



## POLICY FOR THE FINANCIAL DISCLOSURE PROGRAMME

### And Declaration of Interest Statements

#### Policy Statement

It is the policy of United Nations Development Programme (hereafter “UNDP” or the “Organization”) that in the exercise of their functions, UNDP Staff Members and certain other individuals (who hold a UNDP contract other than a staff contract) must avoid even the appearance of impropriety. All Staff Members and such other individuals have an obligation to avoid or mitigate situations in which their personal interests might conflict, or appear to conflict, with the interests of UNDP. Conflicts of interest may arise in many types of situations, such as when financial or other outside interests produce conflicting loyalties, interfere with job performance, or are adverse to the interests of UNDP. The Financial Disclosure Programme is intended to identify such potential and actual conflicts of interest so that they may be vetted and mitigating actions taken to limit or eliminate associated risks.

#### Purpose and Overview

The purpose of this Policy and related guidelines below, is to assist UNDP Staff Members and other individuals designated to file a Financial Disclosure or Declaration of Interest statement in complying with their obligations to avoid personal interests that may or may appear to interfere with the performance of their official duties and responsibilities, or appear to adversely influence the integrity, independence and impartiality required by their status as individuals employed to the UN. When a potential or actual conflict of interest arises, it must be disclosed to the Ethics Office and the Staff Member’s or the individual’s supervisor/manager, and mitigated and resolved in favour of UNDP.

#### *Staff Members*

Staff Regulation 1.2(m) provides that a conflict of interest occurs, when by act or omission, a Staff Member’s personal interests interfere with the performance of his or her official duties and responsibilities or with the integrity, independence and impartiality required by the Staff Member’s status as an international civil servant. When a potential or actual conflict of interest does arise, the conflict of interest shall be disclosed by the Staff Member to his/her head of office and/or the Ethics Office, mitigated by the Organization and resolved in favour of the interests of the Organization.

Staff Regulation 1.2(n) states, in pertinent part, “All staff members at the D-1 level and above shall be required to file Financial Disclosure statements on appointment and at intervals thereafter as prescribed by the Secretary-General, in respect of themselves, their spouses and their dependent

children, and to assist the Secretary-General in verifying the accuracy of the information submitted when so requested. The Secretary-General may require other staff to file Financial Disclosure statements as he or she deems necessary in the interest of the Organization.”

### *Other Individuals*

Individuals holding a UNDP contract, other than a staff contract, may be required to file a Financial Disclosure statement in accordance with the Regulations governing their contract.<sup>1</sup>

**Unless otherwise noted, further references to “Staff Members” in this Policy and Guidelines shall be read as applying to all individuals who are required to file a Financial Disclosure or Declaration of Interest statement (see Section 2 below), regardless of their contract type.**

### *General*

All Staff Members who meet the criteria for filing a Financial Disclosure or Declaration of Interest statement have an obligation to submit the statement as part of their official functions, upon hire and annually thereafter. Compliance with this Policy and the filing requirement does not excuse Staff Members from taking a pro-active role in recognizing potential or actual conflicts of interest arising in individual instances. As such, Staff Members are obligated to inform their supervisors or management of such potential or actual conflicts of interest as they arise and recuse themselves when necessary from participation in certain functions (e.g., procurement or recruitment-related activity where involvement would entail dealing with an individual or an entity with which he/she is personally affiliated). Staff Members may also be requested to dispose of certain outside interests that caused such potential or actual conflict. By making such disclosure to the supervisor or management, the supervisor/manager can take measures to avoid assigning work or projects that may inadvertently place the Staff Member in a situation where an actual conflict may arise or where his/her judgment may be, or reasonably appear to be, improperly influenced.

## Guidelines

### Section 1

#### General Provisions

##### 1.1 AUTHORITY

This Policy replaces the previous Policy on Financial Disclosure, Declaration of Interest and Impartiality Statements issued by UNDP on 12 January 2011.

As noted above, please refer to Staff Regulations 1.2(m) and 1.2(n) and [ST/SGB/2002/9](#), regulation 2 (h) and (i) for further background and information.

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<sup>1</sup> Service Contractors and Individual Contractors are required to uphold the Regulations and standards of conduct included in their contract. See [ST/SGB/2002/9](#), Regulation 2(h) and (i).

## 1.2 SCOPE

This Policy applies to all Staff Members at the D-1/P-6 level and above, whether holding a UNDP Letter of Appointment or on secondment to UNDP (for the period of the secondment). The Policy also applies to other individuals identified by the relevant Head of Office or Bureau based on guidelines issued by the Ethics Office pursuant to Staff Regulation 1.2(m) and regulations in [ST/SGB/2002/9](#). In all cases, the Ethics Office will have final discretion in determining who must submit a Financial Disclosure or Declaration of Interest statement. Staff Members who are required to submit a Financial Disclosure or Declaration of Interest statement must provide full and accurate information, which may entail eliciting the cooperation of immediate family members.

## 1.3. DEFINITIONS

- The following definitions shall apply for the purposes of this directive:
- *Spouse*: an individual whose personal status has been recognized as such for purposes of United Nations entitlements
- *Dependent Child*: a Staff Member's child who is under the age of 18, or under the age of 21 if in full-time attendance at a school or university, or under 25 if covered under the Staff Member's health insurance through UNDP, for whom the Staff Member provides main and continuing support
- *Relative*: a spouse, father, mother, son, daughter, brother or sister
- *Short Duration*: a period of less than six months
- *Stock option*: a right or option to buy or sell a specific number of shares at a later date and price
- *Assets*: include but are not limited to stocks, bonds, bank accounts, mutual fund investments and real estate. Personal property should be reported only if it is held for investment or business purposes

## Section 2

### Obligation to File Annual Financial Disclosure Statements And Declarations Of Interest

#### FINANCIAL DISCLOSURE STATEMENT

2.1 The following Staff Members have an obligation to file an annual Financial Disclosure statement:

- (a) All Staff Members at the D-1/P-6 level and above;
- (b) All Staff Members who are procurement officers or whose normal functions include significant and substantive participation in the procurement process for the UNDP, pursuant to Section 2.2 below;

- (c) All Staff Members whose principal functions relate to the investment of the assets of UNDP or of any accounts for which UNDP has fiduciary or custodial responsibility, pursuant to Section 2.2 below;
- (d) Other Staff Members, of any grade, whose direct access to confidential procurement or investment information warrants the filing of a Financial Disclosure, pursuant to Section 2.2 below;
- (e) The chairperson of the Advisory Committee on Procurement (ACP) at Headquarters, the chairperson of the Regional Advisory Committee (RACP) at the Regional Centres and the chairperson of the Contracts, Assets, and Procurement Committee (CAP) in country offices.
- (f) All the Staff Members serving in the Ethics Office.
- (g) Other Staff Members and individuals designated by the Administrator where he/she deems it appropriate and necessary in the best interests of the Organization.

2.2 The relevant Head of Office or Bureau shall identify, in accordance with the annual guidelines issued by the Ethics Office, the Staff Members who shall file Financial Disclosure statements under paragraphs 2.1 (b), (c), (d), (e) and (g) above.

#### *DECLARATION OF INTEREST STATEMENT*

2.3 Staff Members who fall within the scope of paragraph 2.1 above but who work on US \$1 per year appointments, have the obligation to file a Declaration of Interest statement instead of a Financial Disclosure statement. Such Declaration of Interest statements will be provided to such individuals as noted in Section 6 below.

2.4 Persons serving as Goodwill Ambassadors for UNDP are exempt from this Policy.

### **Section 3**

#### **Scope of Financial Disclosure Statements**

3.1 Staff Members who are required to file a Financial Disclosure statement under paragraph 2.1 above shall report the following with respect to themselves, their spouse and dependent children (if any) for the reporting period in question:

- (a) Assets held that have a market value of US \$10,000 or more per asset, or the equivalent in local currency at the operational rate of exchange (see section 5.1 for the relevant date to calculate the operational rate of exchange). Personal property<sup>2</sup> should be reported only if it is held for investment or business purposes;

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<sup>2</sup> Such as motor vehicles, boats, livestock, furniture, carpets, jewellery and  
art <sup>3</sup> See Staff Regulation 1.2 (j), (k) and (l). <sup>4</sup> See Staff Regulation 1.2 (f).

- (b) Any profit of more than US \$10,000 on the sale of any property that was held for investment or business purposes;
- (c) All stock options, publicly listed or private, regardless of value;
- (d) Income earned from sources other than UNDP in the reporting period, including from investments listed in subparagraph (a) above, any form of deferred emoluments from prior employment (but excluding United Nations pension benefits received from prior employment), or profit shares from prior employment, if the total of all such income is over \$10,000 in the reporting period;
- (e) Any form of supplement, direct or indirect from sources external<sup>3</sup> to UNDP including provision of housing or subsidized housing, or any gift, per diem, reimbursements, entertainment or travel expenses, favour, benefit, remuneration or in kind contribution from any Government, governmental agency (in any amount) or from other non-UNDP source (aggregating US \$250 or more from a single non-governmental source) during the reporting year, other than disability or dependency benefits under national laws, travel and per diem for approved outside activities and approved residential accommodation that has been accepted by the United Nations for its staff. Gifts from relatives are not required to be reported;
- (f) Liabilities over US \$50,000 owed to any creditor, including a mortgage on the Staff Member's personal and/or vacation residence, as well as liability to a former spouse. Liabilities owed to a parent, sibling, or dependent child are excluded;
- (g) Involvement in any other activity, whether or not subject to approval by the Administrator under the applicable UN Staff Regulations and Rules or other administrative issuances, that could have an impact on the objectivity or independence of the Staff Member in the performance of duties for UNDP or otherwise affect the image or reputation of the Organization<sup>4</sup>;
- (h) A spouse's or dependent child's financial or other interest in, or association with, any entity with which the Staff Member reporting may be required to have dealings on behalf of UNDP, or any entity which has any commercial interest in the work of UNDP or a common area of activity with UNDP.

3.2 Staff Members who are required to file a Financial Disclosure statement under paragraph 2.1 above or a Declaration of Interest statement under paragraph 2.3 above shall also report the following:

- (a) Any leadership or policymaking role in any non-UNDP entity (including membership on any corporate board)<sup>3</sup>.

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<sup>3</sup> Staff Members should ensure that they are aware of, and act in accordance with the requirement in UN Staff Regulation 1.2 (o) to obtain the prior approval of the Administrator to engage in an outside employment or activity, whether remunerated or not. Staff Members should also be aware that Staff Regulation 1.2(m) requires Staff Members to disclose and mitigate conflicts of interest in favour of the UN (UNDP).

- (b) Any relatives employed in the United Nations system.

3.3 Staff Members who are not able to comply with the disclosure requirements with respect to their spouse or dependent children shall submit a detailed justification to the Ethics Office. A copy of supporting legal documentation should be provided, where applicable. In those cases where exemption from submission of legal documents is requested such as on the basis of a pre-nuptial agreement, divorce/separation proceedings or a marital “separation of property” agreement, or other legal basis, the Ethics Office shall consider whether such justification is reasonable, considering the particular circumstances of each case, and may make recommendations to the Staff Member and the Administrator or his or her designee.

## Section 4

### Scope of Declaration Of Interest Statements

4.1. Staff Members who are required to file a Declaration of Interest statement under paragraph 2.3 above shall include in such disclosure the following:

- (a) Any financial or other interest in, or association with, any entity with which the Staff Member anticipates or should reasonably anticipate he/she may be required to have official dealings on behalf of UNDP, or any entity that has a commercial interest in the work of UNDP or a common area of activity with UNDP. This reporting obligation extends to the individuals themselves, their spouse and dependent children (if any);
- (b) Any leadership or policymaking role the Staff Member may hold in any non-UNDP entity (including membership on any corporate board);
- (c) Current or past involvement by the Staff Member in any other activity which could have an impact on his/her objectivity or independence in the specific performance of the functions for which he/she has been contracted by the UNDP, or which could otherwise affect the image of the UN/UNDP;
- (d) Any relatives employed in the United Nations system.

## Section 5

### Applicable Date for Values And Rates of Exchange

5.1. In completing the required FDP and Declaration of Interest disclosures the USD-equivalent value of assets or liabilities shall be derived by applying the official UN operational rates of exchange as of the date of disclosure to the value of the assets or liabilities on 31 December for the filing year. For new hires the operational value and rate of exchange should be as of the last day of the calendar month preceding the date of appointment.

## Section 6

## Forms and Filing Procedures

6.1 Staff Members who are required to file a Financial Disclosure statement under paragraph 2.1 above shall do so electronically through the online Financial Disclosure system within the deadline stipulated. The Ethics Office will provide each individual with an active electronic hyperlink to his/her form, together with the deadline for completion, via email. .

6.2 Staff Members who are required to file a Declaration of Interest statement under paragraph 2.3 above shall do so on the Declaration of Interest Form within the deadline stipulated. The Ethics Office will provide each such individual with their form, together with the deadline for completion, via email. [Section 7](#)

## Confidentiality

7.1 The Financial Disclosure and Declaration of Interest statements and any relevant supporting documentation, information and/or communications, either electronic or physical, are confidential. The statements and their relevant supporting documentation, information and communications will be held in a secure location and will only be made accessible to and used by the Ethics Office and such other offices or persons as specifically authorized in writing by the Ethics Office or the Administrator. The Ethics Office will retain all Financial Disclosure and Declaration of Interest statements filed, including all supporting documentation related to such submissions and their review and verification, for a minimum of seven (7) years from the date of submission.

7.2 Other than for administration as noted above, strict confidentiality will generally be maintained unless the Ethics Office becomes aware of a) a potential or actual conflict of interest or b) a violation of Staff Rules and Regulations or other administrative issuances.

a) In potential or actual conflict cases, the Staff Member will be notified and provided with advice on how to remedy or mitigate the situation, often times requiring the Staff Member to disclose the potential or actual conflict to his/her supervisor/manager, and provide proof of such disclosure to the Ethics Office. Where the Staff Member is unwilling or unable, after being given a reasonable opportunity, to remedy or mitigate the situation, the Ethics Office will refer the matter to the appropriate office (e.g., Office of Audit and Investigations (OAI), Office of Human Resources (OHR) or the Legal Support Office (LSO)) and/or supervisor/manager for monitoring or for followup and remediation to protect the interest of UNDP.

b) In situations involving a potential violation of Staff Rules and Regulations or other administrative issuances, the matter may be referred to OAI for full investigation as necessary.

c) As such, there may be occasion where one or more of a Staff Member's disclosures will need to be shared with OAI, LSO, OHR and/or with his/her supervisor/manager to prevent the Staff Member from being inadvertently placed (by management) in a conflict situation, or permitted to remain in a situation where a conflict can arise or be reasonably inferred. In every case, information disclosed will only be shared by the Ethics Office where it has determined that it is in the interest of

UNDP for such a disclosure to be made in order remediate or avoid a conflict of interest that has been detected, and the Staff Member is unwilling or unable to do so on his/her own. The Ethics Office may also consult with the LSO or the United Nations Ethics Committee for additional guidance prior to such proposed disclosure.

## Section 8

### Obligations of Staff Members

8.1 Staff Members making disclosures pursuant to this Policy and the programs thereunder shall certify that the information disclosed is true, correct and complete to the best of their knowledge and belief.

8.2 Staff Members are obliged to comply with all requests for additional information, documentation, clarification and/or verification concerning their Financial Disclosure statement or Declaration of Interest statement.

## Section 9

### Filing Period

9.1 The Financial Disclosure filing exercise will generally take place annually between 1 to 31 March, (or over such other period designated by the Ethics Office), in any given year, to report on matters and holdings for the period from 1 January to 31 December of the previous calendar year. New hire disclosures must be completed within the dates specified by the Ethics Office following the Staff Member's entry on duty, promotion or commencement of the new assignment.

9.2 The Declaration of Interest filing exercise will take place on an *ad hoc* basis as and when required.

## Section 10

### Verification Process

10.1 In order to validate the information disclosed and ensure its accuracy and completeness, a verification process will be conducted among a representative sampling of all individuals of all grades and offices who have filed a Financial Disclosure or Declaration of Interest statement under this process.

10.2 Individuals who have been selected to provide verification must, within the time specified by the Ethics Office or its designee, provide a copy of supporting documentation including but not limited to statements from third-parties such as banks and brokerages, as well as mortgage statements, articles of incorporation, certificates of title, loan agreements, tax returns, credit card statements and so on.

## Section 11

## Extension of Deadlines

11.1 Individuals who are unable to comply with a filing deadline under Section 9, or the time specified for providing additional requested information under Sections 8 and 10, must submit a formal request for an extension of time, providing a detailed justification to the Ethics Office. The Ethics Office will, based upon the particular circumstances in each case, determine whether an extension of time is warranted and notify the individual accordingly.

## Section 12

### Non-Compliance with the Financial Disclosure Programme

12.1 Failure to comply with the requirements of the Programme, including the obligation to submit a Financial Disclosure statement or Declaration of Interest statement, or to cooperate in the verification exercise, or to provide the requested supporting information, or to implement remedial measures for managing identified conflicts of interest, may amount to misconduct by the Staff Member in question, and may be dealt with in accordance with the [UNDP Legal Framework for Addressing Non-Compliance with UN Standards of Conduct](#) (Legal Framework). Failure by any other individual to fulfil any of these enumerated obligations, including those arising under [ST/SGB/2002/9](#) (regulations Governing the Status, Basic Rights and Duties of Officials other than Secretariat Officials, and Experts on Mission which applies to Consultants and Independent and Service Contractors) may also amount to a breach of contract, which may be dealt with in accordance with the provisions of the individual's employment contract.

12.2 The Ethics Office may refer the matter to the Director of OHR or other relevant office (e.g., LSO or OAI), for such action as that office deems necessary to ensure that the interest of UNDP is protected. [Section 13](#)

### Entry into Force

13.1 The present Policy (and procedures/guidelines) supersede the UNDP Financial Disclosure Policy of January 2011, and shall enter into force on the date on which it is adopted by the Administrator. It shall be reviewed two years after the date of adoption.

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