



SECRETARIAT

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Distribution: All staff members at Headquarters,
established offices and Permanent Missions

DIRECTOR GENERAL'S BULLETIN

Investigation Policy

1. The purpose of this Director General's bulletin is to promulgate the UNIDO Investigation Policy as a supplementary policy under the framework of the Charter of the Office of Evaluation and Internal Oversight (EIO), which was approved by the Industrial Development Board at its forty-eighth session in decision IDB.48/Dec.10 and subsequently promulgated in DGB/2020/11 of 11 December 2020.
2. The Investigation Policy is complemented by the UNIDO Investigation Guidelines and other documents issued by the Director of EIO as needed.
3. This bulletin shall enter into force with immediate effect.



UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

INVESTIGATION POLICY

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I. Objective of the Policy

1. As a supplementary policy under the Charter of the Office of Evaluation and Internal Oversight (DGB/2020/11) (the “Charter”), the objective of this Investigation Policy is to further outline the nature and scope of the investigation function, including its processes, key roles, responsibilities and governing principles. The policy has been prepared in accordance with generally accepted standards applicable to administrative investigations, as reflected in the *Uniform Principles and Guidelines for Investigations*.¹

II. Introduction

2. The Office of Evaluation and Internal Oversight (ODG/EIO) (the “Office”), which is organizationally located within the Office of the Director General, is responsible for the performance and operation of the evaluation, internal audit and investigation functions of UNIDO, in accordance with the terms of its Charter.
3. The investigation function is one of the core oversight functions under the responsibility of the Director of the Office of Evaluation and Internal Oversight (the “Director of the Office” or “Director”).
4. In order to discharge its mandate, the Office is composed of two divisions: the Independent Evaluation Division (EIO/IED), and the Internal Oversight Division (EIO/IOD). The investigation function is carried out by the Director of the Office and the staff and other personnel assigned to the Internal Oversight Division to carry out investigative activities (“investigation personnel”).
5. The Investigation Policy shall be guided by the following:
 - (a) The rights and duties of UNIDO staff members and other personnel,² as well as of contractors and other persons involved in investigative activities, including subjects of investigations, are protected in accordance with relevant UNIDO regulations and rules and the principle of fairness;
 - (b) The investigation function should be carried out effectively and independently to ensure that the interests of the Organization are protected; and
 - (c) A culture of accountability, ethics, integrity, and good governance should be promoted within the Organization.
6. The Director of the Office may establish written procedures and guidelines, including investigation guidelines,³ in furtherance of the objectives of the Investigation Policy.

III. Investigation Function in UNIDO

7. **Scope.** The investigation function in UNIDO centres on the conduct of investigations and covers all programmes, projects, operations and activities undertaken by UNIDO, irrespective of

¹ As endorsed by the 10th Conference of International Investigators, 2009.

² In this Policy, the terms “staff” and “personnel” shall have the same meaning as in the Charter.

³ The Investigation Guidelines (UNIDO/DGAI.19) are subsumed under the present Investigation Policy and shall continue to apply until further notice or an update is issued. In the event of a discrepancy, the terms of the Investigation Policy shall prevail.

location, and all UNIDO staff members, personnel, contractors, project executing entities and other parties associated with such programmes, projects, operations and activities. The investigation function does not encompass allegations concerning staff grievances, including managerial, performance or interpersonal issues.

8. An investigation is defined as the administrative process of fact-finding, examination, and verification of one or more allegations of misconduct, in order to determine whether the misconduct occurred and, if so, to identify the person or persons, or the entity or entities, responsible.
9. Misconduct is defined as any action taken in violation of a standard of conduct, a binding legal, moral or ethical norm or duty, or a regulation, rule or policy, which is applicable in the Organization. Misconduct encompasses all breaches of conduct and all forms of wrongdoing, including, without limitation: fraud, misrepresentation and all forms of deceitful or dishonest practices; all forms of financial irregularities, abuse or misuse of property or funds; all corrupt, coercive, collusive or obstructive practices; harassment and abuse of position in all their forms; sexual exploitation and abuse; retaliation; and mismanagement and waste of resources.
10. The investigation function may also include proactive integrity reviews in high-risk areas that are susceptible to fraud, corruption or other wrongdoing. Unlike investigations, proactive reviews seek to identify: (i) indicators (if any) that a project or operation is vulnerable to or suffers from fraud or corruption (“red flags”); (ii) the nature and extent of any problems or issues; (iii) areas for possible follow-up, remediation, intervention or investigation; and (iv) mitigating and other recommended measures to prevent recurrence or mismanagement. Should the review identify indicators of possible fraud, corruption, collusion, coercion or other red flags of misuse of funds, they shall be evaluated in a separate process, in line with this Policy, to determine whether an investigation is warranted.
11. **Authority.** The Office shall have the sole authority and responsibility to perform the investigation function within UNIDO.
12. The Office shall independently assess and investigate, if warranted, allegations of misconduct within the scope of this Policy.
13. The Office shall record all complaints received under the UNIDO Environmental and Social Safeguards Policies and Procedures (ESSPP)⁴ and shall function as official repository of such complaints. The assessment and investigation of allegations relating to violations of ESSPP will be conducted in accordance with the ESSPP.
14. The Office shall cooperate with other relevant investigation services and networks, including those of the United Nations system or multilateral financial institutions, with a view to: (a) harmonizing and exchanging information on investigation policies, procedures and practices; (b) implementing best practices; and (c) conducting joint or special investigative activities, as appropriate.
15. The Office shall liaise with national law enforcement bodies, as appropriate, in consultation with the Office of Legal Affairs and as authorized by the Director General.
16. **Reporting lines.** The Director of the Office shall be accountable to the Director General for the overall functioning and performance of the investigation function. Investigation personnel

⁴ Administrative Instruction AI/2021/03, dated 11 June 2021, as amended.

assigned to the Internal Oversight Division shall be accountable to the Chief, EIO/IOD, and to the Director. The Chief, EIO/IOD shall be accountable to the Director.

17. The Director of the Office shall submit an annual report on the activities of the Office to the Industrial Development Board, in accordance with the provisions of the Charter. The report shall contain a statement by the Director to confirm the independence of the Office and declare whether any situation has occurred representing an impairment of its objectivity or of its functional independence.

IV. Reporting allegations of misconduct

18. **Duty to report.** All UNIDO staff members and personnel have a duty to report misconduct in accordance with the established procedures and respective policy frameworks, such as the Code of Ethical Conduct, the policy on protection against retaliation, the policy on fraud awareness and prevention, and the policy on harassment. Staff members and personnel may also report misconduct to their supervisors or another appropriate supervisor within their operating unit. Supervisors who receive allegations of misconduct must immediately inform the Director of the Office.
19. All UNIDO contractors, project executing entities and other third parties affiliated with UNIDO are expected to report any allegations of misconduct.
20. Individuals who report in good faith allegations of misconduct have the right to be protected against retaliation.
21. **Central intake mechanism.** The Director of the Office shall establish a central intake mechanism to receive, record and track all allegations of misconduct from sources inside and outside UNIDO, including anonymous sources. This task shall be conducted in coordination with other relevant offices within the Organization, in particular the Department of Human Resources Management and the Office of Ethics and Accountability (CMO/EAO), as appropriate.
22. **Reporting channels.** The Office shall maintain appropriate channels to facilitate the reporting of alleged instances of misconduct, such as by telephone, web-based reporting facility, e-mail and regular mail.

V. Preliminary Evaluation

23. **Preliminary evaluation.** Following receipt and recording of an allegation or allegations of misconduct, the Office shall conduct a preliminary evaluation thereof in order to determine whether the allegation or allegations:
 - (a) Are within the scope of the Office's investigation authority;
 - (b) Are credible, verifiable, and material; and
 - (c) Can be independently and more effectively dealt with by another office within UNIDO without a full investigation.
24. The Director of the Office shall thereafter decide whether to close the case or initiate a full investigation. The preliminary evaluation and ensuing reasoned decision of the Director of the Office shall be documented.
25. The Director of the Office may also, on his or her own initiative, decide to investigate potential misconduct based on evidence discovered in the course of investigative activities, risk-assessment

activities, or any other activities undertaken under the Charter of the Office. When taking such a decision, the Director of the Office shall ensure that the preliminary evaluation process (*supra*, paragraphs 22 and 23) is followed.

VI. Principles Governing the Investigation Function

26. **Professional standards.** The Director and investigation personnel shall maintain objectivity, impartiality and fairness throughout the investigative process and shall conduct their activities competently and with the highest levels of integrity.
27. The Director and investigation personnel shall avoid conflicts of interest and shall take appropriate action to avoid any perception of a conflict of interest. Investigation personnel shall disclose to the Director in a timely fashion any actual or potential conflicts of interest they may have, and the Director shall take appropriate action to mitigate or resolve the conflict. In the case of the Director of the Office, such a conflict of interest shall be reported to the Office of Ethics and Accountability or the Director General.
28. **Standard of proof.** The purpose of an investigation is to ascertain all relevant facts in order to allow the competent authority to determine whether there is sufficient evidence to initiate a disciplinary procedure or administrative action. Accordingly, investigative activities by the Office are aimed at establishing facts and collecting evidence to determine the truth of allegations made, identify perpetrators, and establish relevant surrounding circumstances. The preponderance of the evidence standard is the minimum standard applied by the Office when making findings and reaching conclusions on allegations of misconduct.
29. **Efficiency and effectiveness.** The Director of the Office shall ensure that every investigation is conducted in the most efficient and effective manner possible. Investigations should be completed within six months from the date of initiation, unless circumstances warrant a longer period. An investigation is normally considered to have been initiated following the preliminary evaluation and upon the Director's decision that a full investigation is warranted (*supra*, paragraph 23).
30. **Independence.** The Office shall have full authority in performing its investigation function. The Office shall be free from any undue influence or interference whatsoever, including in determining the objectives, scope, timing and methodology of investigation, and in communicating the results thereof to relevant parties in accordance with the provisions of the Charter and this Policy.
31. In carrying out the investigation function, the Director of the Office and investigation personnel shall have:
 - (a) Full, free, unrestricted and prompt access to all organizational records (in paper and electronic format), property, personnel, operations and functions that are relevant to the subject matter under review;
 - (b) Access to official e-mail accounts, provided that the Director General shall be informed thereof;
 - (c) Authority to communicate with all staff members and personnel, at all levels, as well as third parties, when appropriate;
 - (d) Authority to request information or clarifications from any staff member, personnel and third parties, when appropriate.

32. The Director of the Office may ask individuals, such as UNIDO project managers or Representatives or officials of the investigation office of another United Nations agency or the United Nations Department of Safety and Security (UNDSS), for their assistance in an investigative activity. In such cases, the Office may provide technical and methodological support and shall ensure that appropriate arrangements are in place to protect confidentiality and to secure the integrity of any evidence gathered and any report or note written on the matter.
33. **Duty to cooperate.** UNIDO staff members, personnel and contractors have a duty to cooperate with the Office's investigations and to respond promptly and fully to requests for information, and they shall not discuss or disclose any aspect of any investigative activity unless duly authorized by the Director of the Office.
34. **Protection against retaliation.** Individuals who, in good faith, cooperate with, or report information on alleged misconduct to, the Office shall have the right to be protected against retaliation in accordance with Director General's bulletin on "Protection against retaliation for reporting misconduct or cooperating with audits or investigations".⁵ Protection against retaliation shall not extend to individuals who provide information in the knowledge that it is false or with intent to mislead the investigation. Such cases may constitute misconduct and may result in disciplinary or other appropriate action.
35. **Respect for due process.** Throughout an investigation, the Office shall respect due process and individual rights, and shall maintain fairness, objectivity and impartiality. The subject of an investigation shall be presumed innocent until such time as the investigation has been completed and a final determination has been made as to whether or not misconduct has occurred.
36. **Confidentiality.** Confidentiality applies to all investigative matters. The Director of the Office shall take all reasonable measures to maintain and preserve confidentiality. In general, the identity of sources of information and misconduct allegations shall be kept confidential and may only be disclosed, on a need-to-know basis, when required by the legitimate needs of the investigation or any subsequent proceedings. In general, investigation plans, schedules, strategies, and terms of reference shall not be shared or distributed outside the investigation personnel of the Office, unless exceptionally authorized by the Director of the Office when needed. A breach of confidentiality in relation to investigative activities may amount to misconduct.
37. The Director of the Office may, at his or her discretion and on a need-to-know basis, inform other persons of the existence of an investigation (e.g. to protect UNIDO's interests, safeguard UNIDO property, or secure relevant evidence).

VII. Investigation and Other Reports

38. **Investigation reports.** The subject of an investigation shall be given a fair and reasonable opportunity to explain the conduct being investigated and to present evidence on his or her behalf. The Office shall normally share a draft of the investigation report with the subject for his or her comments prior to concluding the investigation and issuing the final investigation report.
39. For every investigation the Director of the Office shall issue the final investigation report to the Director General. Investigation reports are confidential, with read-only access given to the External Auditor upon request. The Director of the Office shall not give any party access to a final investigation report unless expressly authorized to do so by the Director General. Reports

⁵ Director General's bulletin UNIDO/DGB/(M).116, dated 1 March 2010, as amended.

on alleged retaliation against whistleblowers, are, however, shared with the Senior Ethics Officer. After issuance of the final investigation report, the Director General shall decide on further distribution thereof as he or she deems necessary.

40. **Management letters and other reports.** The Director of the Office may, at any time, issue management letters to senior and other managers, which provide systemic recommendations that are derived from the evaluation of allegations received, preliminary evaluations or investigation findings, or other data gathered in connection with the investigation function. The Director of the Office shall coordinate the issuance of an Information Circular, normally annually, which summarizes the findings, the recommendations, and the management actions taken so far in connection with investigations that were completed during the reporting period. The anonymity of the subjects will be safeguarded.

VIII. Exceptional Cases

41. Allegations of misconduct on the part of the Director General, the Director of the Office, or EIO/IOD staff shall be administered in a manner that is consistent in all material respects with the terms of this Policy, subject, however, to the following modifications:
- (a) **Allegations against the Director or EIO/IOD staff.** Allegations of misconduct against the Director of the Office or EIO/IOD staff shall be referred to the Director General for preliminary evaluation. The Director General shall determine whether the allegations fall within the scope of this Policy and warrant a full investigation, or close the case. In case a full investigation is warranted, the investigation shall normally be conducted by a separate entity competent to carry out an independent investigation, such as the investigation office of another United Nations agency or the Joint Inspection Unit. The confidential final investigation report shall be submitted to the Director General.
 - (b) **Allegations against the Director General.** Allegations of misconduct against the Director General shall be referred to the Director of the Office for preliminary evaluation. The Director of the Office shall determine whether the allegations fall within the scope of this Policy and warrant a full investigation, or close the case. In case a full investigation is warranted, the Director shall further determine whether the Office is capable of carrying out a full investigation consistent with the principles governing the investigation function (*supra* part VI) or whether the investigation shall be conducted by a separate entity competent to carry out an independent investigation, such as the investigation office of another United Nations agency or the Joint Inspection Unit. The confidential final investigation report, whether it emanates from the Office or a separate entity, shall be issued to the President or the Acting President of the Industrial Development Board and any findings of misconduct referred by him or her to the members of the Board in order to enable the Board to act.

IX. Quality Assurance

42. The Director of the Office shall develop and maintain a quality assurance and improvement programme for the investigation function, as a mechanism to systematically assess and enhance the function.

X. Interpretation, Review and Amendment

43. This Policy shall be interpreted in conformity with the provisions of the Charter.
44. This Policy shall be reviewed by the Director of the Office, in consultation with the Independent Oversight Advisory Committee, normally at least once every five years.