



World Chronicle

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GUEST: Dileep Nair
UN Under-Secretary-General
Office of Internal Oversight Services

JOURNALISTS: James Wurst, UN Wire
Betsy Pisik, The Washington Times

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“Fostering Integrity in the United Nations system”

Critics of the United Nations often argue that there is little accountability in the world body. In response to this perception, an independent Office of Internal Oversight Services was created almost a decade ago.

How will the Office deal with the fallout from the security failure that led to the deaths of 22 civilians – most of them UN staff -- in Baghdad? Can it follow up on breaches of integrity by soldiers assigned to peacekeeping missions? Should the Office begin ‘naming and shaming’ the bad apples within the UN system?

The guest on this edition of World Chronicle is Dileep Nair, the UN Under-Secretary-General, for the Office of Internal Oversight Services.

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ANNOUNCER: From the United Nations in New York, an unedited interview programme on global issues. This is **World Chronicle**.

And here is the host of today's **World Chronicle**.

LITTLEJOHNS: I am Michael Littlejohns and this is **World Chronicle**.

Integrity. It's one of the core values for employees of the United Nations. And it's especially important at a time when governments around the world are being asked by the UN to embrace an International Convention against Corruption. Can the UN Secretariat be a leader in this field? What are the standards of accountability and the mechanisms to prevent corruption in the organization itself?

To help us answer these questions, our guest today is the man often referred to as the "Inspector General" of the UN. He is Dileep Nair, UN Under-Secretary-General for the Office of Internal Oversight Services.

Joining us in the studio are James Wurst of UN Wire and Betsy Pisik of The Washington Times. Mr. Nair, welcome to World Chronicle.

LITTLEJOHNS: Mr. Nair before we go into the issue of integrity in the Secretariat and elsewhere, I'd like to ask you a question related to the terrible events in Baghdad in August 2003, when 22 UN staff including the head of the UN mission, Sergio de Mello and his chief of staff, Nadia Younes, among others, were killed by a car bomber. Now there's been an independent report commissioned by the Secretary-General, Kofi Annan, which points out a number of lapses that occurred in security arrangement at the headquarters in Baghdad. Do you foresee a role for your office in following up that report to see that hopefully such a terrible thing doesn't occur again, and that the UN staff in the field are not exposed to unnecessary risks?

NAIR: Yes, Michael. I think, as I said, this is really a watershed event for the United Nations, I mean, brings to the fore the vital importance of looking at security issues with a really different perspective that the UN doesn't anymore have all-out safety around it by just flying a blue flag or by wearing blue helmets. I think our office has also actually made recommendations and these were fed into Marti Ahtisaari's report. I met him a couple of times actually. And we're very glad that the recommendations are quite unequivocal in terms of making sure that this functionality that exists as far as security matters are concerned be corrected. In other words, security be taken very, very seriously. The organization, the organizational response has to be proper, a proper structure has to be put up. A person, highly professional, responsible, has to be made in

charge of security matters. I think these are issues, which certainly have to be taken very seriously and have to be followed up. And my office will certainly have a role to play in ensuring follow up to recommendations of this nature.

LITTLEJOHNS: But the UN already had people in positions of responsibility for security: Benon Sauvart; the Deputy Under-Secretary-General herself, Louis Frechette, I think was involved. So what happened?

NAIR: I think as the report correctly points out, it is a question of not just naming a person and deeming that person to be an expert in security. No, I think if you want to take security seriously, you had to have professionals in charge of it; you have to have people who know what is done -- what needs to be done in security matters. So putting a name plate on a person's door, or on his desk doesn't automatically make him a security expert. So I think the organization has to be correct, the structure of the security outfit has to be correct, the right persons put in place, and the person in-charge of security has to have a place at the very highest decision making levels. These are things that have to be done.

PISIK: Would you foresee a change in personnel for the people that are responsible for overseeing UN security now?

NAIR: I would not want to pre-empt anything but certainly that is one of the conclusions that one can draw from the report: that we have to have, as I said, professionally trained people in-charge of security, and a structure which makes sure that the lines of authority are very clear, so that it doesn't fall between the cracks as much as this report finds out.

LITTLEJOHNS: Are you implying that heads might roll as well?

PISIK: I was wondering if you thought this would be necessary in that some of the people that are running the security office are not deeply experienced in that.

NAIR: Well, it's not for me to say whether heads will roll or not, that's certainly not my job, but my job is to make sure things are followed up. And recommendations have been made and if they are accepted I think by all means they must have been followed up. And I think here what matters -- I should also add, I think it's not just a matter of choosing people, resources are important too. Resources mean hard dollars and cents, and as you know the UN has a long time been strapped for cash. And maybe that's another reason why people have not place a premium of security. So you will have to follow up your commitments with real hard cash.

WURST: Staying on the subject of Iraq but moving a little bit, the mandate of the UN is changing; we have resolution 1511 that gives a little more clarity to the UN role. You have the UN and the World Bank establishing a trust fund. Presumably you'll be seeing more people coming in, staff coming in. Oil for Food Programme is closing down. So in other words, there are all kinds of programmes where you would probably have or in theory would have an oversight role is it? And it's so fluid. Is there, are you seeing any signs that particularly say "we close down our OIL for Food" where there are problems either of mismanagement or deliberate misappropriation?

NAIR: Well, we've been involved actually with the Iraq programme for a long time, the Oil for Food programme for example, we have been overseeing it, in fact in the annual report that was released not too long ago we have made some observations and we intend to come up with a, sort of an over-all assessment of how the Oil for Food programme was carried out. We also have oversight over the UN Compensation Commission, which is involved with the compensation from the first Iraqi war; I mean the Iraq war that was held in 1991. So we have been involved with this for a long while. Certainly the UN's involvement now grows as a result of the new resolution. I think we will have to make sure that the people, that the UN personnel who are involved in that programme, are overseen in terms of how the activities have been carried out, how money is being spent, how things are being accounted for. Already, as you know, there has been in Resolution 1483, the formation of an international advisory and monitoring board, which is supposed to be co-chaired or co-headed by the UN, the World Bank and the IMF, and the Arab Fund. This is supposed to oversee the money that is being spent out of the Development Fund for Iraq. The UN is heavily involved and as a result making sure money spent out of the Development Fund goes toward the humanitarian needs of the Iraqi people, and our office had been involved in the negotiation for the terms of reference for this fund, for this IMB.

WURST: And you've got the kind of access to the books that you will need to make a realistic evaluation?

NAIR: The terms of reference of this both specify that very clearly we'll have access to the books, more than that we'll have access to making sure or even a commission in special audits, to make sure funds that are disbursed, go down to where it is meant to go.

WURST: And then continuing, again you've got the U.S.-led provisional authority and now you have some sort of UN role. You've got the Development Fund for Iraq, which is under the US control and now this new trust fund under the UN and World Bank, you've got a

multi-national force, which is authorized by the United Nations but not under the UN command. How do you get a handle on so many different masters in one place?

NAIR: Well, I don't pretend to be able to say we understand everything you know, as you just pointed out it's a very, very complicated picture, but I think we should look at bits and pieces of it. If you're talking of money coming in to the Development Fund for Iraq and how is that money being spent out, because that's where the big money is. All the oil revenues are supposed to be placed into this fund. And any money that is being spent should come out from this fund and go down to the hospitals, the schools, or whatever, communities it is being spent on. Our responsibilities or the IAMB's responsibility of which the UN is one of the full partners, is to make sure the funds are spent well. So I think if you look at it in small bits and pieces I think we can make sure that the Iraqi people are being helped. You don't have to necessarily look at everything and make sure that there is a grand master plan.

LITTLEJOHNS: Betsy, can you take us away from Iraq into other areas?

PISIK: I could do that. Actually I just wanted to ask a very quick and final Iraq question. When you do the post-mortem for the Oil for Food programme, is that report that will be made public?

NAIR: Yes, in fact any report of ours, which has general interest, we will make it public.

PISIK: Okay. But decides whether or not these reports are made public?

NAIR: Yes it is up to the office to decide on that.

PISIK: Because very often your office does interesting work, but it's hard to follow, which is why I was wondering if that one will be made public?

NAIR: Yes, as I said, the decision to make it public rests with this office. We are not sort of held or rather we are not blocked by any other quarter in the UN organization as such. So if there is an interest, it is definitely made public.

PISIK: Okay, good. You've talked often about money in the past and you've asked for additional resources. I am wondering if you can tell us whether you expect to get an increase in your funding levels for the upcoming...when the new budget is discussed?

NAIR: Well, a person's hope is always to have additional resources, and we can always live in hope as they say, but realistically I think what we asked for is not a very substantial increase. We've asked for very modest increases because in the past I think we have been fortunate to have a fairly substantive increase notwithstanding the fact that many other parts of the house did not enjoy those increases. So what we're asking for now is only

marginal increases on for example in peacekeeping, because we intend to do more oversight in peacekeeping areas, we intend to make sure we can consolidate our monitoring, evaluation and consulting division because we feel one of the core needs, to have results-based management, not just results based budgeting, but results-based management in the house is to be able to monitor and evaluate the resources you are spending. And I don't think we have been doing that sufficiently in the house, both in terms of doing it centrally, as well as in training departments to do it for themselves.

PISIK: And in a recent speech, you said, "at the UN it is all too clear to me how much more I can do with adequate oversight personnel and the budget for integrity and other work." How much exactly are you looking for? And in a perfect world what do you think, how much more do you need in the way of staffing?

NAIR: I think that, as I said, it's hard to say what you would like to work to, eventually I think as things go we are evolving, we find that there are areas where we need to increase our oversight more, areas where we have to consolidate, areas where we think our reach is not sufficient, so I think in those areas, we decide to put up our request for funds. But I don't think we have come out with a plan, at least I have not come out with a plan to say that in year X, I will reach that level and that's it. No, I'm afraid not.

PISIK: So, how much are you asking for then?

NAIR: Right now, I'm asking for a small number of posts. We're talking of maybe one post in the regular budget and maybe a few posts in the support account, you can understand what that means eh? But that's basically for peacekeeping and areas like that, so we are talking of really modest increases.

PISIK: That's all you need?

NAIR: But, in certain areas like what has been mentioned before in the organizational integrity initiative, where we want to mount a special attempt to raise the integrity level of the whole organization, I think we are asking for resources beyond the budgetary resources that we get. And here I'm asking for money for member states into a trust fund I have created.

LITTLEJOHNS: Let me ask you about this... since you mentioned the word integrity, which in fact I mentioned in the introduction. The Organizational Integrity Initiative; now there's an idea that UN people are very dedicated employees. They become members of the staff at the UN Secretariat, out of the some kind of sense of avocation, devotion to a cause, dedication. Why is it necessary now after 58 years of Secretariat life to have this initiative?

NAIR: In fact I could put the question in another way, why was my office formed ten years ago no? In all the ...

LITTLEJOHNS: That was largely at the insistence of the United States.

NAIR: But it was something that was voted on by the whole body of the General Assembly. I think everybody agreed that if countries have their own audit, their own investigative functions, why shouldn't the UN have it? And I think very rightly so, in any organization, which is this big, any bureaucracy, which is this big, has to have an outfit which looks at these functions. In the same way we feel that rather than look at integrity from an oversight perspective, purely in other words doing things from a reactive approach, we should also like to see how we can do it from a pro-active approach. In other words, try to build in some things, which will prevent people from transgressing or doing things, which are wrong or committing malfeasance. I think that's my role because we are after all in our mandate told to be changed engines, so we want to focus on that aspect, which I think has been largely neglected in the house.

LITTLEJOHNS: This is World Chronicle. Our guest is Dileep Nair, UN Under-Secretary-General for the Office of Internal Oversight Services. Jim Wurst.

WURST: Thank you. I have in front of me here your Annual Report, and there's quite a bit in here but I have two questions at least to start. You say in here that you've identified almost 37 million in recoveries and savings and you've actually been able to save and recover about 15.4 million of that. Is any of the rest of the difference there is any of that recoverable, or is that money completely gone?

NAIR: It's hard to say because as I pointed out that after recommendations were made, only 50% to-date has been actually implemented, so there's another 50% of that recommendation we've made which have yet to be implemented. Very often it takes some time for these recommendations and normally they are these more critical ones to actually be put in place, simply because they require sometimes change of procedures, change of processes, making rules and regulations different. So these recommendations if they're implemented, we believe can result in the remainder of that savings. But at this point in time, it is hard for me to pass judgement and say whether or not this is recoverable or this going to be a total write off; my hope certainly is that it is going to be recovered.

WURST: And the second question, what comes out again particularly when you start looking at specific investigations of fraud and misconduct for instance, trafficking, which is trafficking in women. You talk about individuals, but there's no names, even when you talk

about the cases where the person was not only found out but convicted and sentenced, no names. I mean there's been a pattern developing lately particularly in terms of Security Council reports of naming names, naming and shaming, you don't do this.

LITTLEJOHNS: What's the...you mentioned trafficking in women, what's the background of that?

WURST: Since several places you've gotlet me think...I'm sorry, yeah in most cases what I'm talking about here are peacekeeping missions. I'm also talking about the tribunals. The trafficking in women is the idea of either assisting or turning of blind eye to the operation of brothels, which are ...

LITTLEJOHNS: You meant the peacekeepers turned a blind eye?

WURST: Yeah. Or in some cases.... (Inaudible)

NAIR: But if I could turn to this question on what you mentioned about not naming name. I'm glad you brought it up because unfortunately the UN has generally had a convention of not naming names so far. But I fully agree, if so long as you do not distract the judicial process, so long as it is not sub-judicated, that means a thing is still in the court, or still being investigated, I think we should be protecting their names. So in my next report, where we are going to make on for example that UNMIK case where a person is supposed to...or a person was convicted for embezzlement of 2 million dollars, we are already giving names.

LITTLEJOHNS: In Kosovo?

NAIR: In Kosovo, that's right.

LITTLEJOHNS: And he... the guy was sentenced to three years in jail?

NAIR: Three and a half years in jail, and he languished in barrack.

LITTLEJOHNS: But you have not identified him.

NAIR: No. The report that goes to the General Assembly on that particular case is yet to go up. We have put in the annual report as a sort of early notification to member states that these are the things that we have done in the past year. The report proper, which is going up to the General Assembly in the next month or so, will be very specific. It names nationality on it.

WURST: And then again like the case in the Rwanda Tribunal, is that going to be the same case that a person was accused of taking kickbacks and he's been or the staff member remains employed by the Tribunal performing clerical duties unrelated to any financial obligations?

NAIR: In that particular case we are pursuing it, because we are not happy with that. Because I don't think it is right that if a person had been found to put his hand in the till and have demanded corrupt money, but still remained in the organization. So we are pursuing that, because we don't want to jeopardize our case, we have not released the name. But certainly in a case where a person had been dismissed and convicted, we will.

PISIK: Such as Mr. Kim? Mr. Kim for example.

WURST: Will you explain Mr. Kim.

PISIK: He was the American, I believe, who was convicted of embezzling all the money in Kosovo, is that right? On baggage overages...

NAIR: Yeah, the name of the company I think was public knowledge also - Skylink.

LITTLEJOHNS: He was the one who was sentenced to three and a half years?

NAIR: No, no, this one is a German national and he was sentenced to 3-1/2 years for embezzling money, which rightly belonged to the Kosovo Electric Company. He had the money deposited in his Gibraltar account.

PISIK: There have been some fabulous scams in the history of the UN, I guess you won't comment on them but there's the following Geneva who invented a conference and then staff it with people that didn't exist and billed the UN for their airfare and hotels there. And some of the best ones are always been perpetrated by the Americans and I don't really know why that is, but I'm wondering is there in your attempts to bring the organization to a higher level of accountability, is there a way to use these past examples not so much as a how to but a how not to, I mean to use them to train others to get supervisors aware of things that could be happening, and also by simply naming and shaming...to show that there are in fact consequences?

NAIR: Right. I think a number of things can be done certainly. One thing that has been done which we adopted from UNDP is having this list of people who have committed misdemeanors, and circulating this list. Our first such list was circulated about a year and a half ago; we intend to have this done on a regular basis. It's not us but the Office of Human Resources that should circulate this list. Secondly, we should have fraud indicators, which should be well publicized and not just for auditors, but for programme managers for themselves to look at. What are suspicious types of behaviors? Or what should give rise to a red flag? We want to have these compiled for example in manuals so that they can be distributed to people especially in the field because people in the field have more difficulty referring things,

either getting a second opinion or things like that. So there are lots of things that can be done, I fully agree.

PISIK: I wanted to ask you, speaking of the field, if you could talk a little bit about the difficulties with peacekeepers? There are been questions about assaulting refugees, trafficking and artifacts coming out of the Congo is what we're hearing now--numerous transgressions. What can be done? These are soldiers, these are not UN personnel.

NAIR: I think it is a problem like you rightly say because let say the numbers are that big, now we are talking of 15,000 in Congo, I mean almost 15,000 in Liberia and maybe the same number in Congo. And peacekeepers strictly speaking come under the jurisdiction of the troop contributing country, because they are military personnel as you rightly point out. For operational reasons no doubt they come the commander, the Unified UN Command, but when it comes to discipline, normally they're under the jurisdiction of the troop-contributing country. But we have an agreement normally with this troop contributing country that if a person, if a soldier is found to be have committed a misdemeanor, he is to be sanctioned, he is to be treated, tried and then sentenced accordingly, according to the military jurisdiction.

PISIK: So the UN has no authority to intervene on this?

NAIR: We have no authority in the sense that you would want the member state, which has contributed that peacekeeper, to try him according to the rules of that military organization, and we would want to be told exactly what happened, and I think I pointed out in my report, there were couple of cases in which the thing was brought up to the troop contributing country, but to date we don't know what happened after that peacekeeper was repatriated. Because then, if it is not done, we don't...nobody...people will see that justice has not been done. So we feel that it is very important that we find out and publicize what has been done to errant peacekeepers.

LITTLEJOHNS: Mr. Nair you come from a country, which has a reputation for a very high degree of probity, Singapore. When you came to the UN four years ago, were you surprised by what you found out? I mean, every organization is going to have some bad apples, always bad apples in the best barrel. Is the UN any worse or any better than other organizations?

NAIR: I would actually say that I was pretty surprised by the dedication of the people in the UN. That was to me very surprising. Looking at the way people have to operate in the UN, especially in the field, the oddest conditions really made me surprised that this high level of dedication was there. So I would like to look at it from this point of view that the UN is

largely staffed by dedicated people, but you have some rotten apples. And I think that's natural in all big organizations; you will have some people who sully the name of the organization. But I believe that the organization largely is good, but because of these people, who unfortunately get the press get the publicity, give and tarnish the whole organization with a bad name. So I feel that it's imperative for my outfit, for my office, to ferret these people out. To make examples of them and to show the world that we are able to take care of ourselves by bringing these people out rather than having any sensational journalists telling us that there is a scandal in the UN.

LITTLEJOHNS: So you're sensational journalists? (Laughter) We have about 90 seconds left.

WURST: Ninety seconds, alright, very quickly following up on what you've just said about peacekeepers, sending them back to their home governments, and nothing happening, I understand that you're planning to add a military adviser. If you don't have any sort of legal control over these peacekeepers, what good is an adviser?

NAIR: No, I think the military adviser is to allow us to go into many other areas, which right now we don't look at. We right now look at in peacekeeping mission largely the administrative areas, the financial areas, but I think: how military operations are conducted? How many airlifts you have for example? Whether or not you need this aircraft, or you can have a cheaper aircraft, or a less-expensive one? These are issues I think if we look into, if we make observations and so on, can end up in a much-reduced bill for peacekeeping. That is why I need a military adviser.

LITTLEJOHNS: Why is it taking so long to have...to develop your office do you think?

NAIR: I think...

LITTLEJOHNS: It required pressure from the United States, for the thing to begin about nine years ago.

NAIR: It's hard to speculate what happened nine years ago. I mean they have been made maybe many issues came to a head. I think the world so-called scandals, and there were cases of egregious faults, stuff like that, I think the cause of these things coming to the fore, there was a realization amongst member states that, "hey you have to have an outfit like this because after all, all national governments have dysfunctions in them".

LITTLEJOHNS: Mr. Nair, that's all the time we have, thank you for being with us on this edition of **World Chronicle**.

Our guest has been, UN Under-Secretary-General for the Office of Internal Oversight Services, Dileep Nair. He was interviewed by James Wurst of UN Wire, and Betsy Pisik of the Washington Times.

I am Michael Littlejohns. Thank you for joining us. We invite you to be with us for the next edition of **World Chronicle**.

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