

**From:** [Achim Steiner](#)  
**To:** [All Staff UNDP Global](#)  
**Subject:** 2018 Annual Report on Disciplinary Measures  
**Date:** Tuesday, July 23, 2019 12:28:10 PM  
**Attachments:** [2018 Disciplinary Report.pdf](#)

---



Dear Colleagues,

I am pleased to issue the "[2018 UNDP Annual Report of the Administrator on Disciplinary Measures and Other Actions Taken in Response to Fraud, Corruption and Other Wrongdoing](#)". This report is made available to the general public and provides information on cases of disciplinary measures taken against staff members, former staff members, and other personnel such as contractors.

UNDP is determined to address any allegations of wrongdoing swiftly and effectively. To do so, the organization has put mechanisms in place to prevent, identify, and respond to any acts of fraud, corruption, or other wrongdoing committed by UNDP staff members, other personnel, or third parties such as vendors or implementing partners.

As the report illustrates, appropriate action is taken in all cases where an investigation substantiated allegations of wrongdoing. Such action may include dismissal of staff members, the termination of contracts of other personnel, and/or referral to national authorities for criminal investigation and prosecution of anyone found to have engaged in misconduct or a failure to abide by the required standards of conduct in connection with UNDP programmes or UNDP-funded activities.

As international civil servants, all UNDP staff members are expected to adhere to the highest standards of efficiency, competence and integrity. This report demonstrates that failure to observe these standards will have consequences. The types and number of cases identified in this report need to be considered in the context of a workforce of approximately 40,000 people, including those holding UNDP letters of appointment, UN Volunteers, and other personnel across our diverse programmes reaching more than 170 countries and territories.

All UNDP managers and staff need to be vigilant against wrongdoing. By providing details on the cases identified last year, we aim to support all personnel and other partners to be even better prepared to identify and report any cases of wrongdoing of which they may become aware in future. I therefore encourage all personnel and other partners to read this report carefully.

In this context, I would like to highlight specifically that UNDP has zero tolerance for sexual exploitation and abuse (SEA) as well as for sexual harassment. In my statement in March of this year, I underscored my strong commitment to combatting SEA and sexual harassment and to ensuring that any form of SEA and sexual harassment is dealt with promptly and effectively. The incidence of such cases is extremely low. However, to ensure full reporting and accountability, the applicable policies and procedures have been updated, specific resources have been dedicated in both investigation and legal enforcement, and improvements made to coordination both internally and at the inter-agency level.

Best wishes,

Achim Steiner

**2018 UNDP Annual Report of the Administrator on Disciplinary Measures and Other  
Actions Taken in Response to Fraud, Corruption and Other Wrongdoing**

**I. Introduction**

1. Article 101, paragraph 3 of the Charter of the United Nations states that the “*paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence and integrity*”. UN Staff Regulation 1.2 (b) provides that “[t]he concept of integrity includes, but is not limited to, *probity, impartiality, fairness, honesty and truthfulness in all matters affecting their work and status*”.
2. In observance of the above principles, UNDP is committed to preventing, identifying, and addressing all breaches of the required standards of conduct whether committed by UNDP staff members, other personnel<sup>1</sup> or third parties such as vendors or implementing partners.
3. Since 2001, UNDP has been reporting on the results of cases concerning allegations of misconduct involving staff members of UNDP, including staff members of other agencies and entities serving under UNDP Letters of Appointment.
4. Since 2011, UNDP has reported on the results of cases of violations of standards of conduct by other personnel as well as vendors. This report identifies cases involving allegations of wrongdoing against UNDP staff members and other personnel or entities, leading to disciplinary sanctions and other measures for the year 1 January to 31 December 2018.

---

<sup>1</sup> Personnel include UN Volunteers and contractors such as Service Contract holders and Individual Contractors.

5. In addition, this report identifies any recovery of moneys owed to the Organization associated with cases involving disciplinary sanctions and other measures. Cases involving referral to national authorities pursuant to General Assembly Resolution 62/63 are also indicated.

## **II. Cases involving allegations of misconduct against staff members**

### **A. Overview**

6. This section contains a summary of cases considered by the Legal Office, Bureau for Management Services (LO/BMS) involving staff members following investigations by, or on behalf of, the Office of Audit and Investigations (OAI) into allegations of wrongdoing.
7. The Administrator or the Associate Administrator imposes disciplinary measures following a thorough process as defined in the “UNDP Legal Framework for Addressing Non-Compliance with United Nations Standards of Conduct” (the “Legal Framework”).<sup>2</sup>
8. Appeals against the decision to impose a disciplinary or an administrative measure following an investigation and/or a disciplinary process are heard by the UN Dispute Tribunal. In accordance with the UN Staff Regulations and Rules, decisions by the UN Dispute Tribunal may be appealed, either by staff members or by the Organization, to the UN Appeals Tribunal. The decisions of both Tribunals are binding on UNDP.
9. Disciplinary proceedings within the UN system are administrative, not criminal, in nature. Proof beyond reasonable doubt is not a requirement. Where serious misconduct is alleged, what is required is the identification of clear and convincing evidence that an intentional, grossly negligent or reckless violation of the UN Regulations and Rules, including the standards of conduct applicable to staff members, has occurred. Throughout such proceedings, staff members have the right to due process as detailed in the Legal Framework.

---

<sup>2</sup> The Legal Framework may be found on the UNDP intranet website. It was updated and reissued by the Administrator in March 2018.

10. In UNDP, OAI is responsible for investigating all allegations of misconduct. Investigation reports relating to staff members completed by OAI are submitted to LO/BMS for review and further action.

B. Statistical breakdown

11. During the period covered by this report, OAI issued 30 investigation reports, of which 25 were new reports. During the same period, LO/BMS considered 49 investigation reports in total, comprising the 22 reports accepted by LO/BMS in the period, and the 27 open cases from previous years that continued to be dealt with during the period under review.

12. Of these 49 cases that were considered, 20 cases were concluded. Of the 20 cases:

- a. 12 cases resulted in the imposition of a disciplinary sanction on a staff member. Of these 12 cases,
  - i. 9 cases led to the staff member's dismissal or separation from service;
  - ii. 2 cases led to a demotion with deferment;
  - iii. 1 case led to a fine;
- b. The 8 remaining cases were concluded by other administrative action, whether through exoneration from the allegations of misconduct, or because the staff member separated. Of these 8 cases,
  - i. 6 cases were concluded with the placement of a note on the matter on the staff member's Official Status File pursuant to the Legal Framework, because the staff member had resigned or otherwise separated from the Organization during the investigation or prior to a decision on the case;
  - ii. 1 case was closed with the clearance of the staff member from allegations of misconduct as it was found that the facts established by the investigation report

did not rise to the level of misconduct, but nevertheless merited a reprimand;  
and

- iii. 1 case was transferred to UNDSS as a result of the transition of UNDSS staff members to UN Letters of Appointment.

13. 29 cases were still under review at the end of 2018.

14. As at 31 December 2018, no cases that had given rise to a disciplinary measure in 2018 had been appealed by a staff member. However, two cases were subsequently appealed to the UN Dispute Tribunal.

### C. Summary of cases

#### **Abuse of Authority**

15. A Programme Coordinator at the NO-D level engaged in abuse of authority by promising UNDP contracts to external individuals in exchange for those individuals performing private academic research on behalf of the staff member who was seeking to obtain an advanced degree. The fact that the external individuals provided the staff member with the academic work resulted in the commission of fraud as the staff member submitted the academic work performed by others as their own. In addition, the staff member separately also committed other acts of misconduct by engaging in a conflict of interest and unauthorized outside activities in acting on behalf of external entities in a private capacity. There was no finding of direct financial loss in this case.

*Sanction: Dismissal.*

16. A staff member at the D-1 level heading a Country Office abused their authority and misappropriated funds by using UNDP staff and funds to pay for personal expenses in connection with a residence rented from UNDP. As a result of this conduct, UNDP incurred a financial loss, which has been recovered from the staff member.

*Sanction: Separation from service with compensation in lieu of notice and without termination indemnities.*

### **Cheating**

17. A staff member at the P-3 level was found to have cheated in a recruitment exercise for a staff position with oversight functions by providing a copy of their own test and test answers to a friend who was also taking the same test. The staff member cooperated with the investigation fully, admitted to the underlying conduct and expressed remorse. There was no finding of direct financial loss in this case.

*Sanction: Demotion*

### **Conflict of Interest/Outside Activities**

18. A staff member with communications functions at the NO-D level engaged in a conflict of interest by owning and operating an unauthorized outside business that sought business from UNDP partners, and sharing confidential information regarding a procurement process with a vendor with whom she had a family relationship. The staff member also disclosed confidential information, and misused their office and UNDP's assets in the commission of the misconduct. There was no finding of direct financial loss to UNDP in this case.

*Sanction: Separation from service with compensation in lieu of notice and without termination indemnities.*

### **Failure to Adhere to the Standards of Conduct**

19. A staff member heading a Country Office at the D-2 level was found to have been grossly negligent in sharing allegations of sexual exploitation and abuse with the subject of the allegations. There were aggravating factors, as well as compelling mitigating factors, including the staff member's serious concern about the safety and security of the subject of the allegations. The staff member also admitted to the underlying conduct and accepted responsibility for it. There was no finding of direct financial loss in this case.

*Sanction: Fine in the amount of three months of net base salary and written censure.*

### **Failure to Report Misconduct**

20. A staff member, with programme and procurement support functions, at the G-6 level was found to have failed to report bid-rigging and fraud the staff member knew to exist in a procurement process related to conference services, thereby colluding in the fraud. The staff

member was also found to have accepted hospitality from a vendor while on Mission and not reporting the hospitality in claiming DSA payments. The staff member's relatively junior level and the fact that another staff member was the main instigator were considered mitigating factors. As result of this conduct, UNDP incurred a financial loss, which has been recovered from the staff member.

*Sanction: Demotion.*

### **Fraud/Bid-rigging**

21. A staff member, with coordination and procurement functions, at the NO-C level engaged in fraud and conflict of interest by manipulating the bidding process in a procurement exercise, failing to disclose a family relationship with a vendor, as well as lying to investigators. As a result of this conduct, UNDP incurred a financial loss which has been recovered from the staff member.

*Sanction: Separation from service with compensation in lieu of notice without termination indemnities.*

### **Fraud/Entitlements**

22. A staff member at the G-6 level committed entitlement fraud by knowingly submitting fraudulent medical claims to an insurance provider, which resulted in a financial loss to UNDP. While the staff member engaged in the conduct on more than one occasion, the fact that the staff member expressed some remorse and paid back the loss in full were recognized.

*Sanction: Separation from service with compensation in lieu of notice and without termination indemnities.*

23. A staff member at the G-5 level committed entitlement fraud by knowingly submitting fraudulent medical claims to an insurance provider, which resulted in a financial loss to UNDP. The staff member admitted to the underlying conduct and expressed remorse. The loss has been recovered from the staff member.

*Sanction: Separation from service with four-month compensation in lieu of notice and without termination indemnities.*

## **Fraud/Misappropriation of Property**

24. A Driver at the G-3 level engaged in the repeated unauthorized use of officially-issued fuel cards to misappropriate a large quantity of fuel in excess of the capacity of the vehicle. The staff member was also found to have abused their position by using official vehicles for personal benefit and intentionally destroying the usage logs for the vehicles. In a separate case, the same staff member also brought a government-licensed firearm onto the Organization's premises without authorization. As a result of this conduct, the Organization incurred a financial loss, which will be recovered from the staff member.

*Sanction: Dismissal*

### D. Action taken where the subject of an investigation separated from UNDP while under investigation

#### ***1) Actions taken pursuant to paragraph 72 (a) and 81 (a) of the Legal Framework:***

25. Pursuant to paragraph 72 of the Legal Framework, if an investigation subject resigns or otherwise separates prior to the completion by OAI of an investigation report, the investigation report may be finalized at OAI's discretion, despite the investigation subject's resignation or separation.
26. Notwithstanding a staff member's separation, when the investigation report is finalized, OAI sends the draft investigation report to the former staff member providing him or her with the opportunity to submit his or her comments on the factual findings and conclusions in the draft report. If the investigation report does not need amendment, the investigation report and comments are sent to LO/BMS for review. Following review, the Director, LO/BMS issues a letter to the former staff member indicating whether, if he or she had remained on a staff appointment: (i) a recommendation would have been made for charges of misconduct to be initiated against him or her, or (ii) he or she would have been exonerated from the allegations of misconduct, or (iii) the matter would have been dealt with from a work performance standpoint, and if so how (e.g. by a letter of reprimand). The letter also indicates whether the former staff member resigned while under investigation, or whether his or her contract expired



while under investigation. The former staff member is invited to comment on the letter, and the Director, LO/BMS' letter, and the former staff member's comments thereon, are placed in his or her Official Status File.

27. Similarly, under paragraph 81 (a), if the investigation subject resigns or otherwise separates from service after the initiation of disciplinary proceedings but prior to the imposition of a disciplinary sanction, the Director, LO/BMS may nevertheless decide to proceed, and seek to obtain comments of the subject or consider the comments already received as appropriate.
28. Upon receipt of such comments or if the subject does not submit comments, the Director, LO/BMS may conclude the matter by determining that, if the subject had remained a staff member, a recommendation would have been made to impose disciplinary sanctions on the subject. The Director, LO/BMS may place a letter to this effect, indicating the relevant sanction, on the subject's Official Status File. The subject will be invited to comment on the letter, and his or her comments will be attached to the letter from the Director, LO/BMS to be placed in his or her Official Status File. The Director, LO/BMS may similarly determine that, had the subject remained a staff member, a recommendation would have been made to exonerate the subject without further consequences, or to exonerate the subject and treat the matter as a performance issue. In such a case, such a recommendation will be made to the Assistant Administrator and Director, BMS who may formally and fully exonerate the subject or exonerate the subject and issue a reprimand.
29. In the period under review, 6 such cases were closed under paragraph 72 (a). No cases proceeded under paragraph 81 (a).

### **Fraud/Bid-rigging**

30. A former staff member at the G-5 level, with procurement related functions, was informed that a recommendation would have been made to charge them with misconduct for (i) committing procurement fraud by manipulating bids to award contracts to specific vendors, and (ii) engaging in a conflict of interest by participating in a procurement process involving vendors with which the former staff member had a personal connection. Separately, a recommendation

would have been made to charge the staff member for failing to uphold the standards of integrity by submitting academic work that was not the staff member's own, obtaining educational assistance funds from UNDP in the process. As a result of this conduct, UNDP incurred a financial loss, which has been recovered from the former staff member.

31. A former staff member at the G-5 level, with procurement related functions, was informed that a recommendation would have been made to charge them with misconduct for (i) committing procurement fraud by manipulating bids to award contracts to specific vendors, (ii) misusing their functions in their interactions with UNDP vendors and soliciting and receiving unauthorized gifts from UNDP vendors, and (iii) retaining full UNDP DSA in circumstances where they were not entitled to such DSA. As a result of this conduct, UNDP incurred a financial loss, which will be recovered from the former staff member.

#### **Fraud/Entitlements**

32. A former staff member at the NO-C level was informed that a recommendation would have been made to charge the former staff member with misconduct for knowingly submitting fraudulent medical claims to an insurance provider, which resulted in a financial loss to UNDP. The loss has been recovered from the former staff member.

#### **Insubordination/Unauthorized media statements**

33. A former staff member at the NO-C level was informed that a recommendation would have been made to charge them with misconduct for insubordination in continuing to post political statements on the internet and social media despite repeated admonitions by management. There was no finding of direct financial loss in this case.

#### **Theft**

34. A former staff member at the G-6 level was informed that a recommendation would have been made to charge the former staff member with misconduct for theft of a cell phone and associated dishonest conduct to cover up the theft. There was no finding of direct financial loss in this case.

*2) Actions taken pursuant to paragraph 72 (b) of the Legal Framework*

35. When OAI decides that the investigation report cannot be finalized, the Director, LO/BMS places a letter in the former staff member's Official Status File, indicating that he or she: (i) resigned or, (ii) his or her contract expired while under investigation. In both instances, the former staff member is given an opportunity to present comments, and the letter and his or her comments are placed in his or her Official Status File.
36. In the period under review, no cases were closed under paragraph 72 (b).

E. Description of cases that resulted in the application of administrative measures

37. Where a staff member engages in conduct that is not found to rise to the level of misconduct, but nevertheless demonstrates a deficiency or failure of conduct on the part of the staff member, the matter may be treated as a performance issue, and non-disciplinary administrative measures may be applied, such as a reprimand or required training.
38. During the period under review, 1 case resulted in the clearance of the staff member of allegations of misconduct, and the application of administrative measures.
39. A staff member heading a Country Office at the D-2 level was found to have behaved in an unprofessional manner by shouting loudly at a subordinate in the hearing of others. There was no evidence that the staff member intended to humiliate or deliberately cause offense to the complainant, and no finding of misconduct was made. It was also noted that the staff member took efforts to resolve the situation by apologizing to the complainant and witnesses to the incident. Nevertheless, the staff member was informed that the conduct fell short of the standards of professionalism they were expected to exemplify. The staff member was issued a reprimand, and instructed to take a course in management training.

#### F. Transfer of cases to other UN Entities

40. As noted, in the period under review, one case concerning a former UNDP staff member was transferred to another UN entity to which the individual's appointment had been transferred.

### III. Cases involving other personnel

#### A. Overview

41. UNDP has zero tolerance for fraud, corruption and other wrongdoing by any personnel. During the period covered by this report, OAI submitted investigation reports directly to the concerned Country Offices (COs) in a number of cases where the investigation revealed evidence of wrongdoing by personnel other than staff members and UN Volunteers. As these individuals are not UNDP staff members, their contract with UNDP constitutes the legal framework governing their employment with UNDP, and subscribers are only subject to the explicit terms and conditions provided therein. The violation of the standards of expected conduct may lead to the termination or non-renewal of their contracts. Such decisions are within the competence and authority of the CO for which the non-staff personnel is working, further to the CO's accountability for such non-staff personnel.
42. LO/BMS is aware that OAI sent 15 investigation reports involving 14 Service Contract (SC) holders and 1 Individual Contract (IC) holder directly to COs, which resulted in action taken in the current reporting period. Among those 15, 2 SC holders were on a UNDP contract issued for services for another UN Agency. In addition to the OAI investigation reports, LO/BMS was contacted directly by a CO regarding an issue involving 1 SC holder. In preparing this report, LO/BMS followed up on the outcome of all 16 cases and was advised that 10 cases resulted in termination, 1 case resulted in non-renewal of contract, 2 contracts expired before investigation report was issued, and 3 SC holders resigned. The results are as described below.

## B. Description of cases

### **Fraud**

43. Eight SC holders were found to have engaged in medical insurance fraud. Seven contracts were terminated and 1 SC holder's contract on behalf of another UN Agency, was not renewed.
44. Two SC holders were found to have engaged in procurement fraud. One contract was terminated, and one SC holder resigned.

### **Misuse of Official Resources**

45. One SC was found to have misused official UNDP resources. The contract expired before the investigation report was issued.

### **Other Failure to Comply with Obligations**

46. One SC holder was found to have been in breach of contract (confidentiality). The SC holder resigned before the completion of the investigation.

### **Sexual Exploitation and Sexual Abuse (SEA)/Sexual Harassment (SH)**

47. One IC holder was found to have engaged in SEA. The contract expired before the investigation was completed.
48. Two SC holders, including 1 on behalf of another UN agency, were found to have engaged in SH. Both contracts were terminated.

### **Unauthorized Outside Activity**

49. One SC holder was found to have engaged in unauthorized outside activity. The SC holder resigned before the investigation report was issued.

## **IV. Possible criminal behavior**

50. In its resolution 59/287, the General Assembly requested the Secretary-General to take action expeditiously in cases of "proven [...] criminal behaviour" and ensure that Member States are

informed of the actions taken. Further, in its resolution 62/63, the General Assembly requested the Secretary-General “to bring credible allegations that reveal that a crime may have been committed by United Nations officials and experts on mission to the attention of the States against whose nationals such allegations are made, and to request from those States an indication of the status of their efforts to investigate and, as appropriate, prosecute crimes of a serious nature [...]”. The UN Under-Secretary-General for Management reports on such cases in the yearly “Information Circular” entitled “Practice of the Secretary-General in disciplinary matters and possible criminal behaviour”.

51. When an OAI investigation reveals credible evidence that a violation of law has occurred to warrant referral to the law enforcement authorities of a Member State, UNDP recommends referral of such matters to the UN Office of Legal Affairs (OLA) for its review and appropriate action.
52. During the reporting period covered by this report, UNDP referred 2 cases to OLA. Both cases related to staff members. At the conclusion of the reporting period, OLA had referred 1 of the 2 cases to the competent national authorities.<sup>3</sup>

## **V. Cases involving United Nations Volunteers**

53. UN Volunteers are not staff members and are not subject to the disciplinary process provided in the UN Staff Regulations and Rules or in the Legal Framework. They are subject to disciplinary procedures under the respective UNV Conditions of Service for International and National UN Volunteers.
54. During 2018, 21 cases were reviewed concerning allegations against UN Volunteers involved in projects across the United Nations System. 13 of these cases resulted in the imposition of disciplinary sanctions. Of these 13 cases, eight resulted in summary dismissal, two resulted in early separation, one resulted in exclusion from the Volunteer talent pool for a period of five

---

<sup>3</sup> This figure does not include referrals made by OLA in prior years.

years, one resulted in a letter of censure and one in non-extension of contract. Eight cases resulted in exoneration.

## **VI. Vendor sanctions**

55. During 2018, the VRC received 31 new investigation reports:

- 6 cases were closed, resulting in the debarment of 8 vendors and individuals, 1 letter of censure and 1 case closed with an Interoffice Memorandum;
- Interim Suspensions were requested and approved for 15 cases, while either they were fully investigated or awaiting VRC action;
- 7 cases are being processed under Direct Review by the VRC Secretariat;
- Administrative proceedings have been started for 3 cases by the VRC.