



SECRETARIAT

UNIDO/DGB/(M).115
1 March 2010

Distribution: All staff members at Headquarters
and established offices

Staff Regulations: 1.1.-1.7, 11.2
Staff Rules: 101.01-101.06,
201.01-201.05
& 301.02-301.05

DIRECTOR-GENERAL'S BULLETIN

CODE OF ETHICAL CONDUCT

I. Purpose and Scope

- (a) The purpose of the Code of Ethical Conduct (hereinafter, the "Code") is to reiterate the guiding ethical principles and values of the Organization and its personnel and provide specific guidelines to assist the personnel in achieving the Organization's mission, in accordance with the purposes of the United Nations Charter and the UNIDO Constitution.
- (b) The foundation of the Code is paragraph 5 of article 11 of the UNIDO Constitution, which provides that "[t]he paramount consideration in the employment of the staff and in determining the conditions of service shall be the necessity of securing the highest standards of efficiency, competence and integrity." It is modelled after the Standards of Conduct for the International Civil Service, which shall remain applicable.
- (c) In this Code, the term "personnel" shall mean, unless the context otherwise provides, all staff, holders of (special) service agreements, individuals on reimbursable and non-reimbursable loan, Goodwill Ambassadors, and other individuals associated with UNIDO.¹
- (d) The Code is not intended to provide personnel with answers or guidance for every issue that may arise in the course of the Organization's activities or in its personnel's working relationships or personal conduct. Reference to the Code and reliance on common sense and good judgment will help resolve issues not specifically dealt with in the Code. However, in case of doubt, personnel should initially contact the Focal Point for Ethics and Accountability (hereinafter, the "Ethics Office") for advice.

II. Guiding Principles and Values

Fundamental Human Rights

- (a) Respect for fundamental human rights, social justice, the dignity and worth of the human person, and the equal rights of men and women and of all nations.

¹ Including, but not limited to interns and other parties in contractual relations with UNIDO as contained in the provisions of this Code.



- (b) Freedom from discrimination is a basic human right. Personnel are called upon to respect the dignity, worth and equality of all people without distinction. Assumptions based on stereotypes must be assiduously avoided and personnel diversity respected.

Integrity

- (c) The concept of integrity enshrined in the Constitution of UNIDO embraces all aspects of behaviour of personnel, including such qualities as honesty, truthfulness, impartiality and incorruptibility. Those qualities are as basic as those of competence and efficiency, also enshrined in the Constitution.

Independence and Impartiality

- (d) Personnel should preserve impartiality, remain independent of any authority outside UNIDO, and should not seek or accept instructions from any government, person or entity external to UNIDO. Personnel are not representatives of governments or other entities, nor are they proponents of their policies. This applies equally to personnel who are seconded from governments and to those whose services have been made available from elsewhere.
- (e) In all countries and regions where UNIDO operates, personnel are called upon to exercise special care in maintaining their independence. At times, personnel may receive requests from the government of the host country or from other partners, but this should not compromise their independence. If at any time personnel consider that such requests threaten their independence, their supervisor should be consulted for guidance.
- (f) Independence does not conflict with or obscure the fact that it is the Member States that collectively make up the Organization. Conduct that furthers good relations with individual Member States and that contributes to their trust and confidence in UNIDO strengthens the Organization and promotes its interests.
- (g) Impartiality implies tolerance and restraint, particularly in dealing with political or religious convictions. While personal views remain inviolate, personnel do not have the freedom of private persons to take sides or to express convictions publicly on controversial matters, either individually or as members of a group. This can mean that in certain situations, personal views should only be expressed with tact and discretion. This does not mean that personnel give up their personal views or national perspectives. It does mean, however, that they should at all times maintain a broad international outlook and an understanding of the international community as a whole.

Loyalty and Accountability

- (h) Personnel should maintain UNIDO's vision, values, and interests in the context of decision-making and action.
- (i) Personnel should be loyal to UNIDO and to the United Nations system as a whole. It is the obligation of personnel to understand and exemplify this wider loyalty through a cooperative and understanding attitude towards international civil servants of other UN organizations, especially when serving in the same country or region.
- (j) Personnel shall be accountable to UNIDO for the proper discharge of their functions and for their decisions and actions.

Respect for Diversity

- (k) Tolerance and understanding, with respect for all persons without distinction shall be exercised by all personnel. This respect fosters a working environment sensitive to the needs of all. To achieve this in a multicultural setting calls for positive affirmation that goes well beyond passive acceptance.
- (l) An international outlook stems from the understanding of and loyalty to UNIDO's objectives and purposes as set forth in its legal and policy instruments. This implies, among other things, a respect for the rights of others to hold different points of view and to follow different cultural patterns. It requires a willingness to work without bias with persons of both genders, all nationalities, religions and cultures, and to learn from each other. It calls for constant sensitivity as to how proposals, events and statements may look to others. It requires punctilious avoidance of any expressions that could be

interpreted as biased or intolerant. Working methods can be different in different cultures. Personnel should not be bound to the attitudes, working methods or work habits of their own country or region.

III. The Code of Ethical Conduct

1. Relations with Governments & Member States

- (a) UNIDO is constituted of Member States and its Secretariat has the responsibility of providing services to them. One of the main functions of the Secretariat is to assist the policymaking organs in their work and to carry out their decisions. It should be understood that personnel must serve only the interests of the Organization.
- (b) It is entirely improper for personnel to lobby or seek support from government representatives or members of legislative organs to obtain advancement, either for themselves or for others, or to block or reverse unfavourable decisions regarding their status or that of others.
- (c) Personnel must maintain the best possible relations with governments and avoid any action that might impair these relations. They must not interfere in the policies or affairs of governments. It is unacceptable for personnel, either individually or collectively, to criticize or try to discredit a government. At the same time, it is understood that personnel may speak freely in support of the Organization's policies. Any activity, direct or indirect, to undermine or overthrow a government constitutes serious misconduct.
- (d) Personnel are not representatives of their countries, nor do they have authority to act as liaison agents between international organizations and any government. Exceptionally, the Director-General may request a staff member to undertake such duties – a unique role for which international loyalty and integrity are essential.
- (e) Personnel must immediately report to their supervisors any real or perceived undue pressure exercised by any government or its agents.

2. Exercise of Authority

Personnel must wield their authority with utmost discretion and respect in managing other personnel, clients, as well as in relation with suppliers. Personnel need to be sensitive to the potential damage that an indiscreet or disrespectful exercise of authority can inflict on others.

3. Harassment

- (a) Harassment in any form is an affront to human dignity. Personnel must not engage or be involved in harassment. Personnel have the right to an environment free of harassment.
- (b) Sexual exploitation or any other kind of exploitation and abuse violate universally recognized international legal norms and principles. They have always been unacceptable behaviour and prohibited conduct for personnel.
- (c) Any of the above behaviour constitutes serious misconduct to which disciplinary measures and/or other appropriate measures apply.

4. Relations with the Public

- (a) For UNIDO to function successfully, it should have the support of the public. Thus, all personnel have a continuing responsibility to promote public understanding of the objectives and work of UNIDO. This requires the personnel to be well informed of the achievements of UNIDO and the UN system as a whole.

- (b) Personnel may occasionally be subject to criticism from outside the Organization. In keeping with their responsibilities, personnel must respond with tact and restraint. They have the right to be defended by their Organization against criticism for actions taken in fulfilment of their duties and they should be confident that this will be done.
- (c) It is not correct for personnel to air personal grievances or criticize the Organization in public. Personnel must at all times promote a positive image of the Organization. This obligation does not cease upon separation from UNIDO.

5. Relations with the Media

Personnel must regard themselves as speaking in the name of UNIDO and avoid personal references and views. Under no circumstances should personnel use the media to further their own interests, air their own grievances, and reveal unauthorized information. No attempt should be made to influence policy decisions UNIDO may be facing for personal benefit.

6. Staff-Management Relations

- (a) Relations between management and staff should be guided by mutual respect and trust. UNIDO Staff Rules, in accordance with the principle of freedom of association, provide for the right of staff members to form and join associations, unions or other groupings, elect their representatives and defend their interests. Elected staff representatives have a cardinal role to play in the consideration of conditions of employment and work, and also in all matters of staff welfare.
- (b) Continuing dialogue between staff and management is indispensable and both shall facilitate it.
- (c) Elected staff representatives enjoy the rights that derive from their status. These rights should be exercised in compliance with the Staff Regulations and Staff Rules and the Statute of the Staff Union, and in a manner that does not undermine the independence and integrity of the international civil service. In using the broad freedom of expression they enjoy, elected staff representatives must exercise responsibility and avoid undue criticism of the Organization.
- (d) Elected staff representatives must be protected against discriminatory or prejudicial treatment based on their status or activities as elected staff representatives, both during the term of office and after it has ended. At the same time elected staff representatives must not take advantage of their positions.

7. Respect for Different Customs and Cultures

- (a) To maintain the professional image of the Organization, personnel should ensure conformity to a standard of dress and grooming generally accepted in the international civil service environment. This is particularly important when representing the Organization in an official capacity, for example, when on official mission, presenting a seminar, or attending a conference or official function.
- (b) The world is home to a myriad of different peoples, languages, cultures, customs and traditions. It is self-evident that a genuine respect for all of them is fundamental for personnel. Any behaviour that is not acceptable in a particular cultural context should be avoided. However, if a tradition is directly contrary to any human rights instrument adopted by the UN system, then personnel should be guided by the latter. Personnel must avoid overbearing behaviour.

8. Security and Safety

- (a) UNIDO will take measures to protect the safety of its personnel and that of their family members in accordance with guidelines issued by the UN Department of Security and Safety.

- (b) It is incumbent on personnel to comply with all instructions designed to protect their safety.

9. Personal Conduct

- (a) The private life of personnel is their own concern, and the Organization should not intrude upon it. There can be situations, however, in which the behaviour of personnel can reflect on UNIDO. Personnel must bear in mind that their choice regarding standards of living, conduct and activities outside and inside the workplace, even if unrelated to official duties, may compromise the image and credibility of UNIDO. This can also result from the conduct of family members. It is the personnel's responsibility to make sure that their households are fully aware of this.
- (b) The privileges and immunities applicable to personnel are conferred solely in the interests of UNIDO. They do not exempt personnel from observing local laws, nor do they provide an excuse for ignoring private legal or financial obligations. It should be remembered that only the Director-General is competent to waive the immunity accorded to personnel or to determine its scope.
- (c) Violations of law can range from trivial offences to serious criminal activities. UNIDO may be called upon to exercise judgment in light of the nature and circumstances of individual cases. A conviction by a national court would usually, although not always, be persuasive evidence of the act for which an international civil servant was prosecuted. Acts that are generally recognized as offences under national criminal law will normally be violations of the Code as well.

10. Conflict of Interest

- (a) Conflicts of interest arise when personnel benefit improperly – directly or indirectly – or allow a third party to benefit improperly, from their association in the management or holding of a financial or other private interest in an entity that engages in business or transactions with UNIDO.
- (b) Personnel must carry out their official duties in a manner that prevents real, apparent or potential conflicts of interest from arising.
- (c) Personnel must disclose to their supervisor and/or the Director-General in advance or as soon as they become aware of it, any potential or actual conflict of interest that arises in the course of carrying out their duties. If in doubt about disclosing information, personnel shall initially consult the Ethics Office for advice.
- (d) In addition, concerned personnel must also comply with the UNIDO Policy for Financial Disclosure and Declaration of Interests.
- (e) In particular:
 - 1) Personnel must not solicit or accept any benefits including economic benefit, for themselves or allow a third party to benefit improperly, directly or indirectly;
 - 2) Personnel must not assist private entities, governments or persons in their dealing with UNIDO where this would result in their preferential treatment;
 - 3) Personnel must not take advantage of or benefit or allow a third party to benefit improperly, directly or indirectly, from information obtained in the course of their official duties and that is not generally available to the public;
 - 4) Personnel must not directly or indirectly use, or allow the use of, UNIDO property and the property entrusted to UNIDO of any kind, for anything other than officially approved activities;
 - 5) Personnel must not allow their actions and decisions to be influenced by the prospect of employment for themselves and their family members with parties who have dealings with UNIDO.

11. Outside Employment and Activities

Staff members²

- (a) It is the obligation of staff members to devote their energies to the work of UNIDO. It is therefore improper for staff members to engage, without prior authorization, in any outside activity, whether remunerated or not, that interferes with that obligation or is incompatible with their employment status with UNIDO or conflicts with the interests of the Organization. Any questions on this point should be referred to the Ethics Office for advice.
- (b) Staff members, subject to the provisions of (a) above, are encouraged to participate in outside professional activities that foster contacts with private and public bodies and thus serve to maintain and enhance their professional and technical competencies.
- (c) When requesting authorization for engagement in an outside activity under paragraph (a) above, staff members must disclose the nature and scope of the activity and whether any honorarium or other compensation will be received.
- (d) Staff members on leave, with or without pay, must bear in mind that while on approved leave of absence they remain subject to the terms of their appointments and contracts with UNIDO. Accordingly, staff members may only engage in outside activities during leave, paid or unpaid, after receipt of a written authorization.
- (e) While retaining the right to vote, in view of the independence and impartiality that staff members are expected to maintain, they must not participate in political activities, such as standing for election or holding a political office. Staff members must exercise discretion in their support for a political party or campaign, and must not accept or solicit funds, write articles, or make public speeches, statements or endorsements to the press for this purpose. This does not, however, preclude participation in local community or civic activities, provided that such participation is consistent with service in UNIDO. These cases require the exercise of judgment and where there is any doubt, staff members must seek advice of the Ethics Office.
- (f) In general, staff members may be members of a political party provided that its prevailing views and the obligations imposed on its members are consistent with the staff's status as international civil servants.

Other personnel

- (g) UNIDO personnel other than staff as defined in Section I (c) above while performing their work for UNIDO may, without prior written authorization from UNIDO, engage or continue to be engaged in the outside employment or activities subject to the terms of their respective contracts with UNIDO or similar arrangement. In this regard, personnel is also expected to disclose any such employment or activity and its nature and scope to UNIDO prior to the commencement of their relationship with UNIDO and/or prior to the commencement of the outside employment or activity. Any such outside employment or activity must be compatible with the purposes and principles of the United Nations and UNIDO and the proper discharge of the duties by such personnel on behalf of UNIDO. Without prejudice to this principle, such other personnel who are employed by UNIDO on a full-time basis for continuous periods of six months or longer may engage in a new outside employment or activity during the course of their relationship with UNIDO only upon a written authorization from their UNIDO supervisor(s), which shall be granted in accordance with the principles and conditions outlined in paragraphs (a) to (f) above.

² Staff Rules 101.01, 201.01, 301.02.

12. Gifts, Honours & Remuneration

To protect UNIDO from impropriety:

- (a) Staff shall not accept any favour, gift or remuneration from any Government. They shall not accept any honour or decoration from any Government or accept any honour, favour, gift or remuneration from any other private or public source external to the Organization, without approval by the Director-General. Approval shall be granted only in exceptional cases and where such acceptance is not incompatible with the UNIDO Staff Regulations and Staff Rules and the individual's status as an international civil servant.
- (b) Personnel must not accept, without prior authorization by the Director-General, any gift, honour, decoration, remuneration, favour or in-kind economic benefit of more than nominal value from any non-governmental source, including commercial firms, or other entities or individuals. The assessment of what constitutes nominal value is left to the best judgment of the personnel in the light of the circumstances at the duty station concerned, but shall not exceed EUR 100 or equivalent. However, in case of a real, perceived or potential conflict of interest, no authorization shall be granted and no acceptance is permitted, regardless of the value.
- (c) Where no real, perceived or potential conflict of interest exists, authorization may be granted where such acceptance is not incompatible with the interests of UNIDO and with the personnel's contractual status. For example, authorization may be granted to personnel to accept from a non-governmental source or a university, academic awards, distinctions, and tokens of a commemorative or honorary character, such as scrolls, certificates, trophies or other items of nominal or lesser monetary value.
- (d) With regard to gifts, honours, decorations, remuneration, favours or in-kind economic benefits of a nominal or lesser value, personnel may occasionally accept them without prior authorization provided they disclose the fact to the head of their office in writing, who may direct, in light of the specific circumstances, that what was received be retained by the personnel or entrusted to UNIDO.
- (e) Without prejudice to the above, where refusal of an unanticipated gift, honour, decoration, remuneration, favour or in-kind economic benefit of more than nominal value would cause embarrassment to UNIDO, personnel may receive it on behalf of UNIDO and then report and entrust it to the Director-General.
- (f) As part of their official functions, personnel may be expected to attend Government or non-government functions or events such as receptions. Such attendance is not considered receipt of a favour, gift, remuneration or in-kind economic benefit within the meaning of this Code.

13. Use and Protection of Information

- (a) The disclosure of confidential information may seriously jeopardize the efficiency and credibility of UNIDO. Personnel are responsible for exercising discretion in all matters of official business. They must not divulge confidential information without authorization, nor shall personnel use to private advantage, or allow the use of, information that has not been made public and is known to them by virtue of their official position. These obligations do not cease upon separation from service.
- (b) When using UNIDO's information and communication technology (ICT) resources, personnel shall not knowingly or through negligence create false or misleading data; make data available to unauthorized persons; damage, delete, alter or conceal data or attempt to access data on any system without authorization.
- (c) Confidential information including personnel files, medical records, and information concerning audits, investigations, and disciplinary actions shall be kept from inappropriate use and access shall only be granted to designated officials for authorized and legitimate needs.

14. Protecting the Assets of UNIDO and Its Trust Funds

- (a) Personnel must use and maintain assets such as cash, facilities, equipment, software, hardware and supplies with utmost care and respect, guarding them against waste and abuse. UNIDO assets and funds shall be used for purposes directly related to conducting UNIDO activities or for purposes authorized by the Director-General.
- (b) Financial assets: Personnel are expected to ensure that the Financial Regulations and Rules and related policies, procedures and instructions are fully adhered to. Any breakdown in the system of internal control must be immediately reported to the appropriate authority.
- (c) Information & Communication Technology (ITC) assets: Personnel must not engage in activities that disrupt the operations of UNIDO's ICT resources, nor those of other entities connected via data and/or communications networks. The use of ICT resources for private purposes is permitted, so long as it does not compromise UNIDO's interests or reputation, affect the productivity of the user, give rise to costs or reduce the performance of the system.
- (d) Other Property, Plant, and Equipment (PPE): Personnel have a duty to protect and conserve UNIDO PPE. Items which have been entrusted or issued to UNIDO personnel must be used in accordance with applicable guidelines and any movement (transfer, relocation, etc.) of these PPE must be authorized by the responsible branch/unit to ensure accuracy of PPE records in the UNIDO asset register. Personnel may not use, or allow the use of, UNIDO PPE for non-official activities without specific authorization.

15. Publications and Copyright

- (a) All publications produced under the auspices of UNIDO, whether financed by regular or extra-budgetary funds, must be authorized in accordance with the UNIDO publications policy and related guidelines.
- (b) All rights, including title, copyright and patent rights, in any work created by personnel as part of official duties with UNIDO shall be vested in UNIDO.

IV. Administration of the Code of Ethical Conduct

- (a) UNIDO's senior management is committed to the Code of Ethical Conduct and believes that it is an important part of good governance within UNIDO.
- (b) The Ethics Office exercises the ethics function within UNIDO. As such, the Ethics Office is responsible for development, promulgation, and monitoring of ethics policies, advising staff on ethics issues, administering UNIDO's Policy for Financial Disclosure and Declaration of Interests, and reviewing cases of possible retaliation against whistleblowers.
- (c) Personnel are responsible for following the Code and for obtaining approvals for actions and activities that are regulated by the Staff Regulations and Rules, the Financial Regulations and Rules or other administrative issuances.
- (d) Personnel are responsible for reporting any conflicts of interest or failures to follow the Code, which they may become aware of, either to the Ethics Office, the Human Resource Management Branch (HRM) or the Office of Internal Oversight Services (IOS). Such reports and the subsequent discussion of the alleged violations of the Code will be treated as confidential. In this regard, personnel may confidentially contact the Ethics Office, HRM or IOS in person, by telephone, e-mail or registered post. Contact information is posted on UNIDO's intranet and internet sites.
- (e) Reported alleged violations of the Code will be dealt with by the receiving office in accordance with its mandate. Namely, the Ethics Office receives reports of alleged violations and has the authority to refer them to IOS for investigation if appropriate. Should an investigation be necessary, it will be carried out by IOS in accordance with its rules and procedure.

- (f) Cases of personnel where the investigation by IOS results in *prima facie* evidence of misconduct will be reviewed by HRM in accordance with the existing rules and procedure on disciplinary measures and/or terms of the personnel's employment status with UNIDO.
- (g) Personnel who reported misconduct in good faith or who duly cooperated with an audit or investigation are entitled to protection against retaliation by the Organization. Modalities of such protection as well as the procedure for review and investigation of complaints of retaliation and/or requests for protection against retaliation are defined in UNIDO's policy on protection against retaliation ("Whistleblower Protection" policy).
- (h) Failure to follow the Code can result in counselling, corrective or disciplinary measures, a written record of breach of the Code, or disciplinary action, including suspension, demotion or dismissal. Personnel are required to read the "Code of Ethical Conduct" and adhere to it. Issues arising out of non-compliance will be recorded in personnel files, reported to supervisors, and incorporated in performance evaluations.
- (i) Personnel may be held financially responsible, either in full or in part, for losses suffered by UNIDO due to violations of this Code, including violations which have been a result of negligence on their part.