collaboration within the system (see annex V). The Inspectors do not provide any value judgement on this list of comparative advantages, however, the High-level Committee on Management, with the support of its networks, should collect and review information on particular areas or categories of strength per organization, with a view to defining whether the comparative advantages constitute good practices to be mutually recognized and, therefore, adopted across the United Nations system.

<sup>110</sup> JIU/REP/2020/8, chap. V, sect. D.

<sup>111</sup> By September 2024, 12 organizations had reported to JIU that the recommendation had been implemented.

<sup>112</sup> JIU/REP/2020/3, chap. IV, sect. A.



In addition, the Committee should develop guidelines to promote the adoption of comparative advantages offered by smaller entities, so that their specialized areas of work serve the United Nations system more effectively and better balance service provision and usage.

## VI. Monitoring, evaluating and reporting on the implementation of mutual recognition

### A. Tracking progress and the results of the implementation of mutual recognition

*There is lack of comparable data on the efficiency gains from the implementation of mutual recognition*

200. Monitoring, evaluation and reporting are key to the successful implementation of any management reform, including mutual recognition. To ensure that mutual recognition is systematically operationalized within the United Nations system, monitoring, evaluation and reporting mechanisms should be put in place. By systematically monitoring and evaluating the implementation of mutual recognition, signatory organizations can determine associated benefits, identify best practices, address implementation challenges and reinforce the effectiveness of the principle. Although defining an approach for monitoring and evaluation of mutual recognition is challenging, several organizations have stressed the importance of measuring progress and benefits.

201. Although the importance of these practices is well recognized, assessing the benefits of mutual recognition at this time is challenging, as organizations measure the outcomes of efficiency initiatives facilitated by mutual recognition, rather than mutual recognition itself. The review found that few signatory organizations<sup>113</sup> include the elements of the implementation of the mutual recognition in their contribution to the annual efficiency reporting coordinated by the Development Coordination Office.

202. There is no common approach to measuring mutual recognition within the United Nations system; the efficiency reports of the Development Coordination Office and the business operations strategy efficiency dashboard may not fully capture mutual recognition. Most organizations do not measure mutual recognition at all or do so only partially for specific areas or cases. Based on the responses to the JIU questionnaire, at least 47 per cent of organizations do not have key performance indicators to track the accomplishments related to mutual recognition initiatives. Only 26 per cent of the signatory organizations reported that they have key performance indicators related to mutual recognition initiatives (see table 5).

203. The methodology adopted by UNFPA to capture the efficiency gains from the implementation of mutual recognition is worth emulating as it is a hybrid of its specific initiatives, bilateral initiatives and United Nations reform initiatives, such as efficiencies from the business operations strategy, common back offices, global shared services and common premises. The efficiencies achieved from mutual recognition are integrated into UNFPA realized efficiencies and measured using the standardized methodologies developed by the United Nations inter-agency task teams coordinated by the Development Coordination Office.<sup>114</sup> **The Inspectors found that the methodology adopted by UNFPA to capture the efficiency gains from the implementation of mutual recognition is a good practice and suggest that other organizations that are not already doing so consider replicating it.** In addition, UNFPA reports annually to its Executive Board and administers regular internal surveys to its country and regional offices on the implementation of the reforms initiated by United Nations development system, which are also worth emulating.

204. In the absence of system-wide guidelines and solutions for monitoring and evaluating the status and results of the implementation of mutual recognition, some organizations have developed their own measures, although often not systematically or with comparative metrics in mind.

<sup>113</sup> United Nations Secretariat, UNDP, UNICEF, UNFPA and UNOPS.

<sup>114</sup> UNFPA response to the JIU questionnaire.

## 1. Outputs, outcomes and initiatives: key performance indicators relating to the implementation of mutual recognition

205. The key performance indicators for measuring the implementation of mutual recognition can be classified into three categories: outputs, outcomes and initiatives (see table 5).

Table 5

### Key performance indicators for measuring the implementation of mutual recognition

<i>Category</i>	<i>Description</i>	<i>Examples of activities currently being applied by United Nations system organizations</i>
Outputs	Products or services resulting from the activity (e.g. number of people trained). Outputs contribute to tracking implementation, and drive further efforts	<ul style="list-style-type: none"> <li>• High-level Committee on Management Procurement Network has a “traffic light” dashboard</li> <li>• UN-Women has a “traffic light” system to track how its procurement policy is adapted/changed, which is recorded in its annual report</li> <li>• UNRWA tracks long-term agreements on the United Nations Global Marketplace, aiming to have 100 per cent of long-term agreements with at least six months of validity uploaded</li> <li>• UNEP uses a dashboard to monitor procurement data and usage of long-term agreements</li> <li>• United Nations Secretariat uses existing contracts (piggybacking) for its annual calculation of cooperative purchasing</li> <li>• In their reports on the implementation of the quadrennial comprehensive policy review of operational activities for development of the United Nations system, UNICEF, UN-Women and UNDP inform their executive boards, with varying levels of detail, about their efforts to promote mutual recognition<sup>a</sup></li> </ul>
Outcomes	Changes that directly occur as a result of the products or services. Outcomes assess results such as cost savings, cost avoidance and efficiency gains	<ul style="list-style-type: none"> <li>• The Development Coordination Office efficiency report captures mutual recognition gains on bilateral initiatives. However, mutual recognition may have contributed to other efficiency gains related to business operations strategy, common back office and common premises as well<sup>b</sup></li> <li>• The business operations strategy efficiency dashboard provides figures related to cost avoidance resulting from the use of common services in the six functional areas stated in the Mutual Recognition Statement<sup>c</sup></li> <li>• The Common Procurement Activity Group captures the benefits accruing from common procurement processes in their reports<sup>d</sup></li> <li>• To show the value of scaling up the use of their services, United Nations Web Buy Plus provides estimates on the return on investment based on the expansion of the use of the service<sup>e</sup></li> <li>• UNRWA assessed the efficiency gains generated by the use of Mutual Recognition Rosters in the area of human resources<sup>f</sup></li> </ul>

Category	Description	Examples of activities currently being applied by United Nations system organizations
Initiatives	Attributable to each specific initiatives enabled by mutual recognition. These indicators are linked to client satisfaction principles and standardized pricing and costing principles. In some cases, these indicators may overlap with outcomes (e.g. support in keeping track of improving access to higher quality services).	<ul style="list-style-type: none"> <li>• Both United Nations Booking Hub and United Nations Fleet have measured or estimated their outcomes in the area of logistics<sup>g</sup></li> <li>• Initiatives such as the common back office in Nairobi, United Nations Web Buy Plus and OneHR Centre emphasize service quality indicators as being essential for measuring contributions to better quality services, which are an expected benefit of mutual recognition</li> </ul>

Source: JIU.

<sup>a</sup> UNICEF, Report on the implementation of the quadrennial comprehensive policy review of operational activities for development of the United Nations system, 2024 (UNICEF/2024/EB/6), paras. 184–185; UN-Women, Report on the implementation of General Assembly resolution 75/233 on the quadrennial comprehensive policy review of operational activities for development of the United Nations System, 2024, p. 25; UNDP, Report on the implementation of General Assembly resolution 75/233 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, 2023, p. 34.

<sup>b</sup> In 2023, bilateral efficiency achieved was \$4 million, compared with \$8 million in 2022 and \$10 million in 2021. Overall efficiency in 2023 was \$554 million, which means that approximately 6 per cent of cost avoidances were due to bilateral initiatives (UNSDG, Member States Efficiency Briefing (November 2023)).

<sup>c</sup> To calculate cost avoidance, each country office assesses and reports the cost of a certain service with and without collaboration. The business operations strategy cost avoidance efficiencies realized in 2023 was \$125 million, compared with \$82 million realized in 2022 (UNSDG Data Portal, UNINFO ([https://data.uninfo.org/home/\\_UNINFOBOSstatus](https://data.uninfo.org/home/_UNINFOBOSstatus))).

<sup>d</sup> The Group indicated estimated cost-efficiency of \$32,758,580.67 in 2022, compared to \$7,645,121 in 2021, resulting from common and piggyback contracts (CPAG, 2022 Annual Report ([www.ungeneva.org/sites/default/files/2023-07/2022-CPAG-Annual-Report.pdf](http://www.ungeneva.org/sites/default/files/2023-07/2022-CPAG-Annual-Report.pdf))).

<sup>e</sup> According to UNOPS, based on 2023 orders and an assumption of a 10 per cent annual increase, external efficiency gains are estimated at \$1.19 million in 2024, while total efficiencies of \$6.6 million were achieved from 2023 to 2027. The savings projection is based on a conservative approach and does not take into account factors such as order processing savings and cost avoidance for entities that would be willing to procure through their own e-catalogue or e-commerce applications.

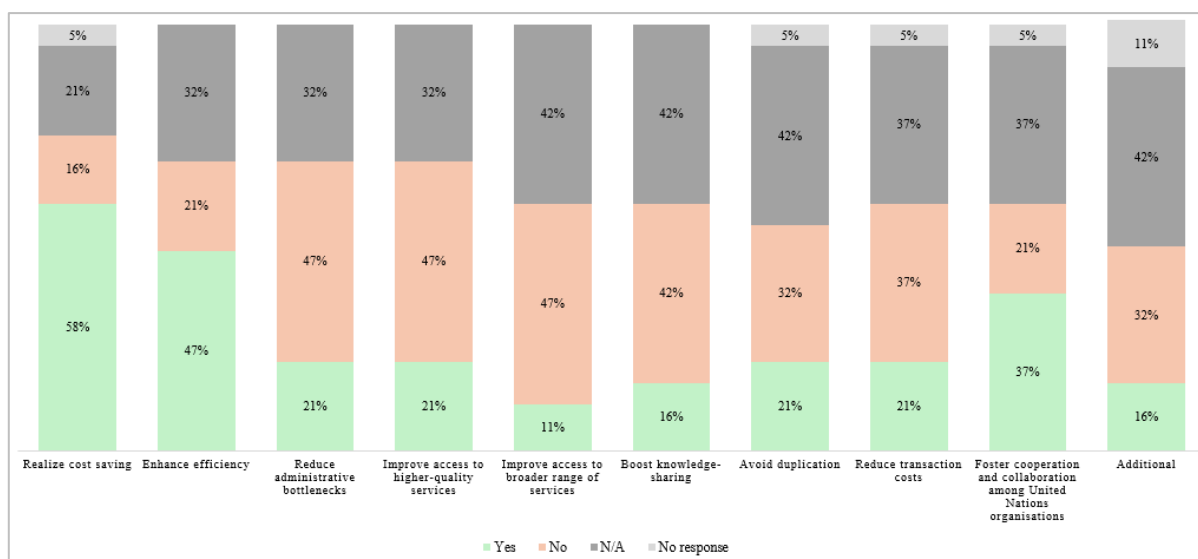
<sup>f</sup> According to its analysis, every appointment from the Mutual Recognition Roster saves the hiring department and the recruitment section of the agency at least 120 days of effort in short-listing, testing, interviews and wait times.

<sup>g</sup> The United Nations Booking Hub realized \$12.1 million in time- and cost-efficiencies for 2023 for their United Nations partners by generating costs savings from process automation, cost avoidance and increased cost recoveries (WFP, Annual Performance Report 2023: Executive Board – informal consultation (May 2024) ([https://executiveboard.wfp.org/document\\_download/WFP-0000158961](https://executiveboard.wfp.org/document_download/WFP-0000158961))). United Nations Fleet has estimated recurring savings of \$17.3 million to \$28.2 million per annum, and one-off gains of between \$25 million to \$69.5 million (UNHCR and WFP, UN Fleet, Mutual recognition working group briefing). In its response to the JIU questionnaire, WFP stated that, in an independent business case developed by its Innovation Division, four key areas were identified as providing cost-efficiencies to their United Nations clients: procurement savings through leasing instead of direct vehicle purchase; optimizing fuel and maintenance costs through operation of a younger fleet; reduced administrative costs through centralized procurement; and cost savings through offering appropriate standardized vehicle models for United Nations operational needs.

206. In terms of outcomes, figure VII represents the responses of the signatory organizations to the question on the JIU questionnaire about periodic evaluation of the benefits accruing from the implementation of mutual recognition. It shows that mainly cost

savings and efficiencies are tracked, and by only roughly half of the respondents (58 per cent on realizing cost saving, and 47 per cent on enhance efficiency).

Figure VII  
**Percentage of organizations that conduct periodic evaluation of the implementation of mutual recognition, by expected benefit**



Source: Responses to the JIU questionnaire.

## 2. Challenges in monitoring, evaluating and reporting on mutual recognition

207. Challenges in monitoring, evaluating and reporting mutual recognition include defining and harmonizing metrics, as organizations differ in their approaches to efficiency. For instance, there is no consensus on how to classify costs – as cost avoidance or cost savings – and it is difficult to accurately measure time savings perceived by entities.

208. Reporting efficiency gains from mutual recognition is also problematic, as such gains are often part of broader metrics and not solely attributable to mutual recognition. Some organizations struggle to distinguish mutual recognition benefits from existing processes. For instance, a participating organization mentioned that it had already implemented reciprocity of processes before the mutual recognition principle was established, therefore tracking additional efficiencies gained through mutual recognition might not be a worthwhile investment of resources.

209. Another concern is the potential administrative burden of measuring mutual recognition, particularly for smaller organizations, which could offset the resources saved.

210. To overcome the challenges and make mutual recognition the default approach, the focus should be on results rather than the implementation process. Output indicators remain crucial for guiding organizations, tracking progress and identifying areas for improvement. **The Inspectors suggest that the High-level Committee on Management and its networks draw on the approach of the Procurement Network and create a road map and a dashboard to guide the implementation of mutual recognition with global uptake in mind. Where networks are lacking, such as in the areas of logistics and facility services, the Committee should establish or assign specific task teams to support this work.**

211. Furthermore, **the Inspectors suggest that the High-level Committee on Management, building on the efficiency reporting exercise already being coordinated by the Development Coordination Office, define a high-level framework with key performance indicators to ensure harmonization among organizations in capturing efficiency gains in the six functional areas and related initiatives.** The framework should define specific categories of key performance indicators – outputs, outcomes and initiatives

– to make the reporting exercise more comprehensive, structured and actionable. Establishing standardized performance indicators and unified reporting formats across organizations, as well as defining what constitutes efficiency gains and how they should be measured, should effectively address inconsistencies and ensure comparability across entities. The United Nations system organizations may define more granular and specific approaches to each specific area within their organizations.

212. Automating data collection and analysis using system-wide tools, drawing on the UNSDG Data Portal, UNINFO, is key to reducing administrative burden.

213. On the question of reporting efficiency gains arising from the implementation of mutual recognition in the annual report, 38 per cent of signatory organizations reported affirmatively. Only 14 per cent reported that they calculate the cost implications associated with the implementation of the mutual recognition principle. Regarding the mechanisms and instruments for reporting on initiatives designed to implement mutual recognition, only 24 per cent responded affirmatively. It was also apparent from the data collected that few signatory organizations produce annual reports on the status of implementation of mutual recognition for their legislative and/or governing bodies. UNDP, UNOPS and UNFPA present annual reports on joint procurement to their Executive Board. Other organizations, such as United Nations Secretariat, UNICEF, WFP, UNHCR, ILO and UNFPA, also report on efficiency gains to their Executive Boards. The Inspectors are of the view that the efficiency gains from mutual recognition initiatives should be included in the UNSDG efficiency reports to the legislative and/or governing bodies to ensure proper monitoring and oversight. With a view to ensuring effective implementation of mutual recognition and further enhancing their oversight functions, the legislative and/or governing bodies of the signatory organizations should consider the recommendation set out below, which is expected to enhance transparency and accountability within the United Nations system.

#### **Recommendation 5**

**The legislative organs and governing bodies of United Nations system organizations should, by the end of 2026, request the executive heads of signatory organizations to the Mutual Recognition Statement who have not yet done so to include the efficiency gains resulting from the implementation of the principle of mutual recognition in their regular reporting in order to ensure proper monitoring and oversight.**

214. Outcomes should account for the costs of implementing mutual recognition to calculate net gains. Based on the responses to the JIU questionnaire, only 16 per cent of organizations calculated these cost implications. In terms of indicators that focus on the performance of the functional areas and mutual recognition initiatives, automation should facilitate the gathering and sharing of performance indicators relevant to other organizations (e.g. vendor assessment). When defining key performance indicators, organizations and joint initiatives should also consider the contributions to the Sustainable Development Goals. Currently, only 26 per cent of organizations consider environmental sustainability and life-cycle cost analysis in implementing mutual recognition.

215. At the organizational level, entities should explicitly include in their reports to the legislative or executive bodies how they operationalize mutual recognition and highlight the main achievements related to the principle.<sup>115</sup> While it is essential to have metrics and performance indicators to evaluate progress and effectiveness, such metrics and performance indicators should be carefully designed to avoid unintended consequences. More specifically, they must strike a balance between providing guidance to further advance mutual recognition and avoiding excessive scrutiny or pressure from member States. Nevertheless, organizations should have autonomy in redirecting resources generated by managerial efficiency to support the achievement of their mandates.

<sup>115</sup> UNICEF, Report on the implementation of the quadrennial comprehensive policy review of operational activities for development of the United Nations system, May 2024 (UNICEF/2024/EB/6).

## B. Governance, accountability and oversight

*Establishing frameworks for clear governance, accountability and risk management is critical*

216. Several organizations expressed concerns about the lack of governance, accountability, risk management and oversight for mutual recognition. Establishing a clear accountability structure and robust risk management is critical to reassure member States that mutual recognition will not compromise process diligence, expose the system to fraud or undermine the integrity of the United Nations framework.

217. Signatory organizations highlighted two main concerns. First, there is uncertainty about who is responsible for ensuring implementation of mutual recognition both within individual organizations and across the United Nations system. Second, there is a lack of clarity about who is accountable for risk management and oversight of mutually recognized policies, regulations and rules and processes.

218. At the organizational level, only UNICEF reported having dedicated resources for the implementation of mutual recognition, while UNFPA has resources allocated to the Secretary General's efficiency agenda, including mutual recognition. Some United Nations system organizations have assigned responsibility to various offices, depending on the initiative or area. For example, at UNHCR, Division directors are accountable for processes within their respective divisions. Other entities reported that responsibility for mutual recognition is shared across relevant parts of the organization. Within the United Nations Secretariat, full implementation of mutual recognition is a joint responsibility of the Department of Operational Support, the Department of Management Strategy, Policy and Compliance, and the Development Coordination Office.

219. There is currently a gap in terms of the governance framework for the implementation of mutual recognition. While the Secretary-General and executive heads have signed the Statement, signalling their commitment and leadership in relation to the principle, the Inspectors encourage the United Nations system organizations that have not yet defined a clear governance structure for implementing mutual recognition to do so. This includes specifying roles and responsibilities and assigning key performance indicators relating to outputs and outcomes. A top-down approach should be adopted, with key performance indicators cascading from leadership to the operational level and ensuring full organizational engagement.

220. The Inspectors commend the Development Coordination Office for the accountability framework for the business operations strategy on the UNSDG Data Portal.<sup>116</sup> This framework should be leveraged to enhance governance and accountability for the implementation of mutual recognition. Roles and responsibilities related to the implementation of mutual recognition should be clear throughout the United Nations system.

221. Cybersecurity and data protection have emerged as additional risks in the context of mutual recognition. Without adequate safeguards in place, organizations may lose control over their data when working with others. **The Inspectors suggest that ICT systems serve as enablers to facilitate secure and efficient mutual recognition practices and that all parties adopt robust cybersecurity measures in line with the minimum security baseline of the Digital and Technology Network** (see chap. V, sect. C.5).

222. Errors and discrepancies are the exception and risks should be managed. Despite the challenges, mutual recognition should not be hindered by concerns over occasional errors or discrepancies, which are exceptions rather than the norm. It is important to recognize that risks cannot be completely eliminated from a system, and this reality should not deter organizations from pursuing or expanding mutual recognition.

<sup>116</sup> The accountability framework for the business operations strategy is organized by region, workspace, title, name, entity and e-mail address (see UNSDG Data Portal–UNINFO, [https://data.uninfo.org/home/\\_UNINFOBOSstatus](https://data.uninfo.org/home/_UNINFOBOSstatus)).

223. The United Nations Representatives of Internal Audit Services can play a critical role in advancing mutual recognition. Greater involvement from internal audit members could serve as enablers for mutual recognition and ensure that risk management and oversight processes are consistently applied. The Inspectors acknowledge and endorse the Representatives' Statement on the Mutual Recognition Principle.



## VII. Way forward and opportunities for the future

224. The United Nations system's concerted efforts to enhance operational efficiency and foster collaboration among its organizations have been hampered by the regulatory divergencies of the respective United Nations system organizations. Although some modicum of progress has been achieved through the harmonization process, there are still impediments to adequate efficiency and effectiveness. The principle of mutual recognition therefore presents a practical solution to the problems associated with incompatible regulatory frameworks, as it allows some degree of regulatory discretion, while respecting the diversity among the signatory organizations. However, it is apparent that the application of the principle of mutual recognition is not yet optimal within the United Nations system.

225. While mutual recognition offers substantial benefits in terms of enhancing efficiency, realizing cost savings, cost avoidance and enhanced cooperation across the United Nations system, the actualization of these benefits will largely depend on the commitment of the executive management of the respective United Nations system organizations to address the implementation challenges. The Inspectors are of the view that, with full commitment, proper planning and change management, the potential gains from mutual recognition will significantly outweigh the costs. Organizations should adhere to the guiding principles of mutual trust, mutual obligation, mutual responsibility, mutual support and mutual respect for mutual recognition to yield the intended results. The application of mutual recognition would also benefit from the following:

- Streamlined decision-making – establishing clear escalation procedures for resolving inter-agency disagreements relating to the implementation of mutual recognition
- A standardized approach – developing a unified strategy for implementation of mutual recognition at the country-level to avoid excessive fragmentation
- An expanded scope – exploring opportunities for mutual recognition beyond traditional back office functions, such as fleet management and asset disposal
- Performance measurement – implementing robust systems for measuring and reporting on the outcomes of mutual recognition initiatives
- Technology integration – leverage remote monitoring tools and technologies to enhance oversight and the implementation of mutual recognition practices

226. An opportunity for further collaboration between United Nations system organizations is the mutual recognition of administrative review procedures. In that regard, some interviewees mentioned the under-utilization of the Board of Inquiry<sup>117</sup> mechanism for the recognition of administrative review procedures between United Nations system organizations and the Department of Operational Support, under which the mechanism falls.

<sup>117</sup> The Board of Inquiry mechanism was formalized at United Nations Headquarters in 2008, as an analytical as well as an administrative and managerial tool to assist senior United Nations managers in identifying the causes of serious occurrences, when conducting an after-action review of their management. The board of inquiry process is not an investigative nor a judicial process, although an investigation report usually precedes the convening of a board of inquiry. The board acts to improve accountability for inefficient stewardship of resources across the United Nations system through a consistent approach to reviewing the serious occurrences resulting in financial and material losses as well as in the death and serious injuries of the organizations' personnel and third parties when United Nations personnel members are involved (International Peace Institute, BOI Factsheet, December 2020 ([www.ipinst.org/wp-content/uploads/2020/12/BOI-Factsheet.pdf](http://www.ipinst.org/wp-content/uploads/2020/12/BOI-Factsheet.pdf))).

## Annex I

### Background information on the desk review

1. A total of 146 documents were received from JIU participating organizations that are signatories to the Mutual Recognition Statement in response to the document collection questionnaire for the present review. The organizations uploaded their documents to their respective folders on the Unit's SharePoint platform. The table below shows the number of documents provided by each organization.

Table 1  
Number of documents provided by the organizations for the present review

<i>Organization</i>	<i>Number of documents provided</i>
United Nations Secretariat	27
UNFPA	23
WFP	18
FAO	15
UNRWA	12
UNOPS	11
UNDP	9
UNESCO	7
UNICEF	6
UN-Women	6
UNHCR	4
ILO	3
ITC	2
UNIDO	2
ITU	1
ICAO	0
UNAIDS	0
UNEP	0
UN-Habitat	0
WHO	0
WMO	0
<b>Total</b>	<b>146</b>

*Source:* Responses to the JIU questionnaire.

2. Of the documents received, 29 specifically addressed mutual recognition, including internal mutual recognition guides, information notes, documents relating to mutual recognition initiatives, among others. In addition, five documents related to the Common Back Office, three to the Business Operations Strategy and one to the resident coordinator system. Table 2 shows the number of documents provided relating to the implementation of mutual recognition in the six functional areas.

Table 2  
**Number of documents on mutual recognition relating to the six functional areas**

<i>Functional area</i>	<i>Number of documents provided</i>
Procurement	19
Human resources	16
Finance	7
Logistics	4
Administration (including facility services)	4
ICT	4

*Source:* Responses to the JIU questionnaire.

3. Some inter-agency mechanisms and initiatives also provided documents, including the High-level Committee on Management Mutual Recognition Coordination Group, which submitted 96 documents, and the Common Procurement Activities Group, which submitted 11 documents. The review team also consulted a variety of online resources, such as the websites of the CEB High-level Committee on Management and of the UNSDG, Business Innovations Group, for documents relating to mutual recognition, as well as the UNSDG Data Portal – UNINFO, efficiency reports and the Business Operations Strategy dashboard, regulatory documents and other references cited in the report.

## Annex II

### Methodology, response rate and results of the questionnaires

1. Two JIU questionnaires were developed based on preliminary desk research and pre-scoping interviews with selected participating organizations and relevant stakeholders. The questionnaires were distributed to all JIU participating organizations that are signatories to the Mutual Recognition Statement. The first questionnaire was aimed at collecting key documents relating to the implementation of mutual recognition, such as policies, regulatory frameworks and administrative guidelines, among others. The second, detailed questionnaire focused on gathering substantive information about the implementation of mutual recognition in the United Nations system. JIU sent the questionnaires to the review focal points in the participating organizations on 18 April 2024. The submission deadlines for responses were 2 May 2024 for the document collection questionnaire and 9 May 2024 for the substantive information questionnaire, although some responses were received after the deadlines (see table 1).

Table 1  
Submission of responses to the JIU questionnaires, by organization

<i>Organization</i>	<i>Questionnaire 1 (documents collection)</i>	<i>Questionnaire 2 (substantive information)</i>
FAO	X	✓
ICAO	✓	✓
ILO	✓	✓
ITC	✓	✓
ITU	✓	✓
United Nations Secretariat	✓	✓
UNAIDS	✓ <sup>a</sup>	✓
UNDP	✓	✓
UNEP	✓	✓
UNESCO	✓	✓
UNFPA	✓	✓
UN-Habitat	X	X
UNHCR	✓	✓
UNICEF	✓	✓
UNIDO	✓	✓
UNOPS	✓	✓
UNRWA	✓	✓
UN-Women	✓	✓
WFP	✓	✓
WHO	✓	X
WMO	✓ <sup>a</sup>	✓
<b>Total number of responses</b>	<b>19</b>	<b>19</b>

Source: JIU.

Note: Two JIU participating organizations (UPU and UN-Tourism) that are not signatories to the Mutual Recognition Statement submitted responses to the substantive questionnaire.

<sup>a</sup> Documents submitted after the deadline.

**a. Documents collection questionnaire**

2. The organizations provided policies, regulations and rules, administrative instructions and other documents relating to the implementation of mutual recognition in response to the documents collection questionnaire. Some organizations emphasized that, although specific documents encompassing all aspects of mutual recognition are not available, the principle is covered in documents within the six functional areas (see table 2).

Table 2

**Availability of documents relating to mutual recognition, by organization**

<i>Organization</i>	<i>Policy</i>	<i>Strategy</i>	<i>Regulations, rules, guidelines, administrative instructions</i>	<i>Other documents</i>
FAO	No response	No response	No response	No response
ICAO	X	X	X	X
ILO	X	X	✓	✓
ITC	✓	✓	✓	✓
ITU	✓	X	✓	X
United Nations Secretariat	✓	✓	✓	✓
UNAIDS	X	X	X	X
UNDP	✓	✓	✓	✓
UNEP	X	X	X	X
UNESCO	✓	✓	✓	X
UNFPA	✓	X	✓	✓
UN-Habitat	No response	No response	No response	No response
UNHCR	X	X	✓	✓
UNICEF	X	X	✓	✓
UNIDO	X	X	✓	✓
UNOPS	X	X	✓	✓
UNRWA	✓	✓	✓	✓
UN-Women	X	X	X	✓
WFP	X	X	✓	X
WHO	X	X	X	X
WMO	X	X	X	X
Percentage of organizations that reported availability of documents	37 per cent	26 per cent	68 per cent	58 per cent

*Source:* Responses to the JIU questionnaire.

**b. Questionnaire requesting substantive information**

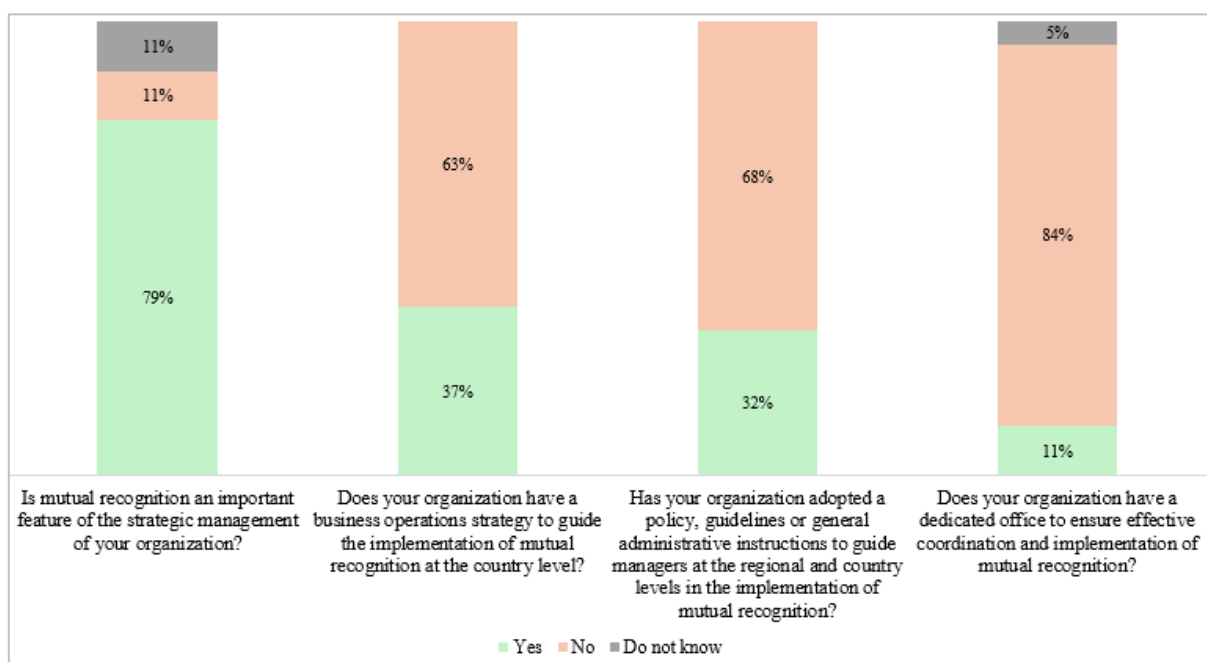
3. The second questionnaire focused on several key topics regarding the implementation of mutual recognition within the organizations. It enquired about the definition and understanding of mutual recognition from both the organizational and system-wide

perspectives; the importance and benefits of mutual recognition, including expected outcomes such as cost savings, efficiency gains and knowledge sharing; the operationalization of mutual recognition, including strategies, business practices and resource allocation at the regional and country levels; monitoring, evaluation and accountability mechanisms for mutual recognition, including key performance indicators and periodicity of evaluations. The questionnaire also sought to identify good practices, lessons learned and challenges in relation to the implementation of mutual recognition, including obstacles, such as policy impediments and incompatibilities across United Nations system entities; and invited suggestions for new initiatives and improvements to enhance the implementation of mutual recognition.

4. The information obtained from the organizations’ responses to the questionnaire constitute the body of the present report. Some of that information is presented in graphic form below.

5. Organizations were asked about measures adopted to support the operationalization of mutual recognition. Although mutual recognition is considered an important feature of strategic management for 79 per cent of the organizations, 63 per cent reported that the Business Operations Strategy does not provide guidance for the implementation of mutual recognition, and 68 per cent reported that there is no guidance for managers to implement mutual recognition at the regional and country levels. Asked about the availability of a dedicated office to facilitate coordination of the implementation of mutual recognition within the organization, only 11 per cent of organizations reported having such a resource. Almost half of the organizations (47 per cent) reported that the incompatibility of United Nations system organizations’ respective policies, regulations, rules and systems has been a bottleneck for the full implementation of mutual recognition (see figure 1).

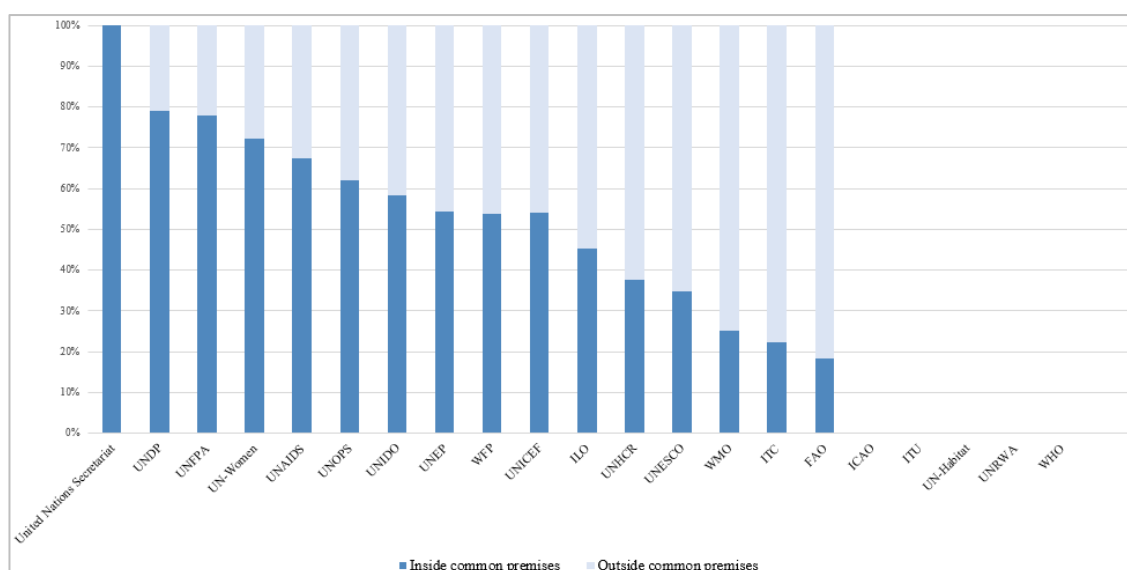
Figure I  
Operationalization of mutual recognition



Source: Responses to the JIU questionnaire.

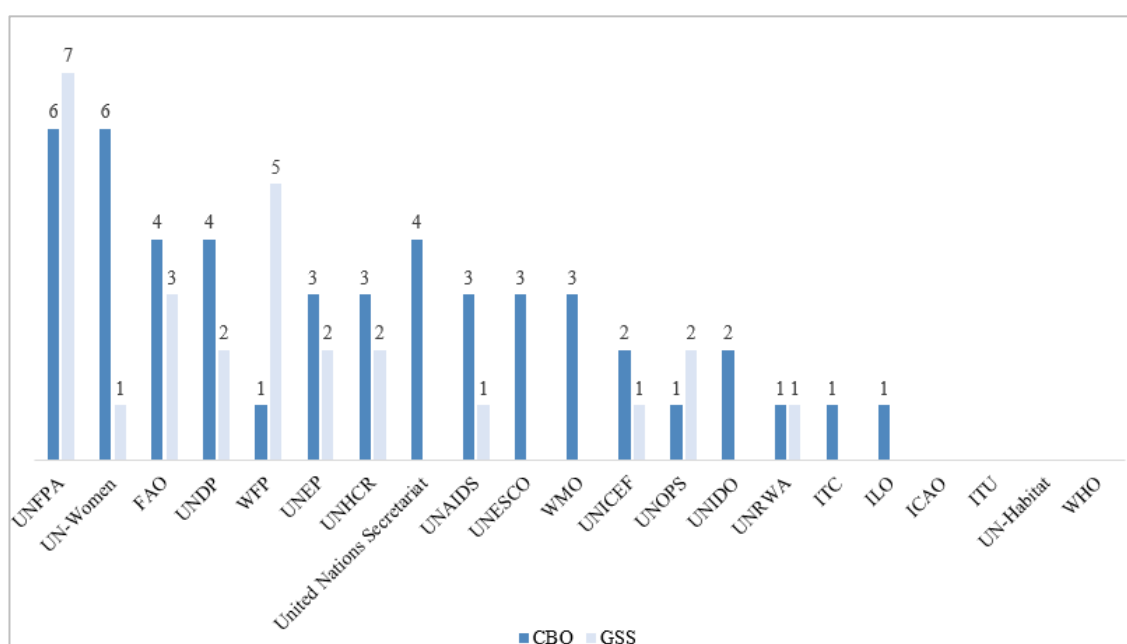
6. Considering that mutual recognition facilitates the engagement of United Nations system organizations in various efficiency initiatives at the country level, the organizations were asked about their participation in Common Premises, Common Back Office and Global Shared Services initiatives. Their responses are represented in figures II and III, and table 3 below.

**Figure II**  
**Percentage of offices inside and outside Common Premises (self-reported)**



Source: Responses to the JIU questionnaire.

**Figure III**  
**Number of Common Back Offices (CBO) and Global Shared Services (GSS) in which the organizations participate (self-reported)**



Source: Responses to the JIU questionnaire.

**Table 3**  
**Participation of the organizations in Common Back Offices and Global Shared Services**

Organization	Location of Common Back Office	Location of Global Shared Service Centre (GSS)
FAO	Kenya, United Republic of Tanzania, Brazil, Viet Nam	2 Global Shared Service Centres and FAO Shared Service Centre – Hungary
ICAO	n/a	n/a

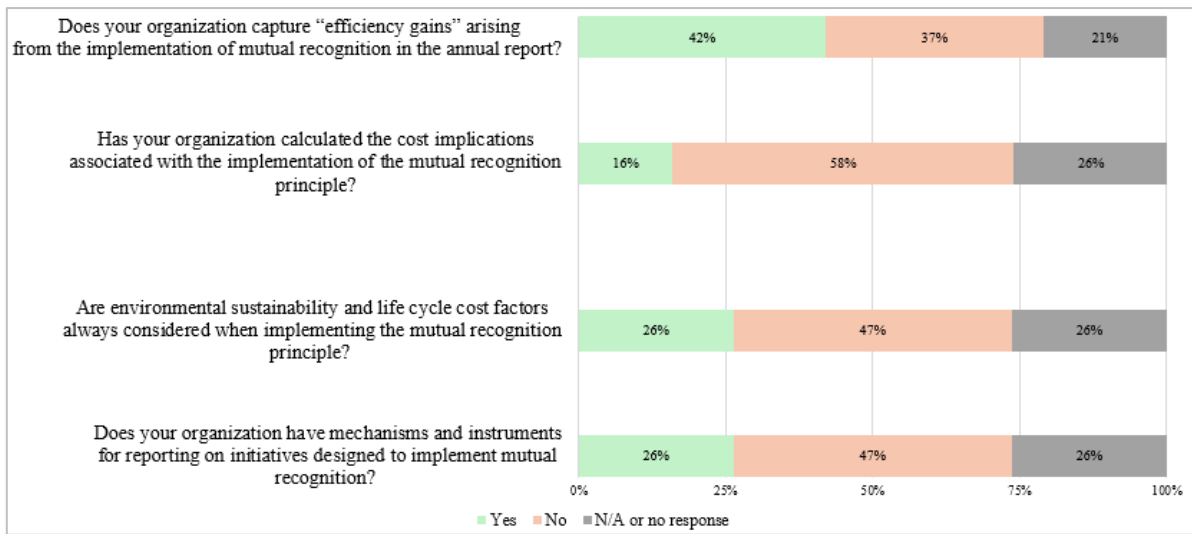
<i>Organization</i>	<i>Location of Common Back Office</i>	<i>Location of Global Shared Service Centre (GSS)</i>
ILO	Viet Nam	n/a
ITC	n/a	n/a
ITU	n/a	n/a
United Nations Secretariat	Kenya, United Republic of Tanzania, Brazil, Viet Nam	Under assessment
UNAIDS	Kenya, Brazil, Viet Nam	Malaysia
UNDP	Kenya, United Republic of Tanzania, Brazil, Viet Nam	Denmark, Malaysia
UNEP	Brazil, United Republic of Tanzania, Viet Nam	Kenya, Switzerland
UNESCO	Kenya, United Republic of Tanzania, Viet Nam	n/a
UNFPA	Kenya, United Republic of Tanzania, Brazil, Viet Nam, Senegal, Jordan	Global
UN-Habitat	No response	No response
UNHCR	Kenya, United Republic of Tanzania, Brazil	Denmark, Hungary
UNICEF	Kenya, Senegal	Hungary
UNIDO	Kenya, Viet Nam	n/a
UNOPS	Jordan	Thailand, UN Web Buy Plus website
UNRWA	Jordan	Germany
UN-Women	Kenya, United Republic of Tanzania, Brazil, Viet Nam, Senegal, Jordan	Malaysia
WFP	Kenya	Hungary, Italy (2 GSS in Rome), United Arab Emirates (2 GSS in Dubai)
WHO	No response	No response
WMO	Kenya	n/a

*Source:* Responses to the JIU questionnaire.

7. The organizations were also asked about efficiency gains, costs and metrics relating to the implementation of mutual recognition. Information on these topics is contained in chapter VI. The Inspectors indicate that further efforts in these areas are necessary for organizations to make progress in the implementation of mutual recognition (see figure IV).



Figure IV  
**Efficiencies, costs and metrics relating to mutual recognition**



Source: Responses to the JIU questionnaire.

## Annex III

### Methodology used for the interviews

1. The interviews for the present review were conducted in two phases. The first round, in February 2024, was aimed at scoping the terms of reference for the review – 8 interview sessions were conducted at that stage. The second round, between May and July 2024, focused on foundational and targeted questions directed at specific organizations and areas with a view to addressing gaps identified in the responses to the questionnaires and in the desk review – 52 interview sessions were conducted at that stage. Interviewees were provided with interview guides containing topics that would be covered prior to the interviews. The main topics are listed below:

- (a) Definition and attributes of mutual recognition
- (b) Importance and benefits of mutual recognition
- (c) Operationalization of mutual recognition
- (d) System-wide mutual recognition structures and mechanisms
- (e) Monitoring, evaluation, reporting and accountability
- (f) Good practices, lessons learned and challenges
- (g) New ideas and opportunities for mutual recognition.

2. Thirty-seven interview sessions were conducted in person, and 23 were done online. A total of 236 stakeholders were interviewed, with 18 stakeholders being interviewed twice, resulting in a total of 254 interactions. Table 1 shows the duty stations covered by the interviews.

Table 1  
**Number of people interviewed, by duty station**

<i>Duty station</i>	<i>Number of people interviewed</i>
New York	93
Geneva	68
Nairobi	46
Copenhagen	31
Rome	7
Bangkok	2
Amman	4
Budapest	2
Bonn	1

*Source:* JIU.

3. The tables below show the number of people interviewed by functional area (table 2), by organization (table 3) and by type of organization (table 4).

Table 2  
**Number of people interviewed, by functional area**

<i>Functional area</i>	<i>Number of people interviewed</i>
Finance	35
Procurement	35
Human resources	33
ICT	29

<i>Functional area</i>	<i>Number of people interviewed</i>
Inter-agency mechanism or initiative	23
Logistics	20
Administration (including facility services)	20
Operations	13
General management	10
Legal	8
Risk management and oversight	7
Auditing	4
Other/not available	17

*Source:* JIU.

**Table 3**  
**Number of people interviewed, by organization**

<i>Organization</i>	<i>Number of people interviewed</i>
United Nations Secretariat	49
WFP	28
UNHCR	23
UNICEF	23
UNFPA	21
UNDP	18
UNOPS	12
UNEP	9
High-level Committee on Management Mutual Recognition Coordination Group	8
UNAIDS	8
ILO	7
UN-Women	6
WMO	6
Common Back Office – Nairobi	5
UNRWA	4
OIOS	4
United Nations Office at Geneva	4
High-level Committee on Management Procurement Network	3
Common Procurement Activities Group	3
UNICEF Global Shared Service Centre	2
UNESCO	2
Resident Coordinator Office – Nairobi	2
ITU	2
High-level Committee on Management Human Resources Network	1
OneHR Centre	1
FAO	1
WHO	1
UNIDO	1

*Source:* JIU.

Table 4  
**Number of people interviewed, by type of organization**

<i>Type of organization</i>	<i>Number of people interviewed</i>
JIU participating organization	220
Inter-agency mechanism or initiative	30
Auditing	4

*Source:* JIU.

## Annex IV

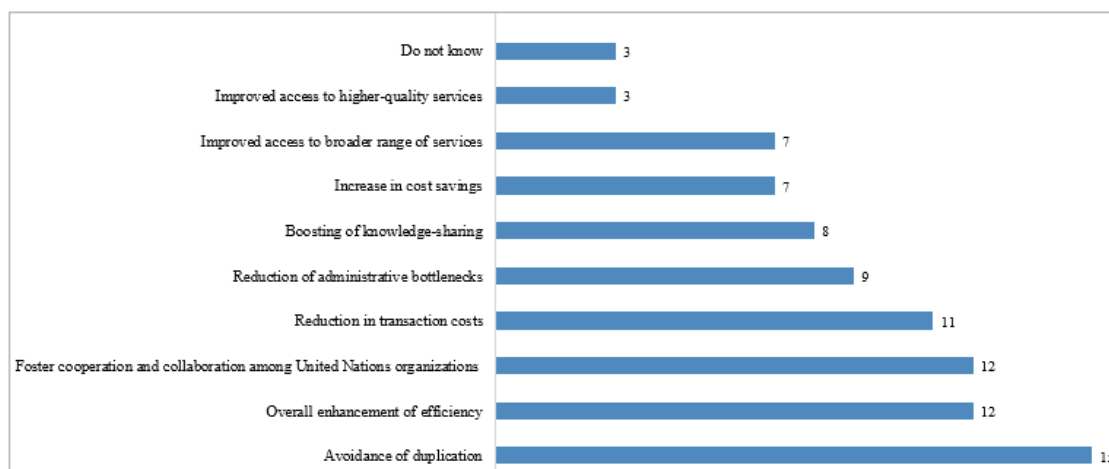
### Methodology, response rate and results of the survey of resident coordinators

1. The survey was aimed at gathering viewpoints on the status of the implementation of the principle of mutual recognition principle at the field level from resident coordinators. It was sent by the Development Coordination Office to all resident coordinators in post on 30 May 2024, except for resident coordinators ad interim, that is, 103 recipients. The survey was conducted from 30 May to 14 June 2024 and contained 12 closed-ended questions and 5 open-ended questions. The response rate of the survey was 24.3 per cent, or 25 valid responses, which were analysed to provide key findings and insights.

2. The responses to the survey offered a mix of positive outcomes as well as challenges relating to the implementation of the mutual recognition within the United Nations system organizations. While 28 per cent of the respondents reported that the progress of the implementation of mutual recognition has remained the same after the adoption of the Mutual Recognition Statement, 44 per cent noted improvements, and an equal percentage reported an increase in available services and programmes. The responses to survey also showed that 60 per cent of respondents observed a reduction in the duplication of efforts at duty stations, leading to enhanced overall efficiency (see figure I). These findings align with earlier data showing that mutual recognition has had a positive impact on procurement processes, operational efficiency and service availability.

Figure I

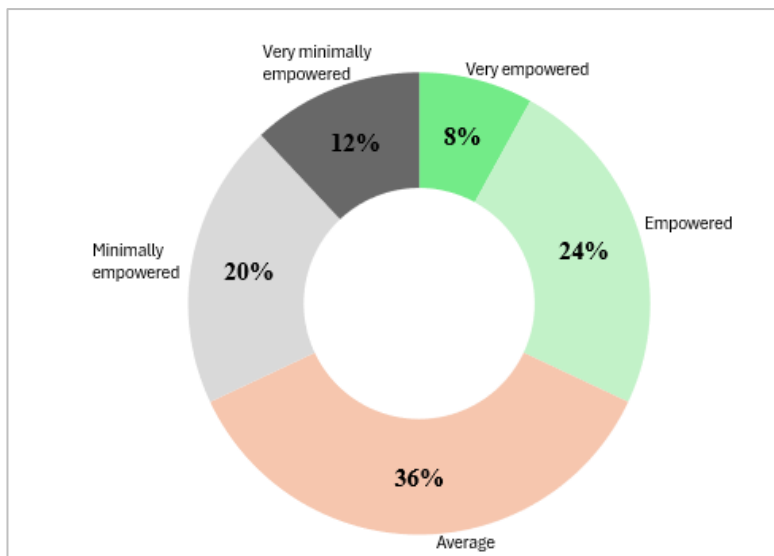
#### Benefits observed by resident coordinators at their duty stations since the implementation of mutual recognition



Source: Responses to the JIU survey.

3. Reporting on their awareness of the principle of mutual recognition, 72 per cent of respondents reported that they were aware of the importance of implementing mutual recognition, and 92 per cent reported that they were either very or fairly familiar with the principle. With regard to training or awareness raising on mutual recognition, only 16 per cent reported having received training or awareness-raising information, while 76 per cent acknowledged that they still needed more information on how to apply the principle in their respective duty stations. This situation could lead to a lack of empowerment of resident coordinators for mainstreaming mutual recognition within their country team (see figure II).

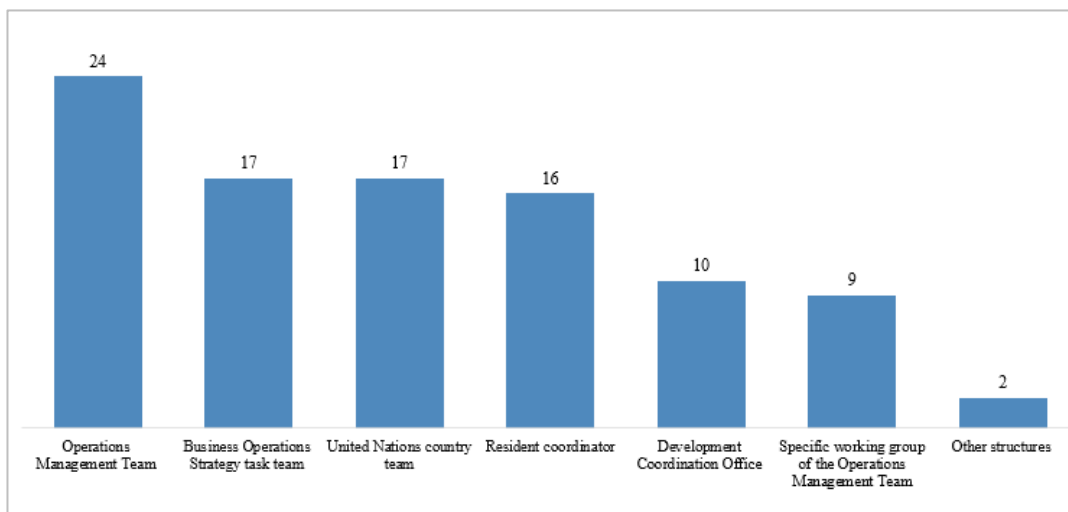
Figure II  
**Level of empowerment of resident coordinators for mainstreaming mutual recognition within their country team**



Source: Responses to the JIU survey.

4. Furthermore, the majority of respondents were of the opinion that the Operations Management Team should be primarily responsible for the implementation of mutual recognition. Several also believed that this it was the responsibility of the United Nations country team, the resident coordinator and the Business Operations Strategy task team. However, 52 per cent of respondents felt that they were poorly resourced to implement mutual recognition at the field level, while half of the respondents reported that the Development Coordination Office had been helpful in the implementation of mutual recognition in their duty station (see figure III).

Figure III  
**Responsibility for the implementation of mutual recognition in the duty station**



Source: Responses to the JIU survey.

5. In conclusion, while the survey highlights the tangible benefits of mutual recognition in reducing duplication of efforts and improving efficiency, it also underscores critical gaps in awareness, training and resources that hinder the full implementation of the principle.

## Annex V

### Non-exhaustive list of comparative advantages for leveraging mutual recognition (self-reported)

<i>Organization</i>	<i>Functional area</i>	<i>Competitive advantage that should be recognized by United Nations system organizations in the context of mutual recognition</i>
ILO	Human resources	<ul style="list-style-type: none"> <li>• Human resources, including labour specialization</li> <li>• Facilitating and coaching network of providers</li> <li>• Occupational safety and health</li> </ul>
ILO	Procurement	Anti-human trafficking and enforced labour verification in procurement requirements
United Nations Secretariat	Procurement	Vehicle procurement
United Nations Secretariat	Administration (including facility services)	Binding and printing services at United Nations Office at Geneva
UNAIDS	Programme	Contracts with universities to run statistics
UNDP	ICT	Information technology systems for providing services (stemming from former resident coordinator function)
UNEP	Procurement	Environmental sustainability perspective in procurement or sustainable procurement
UNFPA	Procurement	Quality assurance mechanisms
UNICEF	Logistics	Global freight forwarding tender on behalf of United Nations organizations
UNICEF	Logistics	United Nations agencies using UNICEF tender to manage their international transport of supplies
UNOPS	Procurement	United Nations Web Buy
UNOPS and UNICC	Logistics	<ul style="list-style-type: none"> <li>• Situation awareness, i.e. the ability to link different data sets</li> <li>• Radio mining to collect sentiment analysis of locations</li> <li>• Telemedicine for peace operations</li> </ul>
UN-Women	Procurement	Gender responsive procurement
UN-Women	All functional areas	Gender mainstreaming through United Nations system-wide Action Plan (UN-SWAP)
UN-Women	Programme	Women in business and economic empowerment
UN-Women	Human resources	Knowledge hub that addresses sexual harassment
WMO	Procurement	Scientists to participate in joint tenders for meteorological services

*Source:* Responses to the JIU questionnaire.

## Annex VI

## Overview of actions to be taken by participating organizations on the recommendations of the Joint Inspection Unit

		<i>Participating organizations of the Joint Inspection Unit</i>																												
		Intended impact	United Nations*	UNAIDS	UNCTAD	ITC	UNDP	UNEP	UNFPA	UN-Habitat	UNHCR	UNICEF	UNODC	UNOPS	UNRWA	UN-Women	WFP	FAO	IAEA	ICAO	ILO	IMO	ITU	UNESCO	UNIDO	UN Tourism	UPU	WHO	WIPO	WMO
Report	For action		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input 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 checked="" 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"/>
Recommendation 1		<b>h</b>																	<b>E</b>			<b>E</b>				<b>E</b>	<b>E</b>		<b>E</b>	
Recommendation 2		<b>d</b>	<b>E</b>		<b>E</b>		<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>
Recommendation 3		<b>d</b>	<b>E</b>		<b>E</b>		<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>	<b>E</b>
Recommendation 4		<b>c</b>	<b>E</b>																											
Recommendation 5		<b>a</b>	<b>L</b>	<b>L</b>	<b>L</b>		<b>L</b>	<b>L</b>	<b>L</b>	<b>L</b>	<b>L</b>	<b>L</b>	<b>L</b>	<b>L</b>	<b>L</b>	<b>L</b>	<b>L</b>	<b>L</b>		<b>L</b>	<b>L</b>		<b>L</b>	<b>L</b>	<b>L</b>			<b>L</b>		<b>L</b>

### Legend:

- L:** Recommendation for decision by the legislative organ
- E:** Recommendation for action by the executive head
- Recommendation does not require action by this organization

### Intended impact:

**a:** Enhanced transparency and accountability **b:** Dissemination of good/best practices **c:** Enhanced coordination and cooperation **d:** Strengthened coherence and harmonization  
**e:** Enhanced control and compliance **f:** Enhanced effectiveness **g:** Significant financial savings **h:** Enhanced efficiency **i:** Other.

\* As listed in ST/SGB/2015/3.