

## **Safety and security of staff and premises and the Capital Master Plan**

### **Safety and security of staff**

#### **Report by the Director-General**

1. In January 2010 the Programme, Budget and Administration Committee of the Executive Board at its eleventh meeting considered the Director-General's report on safety and security of staff and premises and the Capital Master Plan.<sup>1</sup> That report outlined the current situation and the vulnerability of the Organization with regards to staff safety and security in the field, premises security and the application of the Capital Master Plan, as linked to business continuity.
2. During the Committee's debate, a proposal was made for two financial mechanisms instead of the centralized trust fund proposed in the Director-General's report: a security fund and a continuation of the current Real Estate Fund. The Committee noted that staff security and the maintenance of the premises at headquarters were inter-related issues of equal importance. It was suggested that a phased approach should be adopted to identify and respond to the urgent and immediate requirements, as well as considering the sustainable financing mechanisms especially the two proposed by the Secretariat. In view of the urgency of the situation for field staff security and for the premises at headquarters, it was emphasized that the need for further discussion should not prevent the immediate action required.<sup>2</sup>
3. The Committee requested that financing options for capital expenditure and recurrent costs should be further elaborated to include detailed assessments of possible mechanisms and their respective implications. Two topics of particular interest were the integration of the proposed mechanisms into the Programme budget and the consequent potential impact on technical programme delivery.
4. When the item was discussed by the Executive Board at its 126th session,<sup>3</sup> the Director-General noted that WHO was operating in about 150 countries, in some of which the exposure of staff members to risk was high. WHO was providing essential humanitarian assistance in critical situations however, and she intended to maintain WHO's presence at country level, as she believed that to be the wish of Member States. Nevertheless, in her view, Member States must balance that wish with WHO's duty to protect staff adequately and to cover the cost of that protection, bearing in mind that relocation or evacuation of staff in emergencies also entailed significant expense. There was an immediate shortfall in funding, which includes an increase in contributions to the United Nations Security

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<sup>1</sup> Document EB126/24.

<sup>2</sup> Document EB126/3.

<sup>3</sup> See document EB126/2010/REC/2, summary record of the tenth meeting, section 3.

Management System and in addition the costs of serious maintenance needed in WHO buildings. The Secretariat would continue to examine different options for establishing longer-term, sustainable and transparent financing mechanisms, and for separating capital costs from those for security and safety, and would report to the Health Assembly. Assessed contributions were limited and if additional calls were made on them, there would have to be reductions in allocations to other activities.

5. This and a separate report on the Capital Master Plan<sup>1</sup> respond to the Board's endorsement of the Committee's request for further elaboration.

## **THE CURRENT SAFETY AND SECURITY CONTEXT**

6. As the Director-General reiterated in her report to the Board at its 126th session in January 2010,<sup>2</sup> in the absence of a long-term sustainable funding mechanism for safety and security, it is increasingly difficult for the Organization to mitigate risks for its staff working in challenging environments. In January 2009 the Programme, Budget and Administration Committee noted the Secretariat's report, which stated that WHO's ability to implement its health programmes depended on a safe and secure working environment for its staff.<sup>3</sup> At the same time, the Committee expressed disappointment that the Organization was unable to comply with the United Nations Minimum Operating Security Standards in many locations and to finance the necessary level of activities related to safety and security of staff and premises.

7. The safety and security of WHO staff and premises need to be considered in the context of the United Nations system as a whole. The United Nations System Chief Executives Board for Coordination (CEB) has recognized the guiding principle of "no programme without security" (i.e. the importance of striking an appropriate balance between staff members' exposure to risks and the need to deliver crucial operations in adverse conditions) and "no security without funding". CEB has, however, also noted the reality that the danger is growing faster than the reaction to that danger – not only for the United Nations system, but for the broader humanitarian community.<sup>4</sup> Another important development in the United Nations security management system was the decision to change the approach to safety and security in a location from "when to leave" to "how to stay" in order to resolve the common paradox that organizations in the United Nations system evacuated at the very time they were most needed. In this context the current system of United Nations security phases, which has been strongly criticized for not always reflecting the actual security situation, is soon to be replaced by a new security-level system based on a structured threat assessment. Under this new system, consistent with the new "how to stay" approach to security, increasing levels of insecurity will no longer automatically trigger an evacuation of all United Nations staff; instead, the focus will be on the additional security measures needed to protect against "residual security risk" after the necessary mitigating measures have been applied. These measures often entail a significant cost that cannot be foreseen, given the nature of the situations in which such measures are taken.

8. The security situation in certain countries has continued to deteriorate significantly, and in the performance of their work United Nations personnel are now targets of deliberate attacks by

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<sup>1</sup> Document A63/36.

<sup>2</sup> Document EB126/24.

<sup>3</sup> Document EB124/3.

<sup>4</sup> Document CEB/2009/1, section IV.

extremists and armed groups in an increasing number of areas. The attacks in Baghdad on 19 August 2003 and in Algiers on 11 December 2007 were tragic confirmations of this disturbing trend, which continued throughout 2009 with the suicide bombings targeting the UNDP compound in Hargeisa, Somalia, and the WFP offices in Islamabad and the terrorist attack on the United Nations guest house in Kabul. The attacks against UNDP and WFP are a particularly worrisome development, indicating that United Nations specialized agencies, funds and programmes, in addition to the United Nations itself, are now being targeted. Such developments led the Secretary-General of the United Nations, at the end of 2009, to request all United Nations bodies present in Pakistan to review “programme criticality”. The objective of this exercise was to determine the following: the activities in that country that were essential or critical, and that therefore needed to be continued despite the elevated level of risk; and the number of staff required for that purpose, or alternative means of programme delivery. Following completion of this exercise, WHO is the agency with the largest headcount in Pakistan, when staff and dependents are counted. In recent months the security situation has presented special challenges in other countries, including Chile, Côte d’Ivoire, Guinea, Haiti, Niger, Togo and Yemen, in all of which WHO has a significant country presence.

9. Over the past three years WHO has recorded a total of 335 security incidents involving staff members and contractors. Most took place in the African and Eastern Mediterranean regions. Several incidents were very serious in nature: a driver was shot dead in Ethiopia while on duty, two national staff were shot at and seriously injured in Pakistan; one international staff member died in a plane crash, two contractors working to eradicate poliomyelitis were seriously wounded in two separate shooting incidents in Somalia, two other contractors who were part of a United Nations convoy were killed during a suicide attack in Afghanistan, two WHO employees were taken hostage in Pakistan and one WHO driver was kidnapped and later released in Yemen. Despite a global field headcount slightly smaller than that of UNICEF, as reported by the Secretary-General in his annual report to the United Nations General Assembly over the past four years,<sup>1</sup> WHO suffered an equivalent number of casualties. In addition to such serious incidents, WHO staff members were victims of assaults, robberies, car-jacking, death threats, thefts and residence break-ins. Over the first months of 2010, the trend continues, with one WHO staff killed during a suicide attack in Baghdad.

## **CURRENT STATUS OF FUNDING FOR SAFETY AND SECURITY OF PERSONNEL AND PREMISES**

10. Applying the survey methods developed for the finance and budget network of CEB’s High-Level Committee on Management in 2009, WHO has identified three types of safety and security expenditures borne by the Organization.

### **(a) Cost-shared safety and security costs**

- WHO’s expenditure for staff safety and security costs in the United Nations common system result from its share, in the United Nations security management system, of cost-shared security expenditures at the global level. The General Assembly welcomed the comprehensive update for a strengthened and enhanced system-wide security management system submitted by the Secretary-General at its sixty-fourth session in 2009.<sup>2</sup> The cost to

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<sup>1</sup> Documents A/61/463, A/62/324, A/62/324 Corr.1, A/62/324 Corr.2, A/63/305, A/63/305 Corr.1 and A/64/336.

<sup>2</sup> Document A/64/L.33.

WHO for the financial period 2010–2011 is estimated to be US\$ 15 million. This figure for WHO's contribution to the functioning of the United Nations' field security system is derived from an assessment based on the headcount reported by WHO to be in its duty of care in non-OECD countries. WHO is the fifth largest contributor to the security management system, immediately following the United Nations Secretariat, UNDP, UNICEF and WFP.

- In addition to the above, WHO's contribution at the country level to local cost-shared budgets for safety and security is decided by the United Nations security management team, led by the United Nations Designated Official. Although in most countries these contributions are relatively small amounts (they relate, for instance, to the functioning of common radio and other communications systems), in others the sums are much greater, with budgets easily exceeding US\$ 1 million annually. That means, in the case of a large effective presence in the field, a considerable cost to WHO; for instance, in 2010 this cost share to be paid by WHO will be US\$ 666 000 (in Afghanistan), US\$ 298 000 (in Pakistan), US\$ 816 000 (in Somalia) and US\$150 000 (Democratic Republic of the Congo). At the moment these costs are borne, where possible, by the country offices or, failing that, by the respective regional office, creating serious difficulties in the most hazardous countries. The biennial cost to WHO worldwide is estimated at US\$ 9 million.
- WHO's expenditure for the Malicious Acts Insurance Programme is, strictly speaking, not a cost-shared expenditure as WHO is not contributing to the programme operated by the United Nations but has obtained its own insurance coverage. For the financial period 2010–2011 the estimated policy cost is US\$ 1.6 million.

**(b) WHO's internal staff safety and security costs**

These costs can be categorized as follows: security expenditure for WHO headquarters and field expenditure. The **costs for headquarters** include:

- salaries and entitlements for security personnel, including contractual services of a private security company;
- training on security matters;
- supplementary insurance;
- Minimum Operating Security Standards requirements as established for bodies in the United Nations system operating in Switzerland.

The biennial operational cost for headquarters is estimated to be more than US\$ 9 million, once the perimeter project, being financed by the Government of Switzerland, is finalized; of that sum presently only US\$ 7.2 million is foreseen in the operational budget for headquarters. The additional building cost, necessary to support compliance with Minimum Operating Security Standards at headquarters is estimated at US\$ 1.4 million; this cost is non-recurrent, and was included in the Capital Master Plan.

**Expenditures for field security** (including regional offices and the cost of the field security section, presently based in Geneva) cover:

- salaries, entitlements and operational costs for field security personnel and field security offices: although these include the unit in charge of field security, the cost of guards at regional or country offices is not included;
- training on security matters for field staff and staff going on field missions;
- evacuation for security reasons (staff members and their dependents);
- hazard allowances;
- compliance with the requirements of Minimum Operating Security Standards, which may include special equipment for staff, vehicles and/or offices, training, and telecommunication equipments and systems;
- compliance with Minimum Operating Residential Security Standards.

For staff salaries and training, the estimated cost of a minimal field security staff structure is close to US\$ 11 million, of which presently US\$ 5.7 million is financed in the biennium 2010–2011.

In 2009 the one-time cost to make all WHO field offices compliant with Minimum Operating Security Standards was estimated to be US\$ 18 million. Most of this cost is non-recurrent, except for depreciation, replacement and sudden changes in security level that require corresponding adjustment in respect of the Standards.

Hazard allowances, security evacuation and Minimum Operating Residential Security Standards, are currently not accounted for separately, but in the African Region alone the two-year cost of compliance with these standards was estimated to be more than US\$ 9 million.

**(c) Miscellaneous safety and security costs**

These costs refer in particular to project-specific security measures, including those financed through the United Nations Consolidated Appeal Process, the Central Emergency Response Fund or both and other voluntary contributions: in the biennium 2008–2009 a significant part of WHO's security costs was absorbed directly by specific initiatives, particularly the Global Polio Eradication Initiative and humanitarian projects or those programmes often operating in particularly hazardous environments, such as Global Alert and Response.

## **A MORE SUSTAINABLE FUNDING MECHANISM FOR SAFETY AND SECURITY OF PERSONNEL AND PREMISES**

11. CEB has noted that the problem of funding does not so much concern mechanisms but the level of resources received from Member States and donors for safety and security activities, in the shape of assessed or voluntary contributions. CEB further noted that security costs need to be an integral part of the budget for programmes at field level in order to ensure that those programmes are delivered in accordance with United Nations safety and security policies (i.e. mainstreaming the security component). It was pointed out that donors had to be convinced of the continuing need for, and importance of, safety and security measures, even if such measures are considered administrative expenses rather than programme costs.

12. A recent interagency review on funding sources and mechanisms for safety and security of staff and premises revealed the following information.

(a) The biennial programme budget of the United Nations includes a provision for safety and security under the regular budget (assessed contributions). There are also voluntary contributions in a trust fund to complement the regular budget resources.

(b) United Nations programmes, funds and specialized agencies charge safety and security costs in different ways. UNESCO charges security costs, such as security equipment and infrastructure, as direct costs for implementing an activity, while an average charge per staff member is levied to cover the costs for jointly-financed activities and the malicious acts insurance policy. In ILO, the share of jointly-financed activities is charged to projects. WFP's share of jointly-financed activities is charged to the General Fund. FAO currently apportions security costs between its assessed contributions and projects funded through voluntary contributions, and continues to ensure that security costs are traced wherever possible to the project level and charged as direct costs to those field projects. For UNICEF, UNDP and UNFPA, supplementary budgets for field security have been adopted by their respective Executive Boards.

13. The review also revealed that programmes, funds and agencies share the following difficulties in regard to funding:

(a) seeking sufficient resources from their respective donors for costs related to safety and security without adversely affecting available funding for implementation of their respective programmes;

(b) deciding where safety and security costs would be charged, either as part of overhead or programme/project costs or to a general fund, as in WFP;

(c) determining the nature and scope of such charges, including charges for fixed indirect costs; and

(d) allocating resources for any unforeseen deterioration in security.

The interagency review confirmed also that each organization is responsible for securing adequate resources from its respective governing bodies and donors, and for determining the types and the location for charging safety and security costs.

14. Risk management dictates that security be funded in a sustainable manner rather than solely by a resource-driven financial process. The more unpredictable the funding mechanism, the greater the risk of an unsafe and insecure operating environment for WHO staff members and their dependents. Despite spending about 2% to 3% of their overall budget to cover safety and security costs, including field operations, most of the organizations in the United Nations system that have a substantial field presence still require more resources to ensure adequately the safety and security of their staff and premises.

15. In 2001, in view of the increased importance attached to the provision of security for WHO staff, the Director-General established a Security Fund, under Financial Regulation 9.3, to record the income and expenditure related to provision of security coordination both through reimbursement of WHO's share of the United Nations system costs and those pertaining to the Secretariat. This Fund may be financed by appropriation from the regular budget as well as other sources, including the Special Account for Servicing Costs. Expenditure pertains to the provision of security services in all locations for staff members who are engaged in work that is funded by both the regular budget and other sources.<sup>1</sup> In the biennium 2008–2009 no appropriation was made to the Security Fund, which now retains a minimal balance of US\$ 162 459.<sup>2</sup>

16. Accordingly, the Director-General has decided to adopt a multi-pronged approach to make costs relating to security an integral part of the programme budget and to ensure appropriate financing at all levels of the Organization in accordance with United Nations safety and security policies and the definitions issued by the High-Level Committee on Management of direct, indirect variable and indirect fixed costs (i.e. cost recovery).

17. In view of the different types of safety and security expenditures borne by the Organization set out above and the results of an analysis of the relevant cost drivers (i.e. the factors that determine the levels of costs across locations and operations), the Secretariat has put in place the following financing mechanisms:

**(a) Set-up costs (indirect fixed costs).** The costs concerned are those that are necessary to allow for a minimum standard of security staffing and infrastructure, which may vary moderately or slowly with volume of operations or number of staff and cannot be traced unequivocally to specific activities, projects or programmes. They include costs for security staff at headquarters and in regional office premises, together with those for management, infrastructure and operations. This type of costs will be financed through assessed contributions (including Member States' non-assessed income, formerly miscellaneous income) and the Special Account for Servicing Costs.

**(b) Emergency costs due to unforeseen circumstances (indirect variable costs).** The Security Fund established by the Director-General will ensure that unforeseen costs such as emergency evacuation of staff or other emergency costs relating to enhanced security measures during unforeseen emergencies can be met immediately. The Fund will be financed from direct appropriations of assessed contributions, voluntary contributions, or a special charge on projects undertaken in high-risk areas. The Fund will at all times have a positive balance, which may be

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<sup>1</sup> Document A61/20.

<sup>2</sup> See document A63/32.

carried forward from biennium to biennium. Biennial reports on use of funds will be presented to the Executive Board.

**(c) Costs directly driven by the number of staff alone (direct costs).** These security costs, which apply to staff numbers irrespective of location and are incurred centrally, such as the WHO contribution to the United Nations Security Management System, managed by the Department of Safety and Security and the malicious acts insurance policy, are assessed on the basis of the overall number of staff. These costs are included in the Post Occupancy Charge, which was introduced by the Director-General in January 2010 in order to fund corporate services that are directly associated with occupied posts and are thus attributable directly to projects and programmes on a unit staff basis.

**(d) Costs of doing business at a particular field location (direct costs).** Specific or shared security costs which are directly incurred at the location as a consequence of presence, implementing programme, project or activities will be included as an integral component of workplans at a particular location. Funding sources are thus those of the individual workplans. Agreements with contributors of voluntary resources will, as standard, include a clause that security is paramount; that is to say, should the security situation at a location change during implementation, adjustments may be made by reallocating resources within the workplan. WHO is establishing a way to charge these costs directly. Examples of such charges include:

- staff-related expenditures, such as the residential security in the field (Minimum Operating Residential Security Standards), and costs related to hazard allowances
- infrastructure and operations security costs, such as those for communication and other special equipment.

## **ACTION BY THE HEALTH ASSEMBLY**

18. The Health Assembly is invited to consider the following draft resolution:

The Sixty-third World Health Assembly,

Having considered the report on safety and security of staff and premises and the Capital Master Plan: safety and security of staff, and noting the related report of the Programme, Budget and Administration Committee of the Executive Board to the Sixty-third World Health Assembly;<sup>1</sup>

Concerned about the vulnerability of the Organization with regard to staff safety and security;

Acknowledging the financial mechanism put in place by the Secretariat in order to ensure sustainable funding for security;

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<sup>1</sup> Document A63/35.



Recognizing the urgent requirements that have been identified and the associated financing needed for ensuring safety and security of staff and premises;

Considering the inadequate balance in the Security Fund,

1. RESOLVES to appropriate US\$ 10 million from Member States' non-assessed income to the Security Fund in order to cover the costs of urgent actions to ensure the safety and security of staff and premises;
2. REQUESTS the Director-General to report to the Executive Board at its 128th session in January 2011 on the implementation of projects funded through the Security Fund.

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