Report on Fraud and Corruption

1st January - 31st December 2024

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1. Introduction

1. This report is submitted in accordance with the United Nations Environment Programme ("UNEP") Anti-Fraud and Anti-Corruption Guidelines ("AFAC Guidelines" or "the Guidelines"), issued on 1 December 2020. More specifically, the present report has been prepared in line with paragraph 16 (a) of the Guidelines, which requires the UNEP Executive Director to provide an annual report to UNEP's governing body regarding fraud and corruption. Furthermore, paragraph 74 of the Guidelines indicates that UNEP shall prepare and make public on its website such annual reports.
The present report covers the period from 1 January to 31 December 2024.

2. Preventing and addressing fraud and corruption at UNEP

2. Preventing and addressing fraud and corruption is an integral part of UNEP's day-to-day activities, personnel behaviour, and an essential pillar of programme and project implementation.

a. UNEP's policy and legal framework on fraud and corruption

3. The purpose of the AFAC Guidelines is to strengthen UNEP's prevention and response to incidents of fraud and corruption by:

a) providing concrete and practical advice to UNEP staff members in identifying potential risk areas;
b) providing a clear and user-friendly guide and reference for both external and internal audiences on control and awareness measures put in place by UNEP which are aimed at monitoring fraud and corruption; and
c) providing a consolidated procedure for sanctioning fraud and corruption.

4. In UNEP, these Guidelines are operationalized by the Anti-Fraud and Anti-Corruption Framework of the United Nations Secretariat (ST/IC/2016/25), which is intended to promote a culture of integrity and honesty within the Organization by providing information to staff members on how to prevent, detect, deter, respond to and report on fraud and corruption.

5. The Guidelines take into consideration the provisions and procedures in the Administrative Instruction on Unsatisfactory conduct, investigations and the disciplinary process (ST/AI/2017/1) and the Secretary General's Bulletin on the Protection against retaliation for reporting misconduct and for cooperating with duly authorized audits or investigations (ST/SGB/2017/2/Rev.1).

6. In conjunction with the UN Anti-Fraud and Anti-Corruption Framework ("Framework"), the Guidelines provide a clear definition of "fraud"[1], "corruption"[2] as well as "fraudulent acts".[2] It is important to note that fraud, corruption, and fraudulent acts, when established through the process of addressing prohibited conduct[3], constitute misconduct.

7. UNEP has adopted a zero-tolerance approach to misconduct - including fraud and corruption – involving its staff members, other UN personnel or third parties engaged by UNEP. [4] "Zerotolerance" means that UNEP will pursue all allegations of fraudulent acts involving any individual or entity covered by the regulations, rules, administrative issuances, policies, procedures, and agreements described in the Framework and that appropriate administrative/disciplinary measures or contractual remedies will be applied if allegations of fraudulent acts are substantiated. Furthermore, UNEP may, where deemed appropriate, recover loss suffered by the Organization or recommend the referral of matters involving credible allegations of criminal fraudulent acts to national authorities.

b. Completion of mandatory training on fraud and corruption

8. UNEP attaches great importance to the completion of relevant mandatory trainings by staff members. The UN has several learning programmes that are mandatory for all staff members to ensure familiarity with key regulations, rules, and processes. All UNEP staff are expected to become familiar with the contents of the Anti-Fraud and Anti-Corruption Framework and to comply with the guidance and principles established therein. The course on "Preventing Fraud and Corruption at the United Nations" is mandatory for all UN staff. It aims to increase the capacity of staff members to recognize fraud and corruption, to learn how the UN manages the risk of fraud and corruption, and to learn practical actions they can take to reduce fraud and corruption.

9. As of 31 December 2024, the completion rate of this mandatory course during the reporting period, was 97.%.[5] This was, on average, the same as the completion rate as of 31 December 2023, at 97.44%.[6] While acknowledging the high rate of completion, UNEP continues to aim for 100% completion of this training by all staff. Accordingly, the following measures were put in place: regular broadcasts reminding UNEP staff to complete all mandatory training; completion of mandatory training is an integral part of performance evaluation; and denial of travel authorization for staff members who have not completed their mandatory training.

c. Raising awareness about fraud and corruption

10. UNEP continues to employ multiple platforms to update staff members on the policies and instruments concerning fraud and corruption. Information on the relevant rules and procedures (with hyperlinks) can be found on UNEP's Intranet, *WeCollaborate*.

11. UNEP certifying officials were consistently reminded of their obligations under the UNEP and UN regulatory framework, including the UN Financial Rules and Regulations. Additionally, their performance was evaluated based on compliance with these regulations, and where necessary, the delegation of authority for certifying officers was revised or revoked entirely.

12. On 29 September 2024, UNEP rolled out its updated Partnership Policy. The update specifically strengthened the framework for assessing potential partners. The updated policy assesses the partner's

[1] "Any act or omission whereby an individual or entity knowingly misrepresents or conceals a material fact in order to obtain an undue benefit or advantage for himself, herself, itself or a third party, or to cause another to act to his or her detriment." [2] Any act or omission that misuses official authority or that seeks to influence the misuse of official authority in order to obtain an undue benefit for oneself or a third party."

[2] "Any intentional misconduct that misleads, or attempts to mislead, a party to obtain a financial benefit or other benefit or to avoid an obligation and seek to evade detection."

[3] The UNEP Annual Conduct and Discipline Report provides information on the process for addressing prohibited conduct.

[4] Section X, Annex of the Anti-Fraud and Anti-Corruption Framework of the United Nations Secretariat.

[5] Numbers compiled by UNEP, Corporate Services Division, Human Resources Unit.

[6] Numbers compiled by UNEP, Corporate Services Division, Human Resources Unit.

infrastructure, capacity, and mechanisms, ensuring that robust safeguards and policy frameworks are in place to prevent and respond to fraud and corruption.

13. Furthermore, during partner validation and due diligence process, UNEP performs thorough risk assessments that focus on identifying risks related to fraud and corruption. Any identified risks are incorporated into a risk mitigation plan to ensure that appropriate actions are taken.

14. In collaboration with the UN Office at Nairobi (UNON), UNEP's Operations and Risk Management Unit in the Corporate Services Division systematically conducts comprehensive physical inventories of its supplies, equipment, and other property. This ensures that property records are up to date and that organizational assets are managed and accounted for in accordance with relevant policies and regulations.

15. Finally, all UNEP property movements are monitored and documented by designated UNEP Equipment Focal Points to ensure accountability. These Equipment Focal Points are trained in asset management, verification, and disposal.

3. Reports of fraud and corruption by UNEP

16. Allegations of fraud or corruption may be transmitted to UNEP or the Office of Internal Oversight Services ("OIOS") by both UNEP personnel and external individuals or entities.[7] Details on how these reports are reviewed and processed may be found in the Annual Conduct and Discipline Report. These statistics feed into the DMSPC confidential Case Management Tracking System ("CMTS") that maintains the total figures of the fraud and corruption allegations received by the UN Secretariat entities.

17. In 2024, UNEP received seven reports of alleged fraud and corruption. UNEP, however, handled 20 reports of fraud and corruption in 2024, 13 of which were carried over from the previous reporting cycles. These 20 reports are listed in Annex 1.

18. Out of the 20 reports, 13 reports have been closed while 7 reports are open. Actions taken or sanctions implemented for the closed reports include: (a) separation of the concerned staff member from service; (b) recovery from the staff member of financial loss to the Organization; (c) sanction letter placed in the staff member's Official Status File; and (d) reprimand issued to the staff member.

[7] Reports of unsatisfactory conduct may either be reported to UNEP or OIOS. Reports submitted to OIOS may become known to UNEP if OIOS informs UNEP of such reports.

Annex 1

List of reports of fraud and corruption cases carried over into 2024

Personnel Status	Conduct	Report received	Details of report	Entity that received the report/Entity that took action related to the report	Status	Conclusion/Action taken/Sanction
Implementing Partner	Misuse of project funds	01-Aug-22	(a) Personnel related to the project engaged in misuse of project funds. (b) Suspected illegal practices. (c) Alleged fraudulent practices.	Reported to UNEP. Transmitted to OIOS/ID.	Closed	OIOS concluded the evidence did not substantiate any possible misconduct and/or unsatisfactory conduct.
Staff member	Entitlement fraud	16-Sep-22	Fraudulent claim and receipt of special education grant for two academic years.	Reported to UNEP. Transmitted to OIOS/ID. Referred to ASG/OHR	Closed	Disciplinary process completed. Staff member separated from service. Recovery from final entitlements.
Staff member	Procurement irregularities	13-Mar-23	Staff member created several purchase orders in UMOJA for alleged consultancy services paid into an account created by the staff member.	Reported to UNEP. Transmitted to OIOS/ID. Referred to ASG/OHR	Closed	Disciplinary process completed. Staff member separated from service. Recovery from final entitlements.
Implementing Partner	Misuse of project funds	29-Jun-23	Possible mismanagement of funds related to two UNEP projects.	Reported to UNEP. Transmitted to OIOS/ID. Referred to UNEP.	Closed	Preliminary assessment concluded the report was inconclusive as to whether the allegations constituted prohibited/ unsatisfactory conduct
Staff member	Travel irregularity	03-Jul-23	Request for extra Daily Subsistence Allowance (DSA) and amended an official travel plan without proper authorization.	Reported to OIOS/ID. Referred to UNEP.	Closed	Preliminary assessment concluded the report was inconclusive as to whether the allegations constituted prohibited/ unsatisfactory conduct
Staff member	Travel irregularity	25-Aug-23	Staff member submitted a request for travel entitlements for official travel which she was not entitled to.	Reported to OIOS/ID. Referred to UNEP	Closed	Preliminary assessment concluded the report was inconclusive as to whether the allegations constituted prohibited/ unsatisfactory conduct

Staff members	Travel irregularities	24-Sep-23	(a) Staff members amended official Reported to OIOS/ID. travel plans without the authorization of Referred to UNEP the concerned officers. (b) Staff members did not declare correct meeting schedules for the respective destinations. (c) Staff members were paid DSA to which they were not entitled to.		Closed	Preliminary assessment concluded the report was inconclusive as to whether the allegations constituted prohibited/ unsatisfactory conduct
Personnel Status	**Conduct**	**Report received**	**Details of report**	**Entity that received the report/Entity that took action related to the report**	**Status**	**Conclusion/Action taken/Sanction**
Staff member	Corruption	28-Sep-23	Staff member influenced the award of projects to a specific Implementing Partner.	Reported to OIOS/ID. Referred to UNEP	Closed	Preliminary assessment concluded the report was inconclusive as to whether the allegations constituted prohibited/ unsatisfactory conduct
Staff member	Forgery	06-Oct-23	Staff member forged a director's signature in the hiring of a consultant.	Reported to UNEP. Transmitted to OIOS/ID. Referred to ASG/OHR	Pending	Pending with ASG/OHR
Implementing Partner	Misuse of project funds	25-Oct-23	Implementing Partner suspected of: (a) purchasing a motor vehicle using project funds. (b) managing a double accounting system for payments to national consultants. (c) submitting false expenses.	Reported to UNEP. Transmitted to OIOS/ID.	Pending	OIOS/ID investigation ongoing.
Staff members	Misrepresentation	15-Dec-23	Staff members falsified information in PHP.	Reported to OIOS/ID. Referred to UNEP	Pending	Preliminary assessment ongoing.
Staff member	Exam malpractice	15-Dec-23	Staff member cheated in a Language Proficiency Exam (LPE) by consulting Google	Reported to UNEP. Transmitted to OIOS/ID. Referred to UNEP.	Closed	Preliminary assessment concluded that the Subject violated the honesty statement. Staff member issued a written reprimand.
Staff member	Financial irregularity	17-Dec-23	Staff member authorized payment to consultants for tasks which the consultants had not performed and attempted to cover it up.	Reported to UNEP. Transmitted to OIOS/ID.	Pending	OIOS/ID assessment ongoing.

List of reports of fraud and corruption cases 1 January – 31 December 2024

Personnel Status	Conduct	Report received	Details of report	Entity that received the report/Entity that took action related to the report	Status	Conclusion/Action taken/Sanction
Staff member	Misrepresentation	28-Jan-24	Staff member failed to indicate that they had been the subject of a disciplinary process during a selection process.	Reported to OIOS/ID. Referred to UNEP	Closed	Preliminary assessment concluded the report was inconclusive as to whether the allegations constituted prohibited/ unsatisfactory conduct
UNEP, UNIDO	Misuse of project funds	14-May-24	Possible mismanagement of project funds.	Reported to OIOS/ID. Referred to UNEP	Closed	Preliminary assessment concluded the report was inconclusive as to whether the allegations constituted prohibited/ unsatisfactory conduct
Staff member	Loss of official assets	18-Jul-24	Possible loss of assets	Reported to OIOS/ID. Referred to UNEP	Closed	Managerial action taken.
Staff member	Loss of official assets	16-Apr-24	Possible loss of assets	Reported to OIOS/ID. Referred to UNEP	Closed	Managerial action taken.
Staff member	Travel irregularities	24-Jul-24	Staff member provided false information to receive unwarranted received extra Daily Subsistence Allowance (DSA).	Reported to OIOS/ID. Referred to UNEP	Pending	Preliminary assessment ongoing.
Intern	Misrepresentation, forgery	25-Oct-24	Intern falsified employment history to obtain a UNEP internship, and upon expiry of the internship, forged documents to secure funding from the sponsoring Member State	Reported to OIOS/ID. Referred to UNEP	Pending	Preliminary assessment ongoing.
Staff member	Abuse of authority, fraud	23-Aug-24	Staff member falsified educational background and hired based on influence exerted by a former staff member who has a familial relationship with her.	Reported to OIOS/ID. Referred to UNEP	Pending	Preliminary assessment ongoing.