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Financial reports and audited financial statements, and reports of the Board of Auditors

Implementation of the recommendations of the Board of Auditors contained in its reports on the United Nations funds and programmes for the year ended 31 December 2022

Report of the Secretary-General

Summary

The present report is submitted in accordance with General Assembly resolution [48/216 B](#), in which the Assembly requested the executive heads of the United Nations funds and programmes to report to the Assembly, at the same time as the recommendations of the Board of Auditors were submitted to the Assembly, on measures taken or to be taken to implement those recommendations.

The Secretary-General has the honour to transmit to the General Assembly the responses of the executive heads of the funds and programmes, namely the International Trade Centre, the United Nations University, the United Nations Development Programme, the United Nations Capital Development Fund, the United Nations Children's Fund, the United Nations Relief and Works Agency for Palestine Refugees in the Near East, the United Nations Institute for Training and Research, the voluntary funds administered by the United Nations High Commissioner for Refugees, the Fund of the United Nations Environment Programme, the United Nations Population Fund, the United Nations Human Settlements Programme, the United Nations Office on Drugs and Crime, the United Nations Office for Project Services, the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and the International Residual Mechanism for Criminal Tribunals.

The present report provides information further to the comments already submitted to the Board of Auditors, which, in some cases, were included in the final reports of the Board to the executive heads of the respective funds and programmes. The executive heads have concurred with most of the Board's recommendations, and many of the comments of the executive heads have been duly reflected in the reports of the Board. Therefore, in an effort to reduce redundancy and streamline



documentation, the present report provides additional comments from the executive heads only where required, as well as information on the status of implementation, the office responsible, the estimated completion date and the priority for each recommendation contained in the reports of the Board. In addition, the present report contains an updated status of the implementation of the recommendations of the Board relating to prior periods that were considered by the Board not to have been fully implemented.

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I. Introduction

1. The present report is submitted to the General Assembly in accordance with the provisions of paragraph 7 of its resolution [48/216 B](#), in which the Assembly requested the executive heads of the United Nations funds and programmes, at the same time as the recommendations of the Board of Auditors were submitted to the Assembly through the Advisory Committee on Administrative and Budgetary Questions, to provide their responses to the Assembly and to indicate measures that would be taken to implement those recommendations, with appropriate timetables.

2. In preparing the present report, account was taken of the provisions of the following General Assembly resolutions:

(a) Resolution [52/212 B](#), in particular paragraphs 3 to 5 thereof, and the note by the Secretary-General transmitting the proposals of the Board for improving the implementation of its recommendations approved by the Assembly ([A/52/753](#), annex);

(b) Resolution [77/253 A](#), in which the Assembly, in paragraph 8, reiterated its request to the Secretary-General and the executive heads of the funds and programmes of the United Nations to ensure full implementation of the recommendations of the Board and the related recommendations of the Advisory Committee in a prompt and timely manner, to continue to hold programme managers accountable for the non-implementation of recommendations and to effectively address the root causes of the problems highlighted by the Board. In paragraph 9, the Assembly reiterated its request to the Secretary-General to provide in his reports on the implementation of the recommendations of the Board a full explanation for the delays in the implementation of the recommendations of the Board, in particular those recommendations not yet fully implemented that were two or more years old; and, in paragraph 10, the Assembly reiterated its request to the Secretary-General to indicate in future reports an expected time frame for the implementation of the recommendations of the Board, as well as the priorities for their implementation and the office holders to be held accountable.

3. With respect to time frames, every effort has been made by the executive heads to establish target dates for completing the implementation of the recommendations, and explanations have been provided for those recommendations that have revised target dates.

4. With regard to prioritization, it is noted that the Board categorizes the most important recommendations as “main” recommendations, to which implementation will be given high priority.

II. International Trade Centre

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022¹

5. Table 1 summarizes the status of implementation of the main recommendations of the Board as of August 2023.

¹ [A/78/5 \(Vol. III\)](#), chap. II.

Table 1
Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division of Programme Support	1	–	–	1	1	–
Office of the Executive Director	2	–	1	1	1	–
Total	3	–	1	2	2	–

6. Table 2 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 2
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division of Programme Support	5	–	–	5	5	–
Office of the Executive Director	2	–	1	1	1	–
Total	7	–	1	6	6	–

7. **In paragraph 19 of its report, the Board recommended that the International Trade Centre (ITC) strengthen its review of open commitments, and adhere to validity periods and related administrative procedures set out in the Financial Regulations and Rules of the United Nations.**

Department responsible: Division of Programme Support

Status: Under implementation

Priority: High

Target date: First quarter of 2024

8. The certifying officers and project managers will continue to strengthen the review of open commitments and adhere to validity periods. ITC monitoring tools will continue to be enhanced and regular reports will be provided to senior management to ensure that the open commitments are cleared in a timely manner.

9. **In paragraph 24 of its report, the Board recommended that ITC update relevant delegations of authority and manage them through the United Nations online portal.**

Department responsible: Division of Programme Support

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2024

10. ITC will work with the Department of Management Strategy, Policy and Compliance of the Secretariat as part of updating its delegation of authority framework, including exploring the use of the United Nations online portal.

11. In paragraph 31 of its report, the Board recommended that ITC increase its efforts to reach the delivery target in priority countries, and strengthen accountability for target setting and reporting at the project and section level.

Department responsible: Office of the Executive Director
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

12. ITC will keep delivering transformative and sustainable trade that helps to put the Sustainable Development Goals back on track and to build inclusive and prosperous economies. ITC will also strengthen the accountability and target-setting mechanisms.

13. In paragraph 37 of its report, the Board recommended that ITC adhere strictly to its low-value acquisition policy, in particular by avoiding issuing multiple low-value acquisitions for recurring services and uploading OPC-low-value acquisitions forms in the Umoja system.

Department responsible: Division of Programme Support
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

14. ITC will continue to enhance its monitoring tools and ensure full adherence to its low-value acquisition policy through spot checks and the training of managers and certifying officers.

15. In paragraph 44 of its report, the Board recommended that ITC strengthen vacancy management and take measures to improve recruitment timelines, especially for key leadership positions, in line with its annual operational target.

Department responsible: Office of the Executive Director
Status: Closure requested
Priority: High
Target date: Not applicable

16. ITC completed the selection process for all key leadership positions. ITC considers this recommendation to have been implemented and requests its closure by the Board.

17. In paragraph 50 of its report, the Board recommended that ITC implement measures to strengthen the accountability of all managers and ensure that staff members complete mandatory training on time.

<i>Department responsible:</i>	Division of Programme Support
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

18. ITC will ensure that all new staff members complete their mandatory training within six months of arrival and others by a date to be agreed upon by senior management. Mandatory training dashboards have been created to enable managers to monitor the status of mandatory training compliance of their team members. Furthermore, to strengthen the accountability of managers, a mandatory goal has been established for all managers in their annual performance documents to measure this indicator.

19. **In paragraph 54 of its report, the Board recommended that ITC review those cases in which special post allowance for more than two years has been granted and ensure compliance with ITC administrative instruction ITC/AI/2014/13.**

<i>Department responsible:</i>	Division of Programme Support
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2024

20. ITC will ensure that special post allowance is granted for periods of less than two years in line with applicable administrative instruction.

B. Implementation of the recommendations contained in the reports of the Board of Auditors for prior financial periods

21. In the annex to its report for the year ended 31 December 2022 (A/78/5 (Vol. III), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the nine recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

22. Table 3 summarizes the overall situation as of August 2023.

Table 3
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division of Country Programmes	3	–	–	3	3	–
Division of Programme Support	5	–	2	3	3	–
Senior Management Committee	1	–	–	1	1	–
Total	9	–	2	7	7	–

Report of the Board for the year ended 31 December 2018²

23. In paragraph 48 of its report, the Board recommended that ITC incorporate the standard provisions in all memorandums of understanding, in particular, conditionality for payment in the case of projects with training components. The Board also recommended that ITC consider incorporation of the provision linking the future relationship with a grantee to timely submission of a long-term impact report to the satisfaction of ITC.

Department responsible: Division of Country Programmes

Status: Under implementation

Priority: High

Original target date: Second quarter of 2020

Revised target date: Fourth quarter of 2023

24. ITC has incorporated in its grant templates a standard provision requiring grantees to provide all pertinent proof for release of payment, including a list of participants and other relevant supporting financial documentation. The draft administrative instruction on grants is under review and includes a framework for reporting. Project managers closely follow the provisions of the grant through regular monitoring and ensure that grantees comply with requirements, in particular where information on training participants is concerned.

Report of the Board for the year ended 31 December 2019³

25. In paragraph 26 of its report, the Board recommended that ITC should have a well-documented and adequately tested business continuity plan to effectively mitigate risks of work interruptions posed by disruptive events.

Department responsible: Division of Country Programmes

Status: Under implementation

Priority: High

Original target date: First quarter of 2021

Revised target date: First quarter of 2024

26. The business continuity plan is being updated as recommended and will be completed by the first quarter of 2024.

27. In paragraph 78 of its report, the Board reiterated its recommendation that ITC adhere to the provisions of the grant memorandum of understanding template, in particular conditionality for payment in the case of projects with training components.

² A/74/5 (Vol. III) and A/74/5 (Vol. III)/Corr.1, chap. II.

³ A/75/5 (Vol. III), chap. II.

<i>Department responsible:</i>	Division of Country Programmes
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Fourth quarter of 2023

28. ITC has incorporated in its grant templates a standard provision requiring the grantee to provide all pertinent proof for release of payment, including a list of participants and other relevant supporting financial documentation. ITC is now working to revise the template of a memo for requesting the release of interim and final payments. The revised memo will include a checklist of documents to be collected before payments are made. In the particular case of memorandums of understanding involving delivery of training and workshops, the checklist will help ensure that all necessary documents concerning such events are collected before a payment is requested and approved.

Report of the Board for the year ended 31 December 2020⁴

29. **In paragraph 60 of its report, the Board reiterated the recommendation that ITC adopt corrective measures to improve compliance with the advance ticket purchase policy.**

<i>Department responsible:</i>	Senior Management Committee
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

30. The Senior Management Committee has implemented tight control measures and put in place clear accountability mechanisms at all levels to ensure improved compliance with the advance ticket purchase policy. The compliance rate of ITC had reached 76 per cent as at 31 July 2023 and was expected to further improve by the end of 2023.

Report of the Board for the year ended 31 December 2021⁵

31. **In paragraph 19 of its report, the Board recommended that ITC clear the outstanding advances on 90 closed implementing partner agreements and review those with outstanding advances on a regular basis.**

<i>Department responsible:</i>	Division of Programme Support
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	Not applicable

⁴ A/76/5 (Vol. III), chap. II.

⁵ A/77/5 (Vol. III), chap. II.

32. ITC reviewed and cleared the outstanding advances and confirms that all the requirements have been completed. ITC considers this recommendation to be implemented and requests its closure by the Board.

33. In paragraph 26 of its report, the Board recommended that ITC review the balance of grants regularly and clear the residual cash balance of closed grants within a reasonable time period.

Department responsible: Division of Programme Support

Status: Closure requested

Priority: Medium

Original target date: First quarter of 2023

Revised target date: Not applicable

34. ITC continues to review and clear the residual cash balance of closed grants within a reasonable period and has issued a guideline for project managers for future follow-ups with donors. Significant progress has been achieved and ITC confirms that all the requirements have been completed. ITC considers this recommendation to be implemented and requests its closure by the Board.

35. In paragraph 34 of its report, the Board recommended that ITC develop a comprehensive strategic workforce plan covering all types of workforce so as to identify the talents and skills required by ITC.

Department responsible: Division of Programme Support

Status: Under implementation

Priority: High

Original target date: First quarter of 2023

Revised target date: First quarter of 2024

36. ITC is reviewing its existing practices for funding positions and designing a new approach for a more strategic and aligned workforce management model.

37. In paragraph 40 of its report, the Board recommended that ITC take measures to promote the timely completion of midterm reviews and ensure the integrity of the year-end review reports.

Department responsible: Division of Programme Support

Status: Under implementation

Priority: High

Original target date: First quarter of 2023

Revised target date: First quarter of 2024

38. Performance management dashboards have been created and managers have access to the status of each phase of performance management. The measures taken to strengthen performance management include a mandatory goal for managers to establish key performance indicators and just-in-time training sessions on best practices at each stage of the performance management cycle.

39. In paragraph 47 of its report, the Board recommended that ITC review the current approach to the deployment of physical presence in the field and develop guidelines on opening project offices.

<i>Department responsible:</i>	Division of Programme Support
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	First quarter of 2024

40. ITC has developed a country engagement and communication strategy, which will enable the organization to increase and enhance its physical field presence in a more strategic way. Guidelines for opening project offices are being developed in conjunction with the strategy. Validation by senior management is expected by the end of 2023.

III. United Nations University

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022⁶

41. Table 4 summarizes the status of implementation of the main recommendations of the Board as of August 2023.

Table 4
Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
United Nations University-Maastricht Economic and Social Research Institute on Innovation and Technology (UNU-MERIT)	2	–	–	2	2	–
Administration	9	2	1	6	6	–
Total	11	2	1	8	8	–

42. Table 5 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 5
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
UNU-MERIT	5	–	1	4	4	–
Administration	15	2	1	12	12	–
Total	20	2	2	16	16	–

⁶ A/78/5 (Vol. IV), chap. II.

43. In paragraph 39 of its report, the Board recommended that the United Nations University (UNU) ensure that all institutes document their risk assessment process in the risk register.

Department responsible: Administration
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

44. UNU will ensure that all institutes have updated their risk registers by the end of 2023.

45. In paragraph 40 of its report, the Board recommended that UNU include in the risk registers a justification whenever a risk of the UNU risk universe is not applicable.

Department responsible: Administration
Status: Not accepted
Priority: High
Target date: Not applicable

46. UNU had reviewed the United Nations Secretariat risk catalogue and developed a smaller risk universe to be used by UNU institutes. It was foreseen that not all risks in the risk universe would be applicable to all institutes. The creation of the UNU risk universe is in accordance with section IV.2.1 of the Department of Management Strategy, Policy and Compliance document entitled “Enterprise risk management and internal control framework: A guide for managers”, in which it is stated that the updated risk universe, attached to the guide as annex 1, presents a high-level description of all the risks relevant to the Organization, and shall be tailored, as required, to reflect the profile of the organizational unit under consideration. Furthermore, it is explained in the document that the entity risk register will not be an exhaustive list of all possible risks, which would probably be extremely long and unmanageable, but a profile of the most significant risks facing the entity, from a senior management strategic perspective. On the basis of these guidelines, UNU does not accept the recommendation, since its implementation would result in unmanageable risk registers, thus defeating the very purpose of a risk management strategy.

47. In paragraph 41 of its report, the Board recommended that UNU adapt the reference values of the financial impact in the scoring criteria table to its budgetary context.

Department responsible: Administration
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

48. The UNU risk management policy will be reviewed and amended by the end of 2023.

49. **In paragraph 42 of its report, the Board recommended that UNU ensure that institutes use the score scale adopted by UNU when assessing risk impact and likelihood, and when calculating the risk scores.**

Department responsible: Administration
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

50. Compliance with the score scale will be reviewed by the Administration upon the receipt of risk registers from institutes and programmes.

51. **In paragraph 43 of its report, the Board recommended that UNU update the risks included in the risk register for the UNU-wide risk assessment process.**

Department responsible: Administration
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

52. UNU will ensure that risks are aligned with the United Nations Secretariat risk catalogue by the end of 2023.

53. **In paragraph 53 of its report, the Board recommended that UNU update its enterprise risk management policy and include a definition of the role of risk owner that considers, at least, its responsibilities, objectives and deliverables.**

Department responsible: Administration
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

54. UNU will include the definition of risk owner in its revised enterprise risk management policy.

55. **In paragraph 54 of its report, the Board recommended that all UNU institutes define an individual risk owner for each risk assessed in their risk register.**

Department responsible: Administration
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

56. Compliance with the proper identification of individual risk owners will be reviewed by the Administration upon the receipt of risk registers from institutes and programmes.

57. **In paragraph 62 of its report, the Board recommended that UNU ensure the development of treatment plans establishing the proper mitigation actions – at least – for the significant risks for all the risk registers.**

Department responsible: Administration
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

58. UNU will revise the risk registers to include treatment plans for risks identified as significant by the end of 2023.

59. **In paragraph 73 of its report, the Board recommended that UNU ensure that management thoroughly review the risk registers in order to detect errors and inconsistencies in the risk assessment process and to correct them in accordance with the risk policy.**

Department responsible: Administration
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

60. UNU will thoroughly review all risk registers by the end of 2023.

61. **In paragraph 74 of its report, the Board recommended that UNU maintain a record of the main issues and recommendations discussed during management group meetings related to the enterprise risk management process.**

Department responsible: Administration
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

62. When risk management is on the agenda of the management group meetings, the deliberations of the group will be documented.

63. **In paragraph 75 of its report, the Board recommended that UNU provide training to the key personnel involved in the risk management process.**

Department responsible: Administration
Status: Closure requested
Priority: High
Target date: Not applicable

64. Training was provided to focal points in July 2023. UNU considers this recommendation to be implemented and requests its closure by the Board.

65. **In paragraph 89 of its report, the Board recommended that UNU-MERIT revise the cooperation agreement periodically, in accordance with the duration of the programmes, to specify the boundaries of activities carried out by each party.**

Department responsible: UNU-MERIT
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

66. In 2022, the Director of UNU-MERIT submitted a formal proposal to the Office of the Rector with the intent of revising the existing cooperation agreement between UNU and Maastricht University, Kingdom of the Netherlands. Subsequently, UNU initiated discussions with the President of Maastricht University in June 2023; those discussions will also be informed by an external evaluation that will be concluded by the end of the fourth quarter of 2023. Designated colleagues from UNU and from Maastricht University will meet regularly during the third and fourth quarters of 2023 to discuss the cooperation and prepare a proposal for the UNU Rector and the President of Maastricht University, to be discussed and finalized by the end of 2023. The revised cooperation agreement is expected to be signed by the end of 2024.

67. **In paragraph 90 of its report, the Board recommended that UNU-MERIT, together with Maastricht University, formally specify the guidelines to be applied by all the personnel involved in UNU-MERIT activities to ensure compliance with UNU standards.**

Department responsible: UNU-MERIT
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

68. The discussion on personnel guidelines is part of the larger discussion on rewriting the cooperation agreement between Maastricht University and UNU, as indicated in the comments of UNU relating to the recommendation in paragraph 89 of the Board's report (see para. 66 above).

69. **In paragraph 91 of its report, the Board recommended that UNU-MERIT establish a succession plan for the replacement of the Chief of Administrative and Programme Services.**

Department responsible: UNU-MERIT
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

70. The recruitment process for the Chief of Administrative and Programme Services is ongoing. UNU-MERIT advertised the position throughout May 2023. On 7 July 2023, all longlisted candidates received a written assessment. UNU-MERIT interviewed the shortlisted candidates in the second week of August 2023, and the approval from the Central Review Board is expected by the fourth quarter of 2023.

71. In paragraph 105 of its report, the Board recommended that UNU-MERIT ensure that the procedures performed by the information and communications technology (ICT) unit are aligned with the UNU policies and standards.

Department responsible: UNU-MERIT
Status: Closure requested
Priority: Medium
Target date: Not applicable

72. UNU-MERIT successfully integrated into the UNU information management system, specifically the Microsoft Office 365 tenant, which serves as the platform for hosting emails and SharePoint tools. This integration allows UNU-MERIT to operate within the established framework governed by UNU information management policies and standards. Furthermore, UNU-MERIT actively engages in the UNU ICT Network, participating in the collaborative efforts to enhance ICT across the University. As part of this engagement, UNU-MERIT provides an annual workplan that reflects a comprehensive understanding of the overarching UNU ICT policies and procedures, ensuring alignment with the wider institutional framework. By joining the UNU information management system and participating in the ICT Network, UNU-MERIT demonstrates its commitment to adhering to UNU policies and standards. UNU considers this recommendation to be implemented and requests its closure by the Board.

73. In paragraph 106 of its report, the Board recommended that UNU-MERIT formally establish the responsibilities and obligations of the ICT services that Maastricht University provides for UNU-MERIT.

Department responsible: UNU-MERIT
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

74. UNU-MERIT has made significant progress over the past six months in establishing the responsibilities and obligations pertaining to the ICT services provided by Maastricht University for UNU-MERIT. During this period, UNU-MERIT engaged in extensive discussions with the Maastricht University ICT Service Centre, aiming to formalize the arrangement of support provided by the University in key areas such as Wi-Fi, server hosting and cybersecurity. As a result of these discussions, an ICT service-level agreement has been drafted, outlining the specific duties and corresponding financial costs associated with the provision of these services by Maastricht University to UNU-MERIT. This ICT service-level agreement serves as a clear and formal framework that delineates the respective responsibilities and obligations of both parties, providing transparency and accountability in the provision of ICT services. By establishing this agreement, UNU-MERIT ensures that the roles of Maastricht University in terms of ICT support are clearly defined, contributing to a more effective and efficient collaboration between the two entities.

75. In paragraph 115 of its report, the Board recommended that UNU evaluate and strengthen its current control mechanisms to ensure the effective monitoring of compensatory time off procedures.

Department responsible: Administration
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

76. UNU has accepted this recommendation and is working to ensure compliance with the compensatory time off procedures.

77. In paragraph 123 of its report, the Board recommended that UNU formally identify the reasons that transactions are not captured in the accounts payable process and, on that basis, design and implement a control mechanism for the year-end closing process for the accruals of accounts payable that allows the University to track, review and reconcile any unrecorded liabilities.

Department responsible: Administration
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

78. The new UNU enterprise resource planning system went live in January 2023, and UNU is reviewing the entire payables process to design an effective workflow to identify unrecorded liabilities.

79. In paragraph 131 of its report, the Board recommended that UNU adjust its procedure to register the impairment of contributions receivable as established in the International Public Sector Accounting Standards (IPSAS).

Department responsible: Administration
Status: Not accepted
Priority: Medium
Target date: Not applicable

80. UNU did not accept this recommendation as its procedures are compliant with the United Nations IPSAS corporate guidance on funding arrangements. UNU does not have the authority to adjust its accounting procedures until it receives revised United Nations IPSAS corporate guidance.

81. In paragraph 140 of its report, the Board recommended that UNU develop a control mechanism for the activities provided by UNU-MERIT staff to Maastricht University to prevent delays in the recording of revenue associated with those services.

Department responsible: Administration
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

82. The UNU-MERIT finance team has discussed this internal process extensively with the administrators from the Maastricht Graduate School of Governance and the Stichting Maastricht Economic Research Institute on Innovation and Technology, and have agreed that UNU-MERIT will issue internal contracts with Maastricht University governance, policy analysis, public policy and human development programmes for all its teaching and supervision commitments, mentioning the details of the tasks, dates, estimated number of hours and hourly rates. These contracts will allow the UNU-MERIT finance team to keep close control and serve as a basis for UNU-MERIT invoicing. UNU-MERIT staff services will then be recognized as revenue.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

83. In the annex to its report for the year ended 31 December 2022 (A/78/5 (Vol. IV), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 10 recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

84. Table 6 summarizes the overall situation as of August 2023.

Table 6

Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Administration	7	–	1	6	6	–
United Nations University Institute for Environment and Human Security (UNU-EHS)	2	–	–	2	2	–
Multiple offices	1	–	–	1	1	–
Total	10	–	1	9	9	–

Report of the Board for the year ended 31 December 2016⁷

85. In paragraph 97 of its report, the Board recommended that UNU-EHS and the UNU Vice-Rectorate in Europe (UNU-ViE) plan, formalize and carry out all activities for business continuity and disaster recovery for any event of disruption. This plan is to be reviewed periodically.

Departments responsible: UNU-EHS and UNU-ViE

Status: Under implementation

Priority: High

Original target date: Third quarter of 2018

Revised target date: Fourth quarter of 2023

⁷ A/72/5 (Vol. IV), chap. II.

86. The activities were implemented and documentation relating to them was completed during the second quarter of 2022. The documentation was submitted to the Board on 17 June 2022 and confirmation of receipt was received on 20 June 2022. A disaster recovery exercise is currently under way and is expected to be completed by the end of 2023.

Report of the Board for the year ended 31 December 2021⁸

87. **In paragraph 39 of its report, the Board recommended that UNU-EHS update its strategic plan, including the sections or programmes that it will be working on during the plan's period, and disclose the focal areas that will be addressed by the respective section.**

Departments responsible: UNU-EHS
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2022
Revised target date: Fourth quarter of 2023

88. A draft strategic plan for UNU-EHS is currently in progress and will be completed by the end of 2023.

89. **In paragraph 58 of its report, the Board recommended that UNU-EHS ensure the alignment between its annual workplans and their respective activity reports, including in the latter the status and reasons for those activities and events in the workplans that could not be performed and the origin and rationales for those activities and events that were performed which were not included in the workplan.**

Departments responsible: UNU-EHS
Status: Under implementation
Priority: Medium
Original target date: Second quarter of 2023
Revised target date: Fourth quarter of 2023

90. The annual activity report includes reference to all focus areas outlined in the annual workplan. A more detailed summary of the proposed activities in the workplan and their implementation is being compiled as an annex to the activity report.

91. **In paragraph 68 of its report, the Board recommended that UNU develop and implement an official procedure that specifies the review of end-of-service census data between UNU and the United Nations Development Programme (UNDP), which includes, at least, the validations and/or controls, the tolerable thresholds for any deviation, the responsible officials and the deadlines associated with this review, as well as details of the communications that will be carried out between UNU and UNDP.**

⁸ A/77/5 (Vol. IV), chap. II.

<i>Departments responsible:</i>	Administration
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

92. UNU is aiming to have an approved procedure in place by the end of 2023. Action on this recommendation was delayed owing to the great amount of movement within and the minimal workforce of the human resources team.

93. In paragraph 69 of its report, the Board recommended that UNU issue an official report with the results of the review and of the adjustments made to the end-of-service census data each year in order to support the reasonableness review performed in the context of the preparation of the financial statements.

<i>Departments responsible:</i>	Administration
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	First quarter of 2024

94. UNU will issue a report with the results of the review and the adjustments made to the end-of-service census data for the financial year 2023.

95. In paragraph 81 of its report, the Board recommended that UNU perform a reconciliation of the annual leave balance in Atlas eServices in order to ensure that balances are reconciled between the different types of reports and the information is accurate.

<i>Departments responsible:</i>	Administration
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

96. UNU will review samples of the leave records in the new Quantum enterprise resource planning system and perform a reconciliation of annual leave balances.

97. In paragraph 108 of its report, the Board recommended that UNU institutes, separately, adjust the consultant's price ranges considering its budget and country variables in order to ensure contracts are aligned to market values.

<i>Departments responsible:</i>	Administration
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	No change

98. The UNU consultancy policy was revised and released in 2022. UNU will make efforts to finalize the remaining consultants' scales by the end of 2023.

99. In paragraph 109 of its report, the Board recommended that the UNU Centre review annually the fees determined by each institute for the consultant's services in order to verify that they meet the criteria established at the central level and that the amounts are in accordance with the budgets and values of each country where they operate.

<i>Departments responsible:</i>	Administration
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	No change

100. UNU will review the fees to ensure that all institutes have established a fee structure by the end of 2023.

101. In paragraph 117 of its report, the Board recommended that UNU create a mechanism to ensure that consultants' working periods do not exceed the maximum time allowed by the administrative instruction.

<i>Departments responsible:</i>	Administration
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	No change

102. UNU will review the existing consultancy contracts to ensure adherence to policies and guidelines by the end of 2023.

103. In paragraph 144 of its report, the Board recommended that UNU ensure that the recording of contributions is registered in Atlas on the date when recognition criteria are met in order to prevent exchange rate differences in the revenue.

<i>Departments responsible:</i>	Administration
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	Not applicable

104. Since the launch of the new Quantum enterprise resource planning system in January 2023, UNU has recorded the contributions on the date when the recognition criteria were met. UNU considers this recommendation to be implemented and requests its closure by the Board.

IV. United Nations Development Programme

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022⁹

105. Table 7 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 7
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Executive Office	2	–	–	2	2	–
Office of Financial Management	3	–	–	3	3	–
Bureau for Policy and Programme Support	4	–	–	4	4	–
Bureau of External Relations and Advocacy	1	–	–	1	1	–
Multiple offices	9	–	2	7	7	–
Total	19	–	2	17	17	–

106. **In paragraph 28 of its report, the Board recommended that UNDP carry out a comprehensive review of all contribution agreements with indirect financing.**

Department responsible: Office of Financial Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2023

107. UNDP agreed with the recommendation.

108. **In paragraph 37 of its report, the Board recommended that UNDP (a) carry out an annual impairment review of unbilled receivables; (b) write off Global Environment Facility (GEF) receivables and adjust GEF-related revenue accordingly for closed or cancelled projects; and (c) record GEF contributions and cash receipts by project.**

Departments responsible: Office of Financial Management and Bureau for Policy and Programme Support

Status: Under implementation

Priority: High

Target date: First quarter of 2024

⁹ A/78/5/Add.1, chap. II.

109. UNDP agreed with the recommendation.

110. In paragraph 45 of its report, the Board recommended that UNDP create a dedicated internal fund in the accounting system in order to monitor the funding needs of the Medical Insurance Plan and enhance oversight.

Department responsible: Office of Financial Management

Status: Under implementation

Priority: High

Target date: Third quarter of 2024

111. UNDP agreed with the recommendation.

112. In paragraph 56 of its report, the Board recommended that UNDP reconcile the budget and the net cash flow positions on a comparable basis in the notes to the financial statements.

Department responsible: Office of Financial Management

Status: Under implementation

Priority: High

Target date: Second quarter of 2024

113. UNDP agreed with the recommendation.

114. In paragraph 118 of its report, the Board recommended that UNDP conduct a comprehensive analysis of both the human resources and the financial consequences of the delinking reform at UNDP.

Department responsible: Executive Office

Status: Under implementation

Priority: High

Target date: Second quarter of 2024

115. UNDP agreed with the recommendation.

116. In paragraph 129 of its report, the Board recommended that UNDP explore various possible scenarios taking into consideration the implications of the delinking reform at UNDP and the increasing role of other players, and develop a strategy on its medium-term role regarding back-office services shared with or provided to other entities of the United Nations system.

Department responsible: All regional bureaux

Status: Under implementation

Priority: High

Target date: Second quarter of 2024

117. UNDP agreed with the recommendation.

118. **In paragraph 139 of its report, the Board recommended that UNDP develop a strategy on its role as integrator in order to reposition itself vis-à-vis the resident coordinator and the United Nations development system as regards the development agenda, and articulate better with other priorities of the United Nations, including in the fields of peacekeeping operations and humanitarian affairs.**

Departments responsible: Bureau for Policy and Programme Support and Executive Office

Status: Under implementation

Priority: High

Target date: Second quarter of 2024

119. UNDP agreed with the recommendation.

120. **In paragraph 168 of its report, the Board recommended that UNDP regularly update its Executive Board on critical risks of strategic importance and ensure that these risks are managed under the enterprise risk management framework.**

Departments responsible: Office of Budget, Performance and Compliance and Bureau for Policy and Programme Support

Status: Closure requested

Priority: High

Target date: Not applicable

121. UNDP agreed with the recommendation and has already implemented it by updating its Executive Board on critical risks of strategic importance and ensuring that these risks are managed under the enterprise risk management framework. UNDP considers this recommendation to be implemented and requests its closure by the Board.

122. **In paragraph 169 of its report, the Board recommended that UNDP analyse its current communication practices in the light of the most critical risks facing the organization, tailor its strategy to address them proactively, in particular with regard to reputational and funding risks, and better position itself with key stakeholders.**

Department responsible: Bureau of External Relations and Advocacy

Status: Under implementation

Priority: High

Target date: Second quarter of 2024

123. UNDP agreed with the recommendation.

124. **In paragraph 191 of its report, the Board recommended that UNDP review existing risk management tools owned by UNDP in order to: (a) simplify the landscape in view of their added value, coherence and complementarity; (b) emphasize the particular risks linked to implementing partners; and**

(c) where these tools so require, engage with the Office of Audit and Investigations to ensure its exclusive positioning as the third line of defence.

Departments responsible: Office of Budget, Performance and Compliance and Bureau for Policy and Programme Support

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

125. UNDP agreed with the recommendation.

126. In paragraph 222 of its report, the Board recommended that UNDP operationalize its risk management at a more granular level by making full use of the existing risk appetite statement.

Departments responsible: Office of Budget, Performance and Compliance and Bureau for Policy and Programme Support

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

127. UNDP agreed with the recommendation.

128. In paragraph 227 of its report, the Board recommended that UNDP clearly define the scope of the function of its Chief Risk Officer and the chair of the corporate risk committee, as well as their functional relationship with the regional bureaux.

Departments responsible: Office of Budget, Performance and Compliance and Bureau for Policy and Programme Support

Status: Closure requested

Priority: High

Target date: Not applicable

129. UNDP has defined the scope of the function of its Chief Risk Officer and the chair of the corporate risk committee, as well as their functional relationship with the regional bureaux. UNDP considers this recommendation to be implemented and requests its closure by the Board.

130. In paragraph 237 of its report, the Board recommended that UNDP update its enterprise risk management policy, with the objectives of: (a) developing user-friendly methodologies for assessing risks; (b) ensuring a prioritization of the most critical risks to tackle as a priority; and (c) strengthening the monitoring and reporting of risk treatment measures.

Departments responsible: Office of Budget, Performance and Compliance and Bureau for Policy and Programme Support

Status: Under implementation

Priority: High

Target date: Third quarter of 2024

131. UNDP agreed with the recommendation.

132. In paragraph 249 of its report, the Board recommended that UNDP give a central place to risk management in its updated accountability framework, in order to better link risk management with internal control, strategic programming and budgeting, as well as results and performance, systems.

Department responsible: Executive Office

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

133. UNDP agreed with the recommendation.

134. In paragraph 303 of its report, the Board recommended that UNDP ensure fuller coherence and consistency in the tagging of governance projects as related to Sustainable Development Goal 16 and signature solution 2, and take advantage of the transition to Quantum to ensure the consistency of the various data platforms, as well as their security in terms of access.

Department responsible: Bureau for Policy and Programme Support

Status: Under implementation

Priority: High

Target date: First quarter of 2024

135. UNDP agreed with the recommendation.

136. In paragraph 317 of its report, the Board recommended that UNDP develop an action plan to increase the operational impact of its expertise in governance, notably through skill mobilization and knowledge dissemination internally and externally.

Department responsible: Bureau for Policy and Programme Support

Status: Under implementation

Priority: High

Target date: Third quarter of 2024

137. UNDP agreed with the recommendation.

138. In paragraph 325 of its report, the Board recommended that UNDP strengthen the role of regional bureaux in monitoring programmes and projects on governance, as well as the link between regional bureaux and the Oslo Governance Centre.

<i>Departments responsible:</i>	Bureau for Policy and Programme Support and all regional bureaux
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Third quarter of 2024

139. UNDP agreed with the recommendation.

140. In paragraph 346 of its report, the Board recommended that UNDP strengthen its communication on the results of governance-related programmes and projects, improving the quality of information provided and ensuring better feedback to donors.

<i>Department responsible:</i>	Bureau for Policy and Programme Support
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Third quarter of 2024

141. UNDP agreed with the recommendation.

142. In paragraph 374 of its report, the Board recommended that UNDP enhance its leadership in monitoring the longer-term impact of programmes and projects related to governance, notably with the objective of initiating global reporting on the implementation of Sustainable Development Goal 16.

<i>Department responsible:</i>	Bureau for Policy and Programme Support
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2024

143. UNDP agreed with the recommendation.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

144. In the annex to its report for the year ended 31 December 2022 ([A/78/5/Add.1](#), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 11 recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

145. Table 8 summarizes the overall situation as of August 2023.

Table 8
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Executive Office	1	–	–	1	1	–
Office of Financial Management	1	–	–	1	1	–
Office of Procurement	3	–	1	2	2	–
Multiple offices	6	–	2	4	4	–
Total	11	–	3	8	8	–

Report of the Board for the year ended 31 December 2021¹⁰

146. **In paragraph 78 of its report, the Board recommended that UNDP follow a consistent approach in line with the established memorandum of understanding to recovery of costs for rented vehicles as part of transportation services which incorporates the aim of neither making a profit nor incurring a loss as agreed in the principles for costing and pricing services.**

Departments responsible: Directorate and regional bureaux

Status: Under implementation

Priority: Medium

Original target date: First quarter of 2023

Revised target date: First quarter of 2024

147. UNDP will be exiting the global memorandum of understanding for service provision to the resident coordinators by 31 December 2023. The resident coordinator offices that have not acquired their own vehicles by that time will be entered into a standard UNDP cost-recovery mechanism through individual local service-level agreements with UNDP offices, similar to any other United Nations agency using UNDP local services.

148. **In paragraph 84 of its report, the Board recommended that UNDP improve complete and timely cost recovery for all services provided to other United Nations entities.**

Departments responsible: Office of Legal Services and regional bureaux

Status: Under implementation

Priority: High

Original target date: First quarter of 2023

Revised target date: Fourth quarter of 2023

¹⁰ A/77/5/Add.1, chap. II.

149. Regional bureaux continue to remind country offices about the importance of timely and complete cost recovery.

150. In paragraph 96 of its report, the Board recommended that UNDP update the UNDP accountability system and the corporate accountability framework.

Department responsible: Executive Office
Status: Under implementation
Priority: High
Original target date: Third quarter of 2023
Revised target date: Fourth quarter of 2023

151. UNDP has initiated the technical updates to the corporate accountability framework, and the updates are in the final phase.

152. In paragraph 114 of its report, the Board recommended that UNDP assess whether guidelines for oversight established for GEF projects could be applied to other UNDP projects.

Departments responsible: Bureau for Policy and Programme Support and regional bureaux
Status: Under implementation
Priority: High
Original target date: Third quarter of 2023
Revised target date: First quarter of 2024

153. UNDP management is developing a corporate approach to defining and managing high-risk projects.

154. In paragraph 153 of its report, the Board recommended that UNDP, in line with established good practices and international standards, develop and implement a sustainable procurement action plan which includes elements such as, but not limited to, sustainable procurement objectives and targets, clarification of responsibilities and accountabilities with regard to sustainable procurement and a performance measurement framework.

Department responsible: Office of Procurement
Status: Under implementation
Priority: High
Original target date: Second quarter of 2023
Revised target date: First quarter of 2024

155. As part of the implementation of the UNDP procurement for sustainable development strategy 2022–2025, the Office of Procurement is working on the guidelines and criteria that will be part of the action plan.

156. In paragraph 185 of its report, the Board recommended that, based on a sustainability risk analysis, UNDP develop and continuously update sustainable

procurement specifications and regularly communicate those specifications to its requisitioners.

<i>Department responsible:</i>	Office of Procurement
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	Second quarter of 2024

157. The Office of Procurement has prepared sustainable procurement guidelines for information technology and refrigerants and is in the process of rolling them out at the corporate level, while continuing to prepare the guidelines and specifications for the other top 10 categories. The sustainable procurement criteria tool, which is designed to help United Nations organizations make informed and sustainable procurement decisions, taking into account environmental, social and governance risks based on the sustainability procurement portfolio model, has been shared with all the business units and is being tested.

158. In paragraph 219 of its report, the Board recommended that UNDP manage the greenhouse gas emissions from its freight forwarding long-term agreements and include sustainability criteria in any extension or new contract agreements with freight forwarders.

<i>Department responsible:</i>	Office of Procurement
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	Not applicable

159. The current long-term agreements include sustainability reporting requirements. Carbon dioxide emission reports are regularly communicated to UNDP by the long-term agreement holders and all the information is being collated by UNDP for lessons learned for future processes. UNDP considers this recommendation to be implemented and requests its closure by the Board.

160. In paragraph 231 of its report, the Board recommended that UNDP improve performance monitoring for all of its solar photovoltaic installations at its own facilities and analyse the reasons for low energy production.

<i>Departments responsible:</i>	Office of Information Management and Technology and regional bureaux
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	Not applicable

161. The updated environmental management tool allows UNDP to review the performance of the photovoltaic systems and compare it to reasonable benchmarks. UNDP considers this recommendation to be implemented and requests its closure by the Board.

162. In paragraph 232 of its report, the Board recommended that UNDP take necessary steps to ensure that solar photovoltaic installations at its own facilities are properly operated and maintained to enhance the most economic and environmental benefits.

Departments responsible: Office of Information Management and Technology and regional bureaux

Status: Closure requested

Priority: Medium

Original target date: Second quarter of 2023

Revised target date: Not applicable

163. Using the energy production data for the photovoltaic systems collected through the environmental management tool, the sustainability team identifies cases of low production and reaches out to country offices to review the situation. UNDP considers this recommendation to be implemented and requests its closure by the Board.

164. In paragraph 280 of its report, the Board recommended that UNDP implement adequate tools for monitoring overtime as well as internal controls to ensure compliant processes at all duty stations.

Departments responsible: Global Shared Service Centre and Office of Information Management and Technology

Status: Under implementation

Priority: Medium

Original target date: Second quarter of 2023

Revised target date: First quarter of 2024

165. UNDP is continuing the development of the overtime automation solution and is on track to have the technical components ready by the end of 2023.

166. In paragraph 292 of its report, the Board recommended that UNDP further enhance its internal financial control system by identifying key controls with the aim of improving data quality and limiting risks of errors and by specifying documentation requirements which evidence the performance of these control procedures.

Department responsible: Office of Financial Management

Status: Under implementation

Priority: High

Original target date: Fourth quarter of 2022

Revised target date: Fourth quarter of 2023

167. UNDP is continuing to make substantive investments that will improve its internal financial control system, including the launch of Quantum, an Oracle solution, which as a modern enterprise resource planning tool will enhance basic controls and improve data quality.

V. United Nations Capital Development Fund

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022¹¹

168. Table 9 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 9
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Office of Finance and Management Services	2	–	–	2	2	–
Multiple offices	6	–	–	6	6	–
Total	8	–	–	8	8	–

169. **In paragraph 32 of its report, the Board recommended that the United Nations Capital Development Fund (UNCDF) make a clear distinction between genuine performance-based grants and other transactions recognized as “grants” but consisting of procurement operations, for which the IPSAS recognition criteria are different.**

Departments responsible: Directorate and Office of Finance and Management Services

Status: Under implementation

Priority: High

Target date: Second quarter of 2024

170. UNCDF agrees with the recommendation and is in the process of reviewing its operations manual to provide more guidance on grants issued to private institutions.

171. **In paragraph 33 of its report, the Board recommended that UNCDF measure more precisely the impact of the departure from IPSAS and be prepared as soon as possible for the implementation of IPSAS 48.**

Department responsible: Office of Finance and Management Services

Status: Under implementation

Priority: High

Target date: First quarter of 2024

¹¹ A/78/5/Add.2, chap II.

172. UNCDF agrees with the recommendation and is taking steps to ensure data accuracy.

173. In paragraph 43 of its report, the Board recommended that UNCDF reconcile the budget and cash flow positions of its financial statements.

Department responsible: Office of Finance and Management Services
Status: Under implementation
Priority: High
Target date: First quarter of 2024

174. UNCDF agrees with the recommendation and will liaise with other United Nations organizations to align the disclosure in the financial statements.

175. In paragraph 56 of its report, the Board recommended that UNCDF redefine, in collaboration with UNDP, its institutional and operational relationships with UNDP, after having considered various possible options ranging from greater integration to increased segregation.

Departments responsible: Directorate and Office of Finance and Management Services
Status: Under implementation
Priority: High
Target date: Second quarter of 2024

176. UNCDF agrees with the recommendation and will redefine its institutional and operational relationships in collaboration with the Executive Office of UNDP, as necessary.

177. In paragraph 61 of its report, the Board recommended that UNCDF review its risk management policy to better adapt it to its needs.

Departments responsible: Directorate and Office of Finance and Management Services
Status: Under implementation
Priority: High
Target date: Second quarter of 2024

178. UNCDF agrees with the recommendation and is taking steps to address these risks.

179. In paragraph 71 of its report, the Board recommended that UNCDF develop its own risk appetite statement.

Departments responsible: Directorate and Office of Finance and Management Services
Status: Under implementation
Priority: High
Target date: Second quarter of 2024

180. UNCDF agrees with the recommendation and will develop an appropriate risk appetite statement that takes into account the business model and nature of operations of the organization.

181. In paragraph 75 of its report, the Board recommended that UNCDF assign the responsibility of Chief Risk Officer to an existing senior executive.

<i>Departments responsible:</i>	Directorate and Office of Finance and Management Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2024

182. UNCDF agrees with the recommendation and is taking steps to assign the necessary responsibilities. Additional comments by UNCDF were reflected in paragraph 76 of the Board's report.

183. In paragraph 80 of its report, the Board recommended that UNCDF complete the transition of its risk registers to Quantum+ by the end of 2023.

<i>Departments responsible:</i>	Directorate and Office of Finance and Management Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2024

184. Comments by UNCDF were reflected in paragraph 81 of the Board's report.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

185. In the annex to its report for the year ended 31 December 2022 ([A/78/5/Add.2](#), chap. II), the Board provided a summary of the status of implementation of recommendations for the previous financial period. As confirmed in the assessment by the Board, UNCDF had implemented all seven of the recommendations that were outstanding from the period.

VI. United Nations Children's Fund

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022¹²

186. Table 10 summarizes the status of implementation of the main recommendations of the Board as of August 2023.

¹² [A/78/5/Add.3](#), chap. II.

Table 10
Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Information and Communications Technology Division	4	–	–	4	4	–
Division of Data, Analytics, Planning and Monitoring	1	–	–	1	1	–
Division of Financial and Administrative Management	2	–	–	2	2	–
Office of the Executive Director	1	–	–	1	1	–
Multiple offices	1	–	–	1	1	–
Total	9	–	–	9	9	–

187. Table 11 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 11
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Information and Communications Technology Division	6	–	–	6	6	–
Division of Data, Analytics, Planning and Monitoring	4	–	–	4	4	–
Division of Financial and Administrative Management	5	1	–	4	4	–
Office of the Executive Director	4	–	–	4	4	–
Global Shared Service Centre	2	2	–	–	–	–
Philippines country office	2	–	1	1	1	–
Thailand country office	1	–	–	1	1	–
Supply Division	1	–	–	1	1	–
Multiple offices	5	–	–	5	5	–
Total	30	3	1	26	26	–

188. **In paragraph 23 of its report, the Board recommended that the United Nations Children’s Fund (UNICEF) promote and remind eTools users of the relevance of this platform’s action points module to ensure that they make full use of the tool to manage assurance activities in a timely manner.**

Department responsible: Division of Data, Analytics, Planning and Monitoring

Status: Under implementation

Priority: Medium

Target date: First quarter of 2024

189. UNICEF management plans to work on a high-level communication strategy to promote and highlight the use of the action points module as a more efficient approach for capturing and following up on actions and engaging regional offices for regular

monitoring of the use of the tool through review mechanisms such as the country management team and the twice-yearly status report on the harmonized approach to cash transfers.

190. In paragraph 24 of its report, the Board recommended that UNICEF ensure that its country offices regularly monitor that the action points in eTools are properly addressed to ensure their effectiveness.

Department responsible: Division of Data, Analytics, Planning and Monitoring
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

191. UNICEF will focus on the implementation of further enhancements that facilitate monitoring by the country offices, for example, by creating enhancements to the oversight process and to the eTools action points module and by adding features, such as user notifications, that are expected to facilitate the timely management of action points.

192. In paragraph 28 of its report, the Board recommended that UNICEF improve the practice of uploading the supporting documentation of actions taken in eTools or any other platforms as appropriate.

Department responsible: Division of Data, Analytics, Planning and Monitoring
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

193. UNICEF management plans to improve the practice of uploading supporting documents related to action points through the issuance of additional instructions and the provision of support to offices and staff. The enhanced instructions will be shared with the auditors as soon as they are finalized and documented.

194. In paragraph 33 of its report, the Board recommended that the Philippines country office monitor the updates of the action points on assurance activities in the eTools platform regularly.

Department responsible: Philippines country office
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

195. The Philippines country office will regularly update the completion of action points in the eTools platform in addition to monitoring the status of its records on assurance activities during the monthly meetings of the programme management team.

196. In paragraph 45 of its report, the Board recommended that UNICEF take measures to reduce the gaps between the time the expenditures are reported by

the implementing partners and the spot checks are performed by the organization to ensure the effectiveness of this assurance activity.

Departments responsible: Division of Data, Analytics, Planning and Monitoring and Division of Financial and Administrative Management

Status: Under implementation

Priority: High

Target date: Second quarter of 2024

197. The Division of Data, Analytics, Planning and Monitoring and the Division of Financial and Administrative Management will jointly work to determine the appropriate measures to reduce the time gaps, including the development of well-consulted and revised guidance on the risk-based assurance approach.

198. In paragraph 46 of its report, the Board recommended that UNICEF identify the root causes of delays in spot checks and take concrete and proactive measures to address them.

Department responsible: Division of Data, Analytics, Planning and Monitoring

Status: Under implementation

Priority: High

Target date: Second quarter of 2024

199. UNICEF will review its risk-based assurance approach and determine necessary changes to facilitate the timely completion of spot checks.

200. In paragraph 57 of its report, the Board recommended that UNICEF strengthen its controls over the vulnerability management process by analysing active vulnerability alerts issued by the security tools and promptly resolving them based on the associated risk.

Department responsible: Information and Communications Technology Division

Status: Under implementation

Priority: High

Target date: First quarter of 2024

201. UNICEF management will further increase its automated remediation of identified vulnerabilities and acquire additional resources for the Cybersecurity Operations Centre to improve surveillance, threat hunting and remediation support capacity.

202. In paragraph 58 of its report, the Board recommended that UNICEF involve the local ICT offices in the process of addressing the vulnerabilities identified more actively.

Department responsible: Information and Communications Technology Division

Status: Under implementation

Priority: High

Target date: First quarter of 2024

203. The Information and Communications Technology Division has started working with country offices to establish remediation workflows for risks that need manual intervention, and to equip them with the knowledge, access and skills to perform the required actions.

204. In paragraph 59 of its report, the Board recommended that UNICEF complete the roll-out of Ivanti and ensure validation of the deployment of operating system patches and security updates on employee workstations.

Department responsible: Information and Communications Technology Division

Status: Under implementation

Priority: High

Target date: First quarter of 2024

205. UNICEF management confirms that the pilot of Ivanti was released globally for all clients in June 2023, with the delivery of outstanding patches and the reactivation of the regular patch cadence expected by the end of 2023.

206. In paragraph 60 of its report, the Board recommended that UNICEF carry out the penetration test as soon as possible and then continue to test annually as required by the procedure.

Department responsible: Information and Communications Technology Division

Status: Under implementation

Priority: High

Target date: First quarter of 2024

207. UNICEF management confirms that the transition of the Information and Communications Technology Division to Valencia, Spain, has been completed and the Division plans to run a full penetration test by the first quarter of 2024.

208. In paragraph 70 of its report, the Board recommended that UNICEF conduct a comprehensive inventory of the organization's information assets (systems, tools, reports and documents) and assign an owner, whether a group or individual, responsible for controlling each asset.

<i>Department responsible:</i>	Information and Communications Technology Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2024

209. UNICEF management is currently conducting an inventory exercise focused on information assets and will assess the feasibility of implementing a long-term solution that can serve as a centralized repository.

210. In paragraph 71 of its report, the Board recommended that UNICEF consider the feasibility of managing asset information in a centralized repository that allows controlling and updating the information contained therein.

<i>Department responsible:</i>	Information and Communications Technology Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2024

211. UNICEF refers to its comments in paragraph 209 above relating to the recommendation in paragraph 70 of the Board's report.

212. In paragraph 82 of its report, the Board recommended that the Information and Communications Technology Division, the Division of Human Resources and the Global Shared Service Centre work together to improve the management process for active directory and VISION accounts to ensure that access rights are appropriately assigned and maintain the accounts currently used.

<i>Departments responsible:</i>	Information and Communications Technology Division, Division of Human Resources and Global Shared Service Centre
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2024

213. UNICEF management confirms that improvements to the current user deprovisioning process require interdivisional efforts among the Information and Communications Technology Division, the Division of Human Resources and the Global Shared Service Centre to identify and implement the appropriate adjustments in the various processes that trigger user deprovisioning. The relevant divisions and the Global Shared Service Centre have commenced the planning process.

214. In paragraph 83 of its report, the Board recommended that the Information and Communications Technology Division and the Global Shared Service Centre assess the value of conducting periodic manual reviews of the active directory and VISION users to identify cases that the automated process cannot detect.

Departments responsible: Information and Communications Technology Division and Global Shared Service Centre

Status: Under implementation

Priority: Medium

Target date: First quarter of 2024

215. The Information and Communications Technology Division and the Global Shared Service Centre will assess whether a periodic manual review will also be necessary for any acceptable exceptions.

216. In paragraph 90 of its report, the Board recommended that the Information and Communications Technology Division and the Division of Human Resources accelerate the completion of the general information security awareness course by all UNICEF staff and non-staff.

Departments responsible: Information and Communications Technology Division and Division of Human Resources

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2024

217. UNICEF management is committed to accelerating, as much as possible, the completion of the general information security awareness course by staff and non-staff in accordance with the established targets, with the aim of presenting achievements to the Board during the interim audit of the 2023 financial year.

218. In paragraph 98 of its report, the Board recommended that UNICEF clearly describe in its policy on enterprise risk management the roles and responsibilities of the Executive Board, the Legal Office, the Evaluation Office and the Ethics Office.

Department responsible: Office of the Executive Director

Status: Under implementation

Priority: High

Target date: First quarter of 2024

219. The newly appointed Chief Risk Officer is developing a multi-year road map that will include revisiting and formally defining, as appropriate, the roles and responsibilities for risk management for the relevant UNICEF offices and the Executive Board.

220. In paragraph 106 of its report, the Board recommended that UNICEF submit risk reports to the Global Management Team in accordance with the applicable enterprise risk management policy.

Department responsible: Office of the Executive Director

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2024

221. UNICEF is currently defining the appropriate governing bodies that should receive risk reports, with the aim of updating the policy accordingly.

222. In paragraph 115 of its report, the Board recommended that UNICEF conclude the endorsement process of its risk appetite statement and proceed to inform all relevant users.

Department responsible: Office of the Executive Director

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2024

223. UNICEF is working on the adoption of a risk appetite statement.

224. In paragraph 116 of its report, the Board recommended that the Senior Management Risk Committee resume its functions and conduct and document its meetings as per its terms of reference.

Department responsible: Office of the Executive Director

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2023

225. UNICEF is working on revamping the Senior Management Risk Committee by the fourth quarter of 2023.

226. In paragraph 128 of its report, the Board recommended that the East Asia and Pacific Regional Office, in coordination with the Chief Risk Officer, reinforce its enterprise risk management functions at the regional level and ensure that risks are described and responses to them are measurable and quantifiable in the enterprise governance, risk and compliance tool, with the aim of supporting the country offices under its supervision.

Departments responsible: East Asia and Pacific Regional Office and Office of the Executive Director

Status: Under implementation

Priority: Medium

Target date: First quarter of 2024

227. UNICEF is committed to reinforcing the enterprise risk management function by early 2024, with the support of the Chief Risk Officer and available resources.

228. In paragraph 135 of its report, the Board recommended that UNICEF disseminate an updated version of the treasury, cash and investment management procedures in order to align them with the current investment process.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

229. UNICEF is currently preparing an updated draft procedure document to include the changes made at the Financial Advisory Committee meeting held in May 2023, with the aim of finalizing an updated version by the fourth quarter of 2023.

230. In paragraph 147 of its report, the Board recommended that UNICEF seek to establish the same standard of investment restrictions in the external and internal portfolios.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Not accepted
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

231. UNICEF did not accept this recommendation, noting that the United Nations agencies after-service health insurance investment guidelines were developed collectively by the participant agencies and were therefore not fully under UNICEF control. Nevertheless, in the February 2023 meeting of the after-service health insurance investment committee, an amendment to the after-service health insurance investment guidelines was proposed to align investment restrictions with those of the UNICEF internal policy. UNICEF stresses that the proposal will be considered for a vote at a future meeting of the committee once the evaluation process by committee members has been completed. The outcomes of that process cannot be controlled by UNICEF.

232. In paragraph 160 of its report, the Board recommended that UNICEF revise the existing post management procedure to adequately reflect the reality of the challenges faced by its offices in allocating funds and ensure their timely assignment.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2024

233. UNICEF will make the necessary changes to the policies and monitoring systems to ensure that adequate attention is given to the funding situation of staff members, allowing offices to effectively manage their resources and continue their work with minimal disruption.

234. In paragraph 161 of its report, the Board recommended that UNICEF implement systems to monitor the funding situation of staff members.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2024

235. UNICEF management is developing solutions to streamline the process and make it easier for heads of offices to ensure that funding for payroll is prioritized and that gaps are promptly identified and addressed.

236. In paragraph 171 of its report, the Board recommended that UNICEF review the Global Shared Service Centre charge-back methodology on a yearly basis to ensure that the rates charged to each office are as fair as possible.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2024

237. UNICEF is considering making additional changes to the current methodology to further simplify the charge-back process and improve its transparency and fairness.

238. In paragraph 180 of its report, the Board recommended that the Global Shared Service Centre engage with its clients to analyse the root causes of the high number of returned and rejected cases.

<i>Department responsible:</i>	Global Shared Service Centre
<i>Status:</i>	Not accepted
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

239. UNICEF management disagreed with the findings and the recommendation. The number of returned cases is within the established reference parameters of UNICEF, with 10 per cent as the limit of acceptable returns. The cases referred to for the period of the audit analysis represented 7.2 per cent, which is below the established threshold. Organizations function by using references that allow prioritization of the limited resources and it is not realistic to consider zero per cent as the success factor. In addition, the causes of the returned and rejected cases are already well described in the ticket-handling guidelines mentioned in subsection 9 of section B of the Board's report, including the main reasons for rejections. These parameters have also been set up in the tool for users.

240. In paragraph 181 of its report, the Board recommended that, based on the root causes analysis, UNICEF, from an organization-wide perspective, take measures to ensure the integrity and quality of documents sent by the clients to the Global Shared Service Centre.

<i>Department responsible:</i>	Global Shared Service Centre
<i>Status:</i>	Not accepted
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

241. UNICEF management disagreed with the finding and the recommendation. As stated in paragraph 239 above relating to the recommendation in paragraph 180 of the Board's report, the main causes for rejection have already been identified by the Global Shared Service Centre and documented in guidelines.

242. In paragraph 196 of its report, the Board recommended that UNICEF strengthen its internal controls over inactive funds by developing a transparent approach that includes the terms of communication with its procurement services partners, the timelines and the documentation that supports the considerations for the future use of inactive funds.

<i>Department responsible:</i>	Supply Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2024

243. UNICEF is developing a note to document its approach in terms of needed communications with its procurement services partners, and to document and evidence the careful considerations in assessing and deciding whether to proceed with recognizing the residual balances as contributions to UNICEF.

244. In paragraph 205 of its report, the Board recommended that the Philippines country office review its procurement plan and include as many key milestones as appropriate from the Supply Division guidance on the supply of goods and services.

<i>Department responsible:</i>	Philippines country office
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

245. The Philippines country office confirms the completion of this recommendation. It has reviewed its procurement plan and included key milestones, as appropriate, with the endorsement of the country management team. UNICEF considers this recommendation to be implemented and requests its closure by the Board.

246. In paragraph 213 of its report, the Board recommended that the Thailand country office, in coordination with the East Asia and Pacific Regional Office and UNICEF headquarters, implement a standard procedure for monitoring supplies delivered to final beneficiaries, in line with current organizational initiatives and the supply context of the office.

<i>Department responsible:</i>	Thailand country office
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2024

247. UNICEF confirms that the development and implementation of the guidance and tools to monitor supplies delivered to final beneficiaries are on track.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

248. In the annex to its report for the year ended 31 December 2022 ([A/78/5/Add.3](#), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the three recommendations that were assessed by the Board to be either under implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

249. Table 12 summarizes the overall situation as of August 2023.

Table 12

Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Information and Communications Technology Division	2	–	1	1	1	–
Office of Emergency Programmes	1	–	–	1	1	–
Total	3	–	1	2	2	–

Report of the Board for the year ended 31 December 2019¹³

250. **In paragraph 199 of its report, the Board recommended that UNICEF take measures to implement the data warehouse strategy as a priority, especially because this is identified as a critical need to build a long-term, sustainable platform.**

<i>Department responsible:</i>	Information and Communications Technology Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2023

251. UNICEF has completed the identification of a strategic data warehouse platform. A new data hub in line with the strategic data warehouse platform is in place

¹³ [A/75/5/Add.3](#), chap. II.

to support the coronavirus disease (COVID-19) vaccine dashboards. Work is in progress to enhance data presentation capabilities and to migrate data from the current data warehouse to the new platform. The delay in implementing this recommendation was due to the impact of the COVID-19 pandemic and the relocation of the Information and Communications Technology Division from New York to Valencia.

Report of the Board for the year ended 31 December 2021¹⁴

252. In paragraph 93 of its report, the Board recommended that UNICEF ensure that comprehensive testing of the information and communications technology business continuity and disaster recovery plan is carried out regularly, including necessary simulation exercises at defined intervals, as the Board previously recommended (see A/75/5/Add.3, chap. II, para. 244).

<i>Department responsible:</i>	Information and Communications Technology Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Not applicable

253. UNICEF has carried out the testing of the Information and Communications Technology Division business continuity and disaster recovery plan. UNICEF considers this recommendation to be implemented and requests its closure by the Board.

254. In paragraph 125 of its report, the Board recommended that UNICEF update the minimum preparedness standards for headquarters and the regional offices.

<i>Department responsible:</i>	Office of Emergency Programmes
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

255. Updates by UNICEF to the minimum preparedness standards for headquarters and the regional offices build on and fit together with the current works on version 2.0 of the emergency preparedness platform and its enhancement into version 3.0. The lessons learned from this process will be used in updating the minimum preparedness standards. A reference group will be formed with representation from regional and country offices, as well as with the relevant headquarters divisions for validation, dissemination and use. The process is expected to be completed by the end of 2023.

¹⁴ A/77/5/Add.3, chap. II.

VII. United Nations Relief and Works Agency for Palestine Refugees in the Near East

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022¹⁵

256. Table 13 summarizes the status of implementation of the main recommendations of the Board as of August 2023.

Table 13

Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Executive Office	1	–	–	1	1	–
Department of Relief and Social Services	1	–	–	1	1	–
Department of Human Resources	1	–	–	1	1	–
Department of Education	1	–	–	1	1	–
Total	4	–	–	4	4	–

257. Table 14 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 14

Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Executive Office	1	–	–	1	1	–
Department of Relief and Social Services	2	–	–	2	2	–
Department of Human Resources	1	–	–	1	1	–
Department of Planning	4	–	–	4	4	–
Central Support Services Division	2	–	–	2	2	–
Department of Education	4	–	–	4	4	–
Multiple offices	3	–	1	2	2	–
Total	17	–	1	16	16	–

258. In paragraph 26 of its report, the Board recommended that the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) fully clarify the respective roles and interrelationship of the Advisory Committee on Resource Allocation and the Executive Advisory Group in order to further improve the procedures for reviewing budget allocation.

¹⁵ A/78/5/Add.4, chap. II.

<i>Department responsible:</i>	Executive Office
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2023

259. UNRWA will set out clear budget guidance that reflects the roles and responsibilities of the Advisory Committee on Resource Allocation and the Executive Advisory Group and will also update, where necessary, the respective organizational directives for both bodies.

260. In paragraph 34 of its report, the Board recommended that UNRWA report the number of individual service providers in the proposed programme budget in accordance with the definition in the United Nations budget guide.

<i>Departments responsible:</i>	Department of Human Resources and Department of Finance
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

261. UNRWA will start reporting the total individual service provider requirements using the United Nations definition of extrabudgetary resources.

262. In paragraph 40 of its report, the Board recommended that UNRWA record inventory transactions in the REACH system in a timely manner to ensure consistency between REACH records and actual amounts and take measures to identify and dispose of expired inventories.

<i>Departments responsible:</i>	Central Support Services Division and Jordan field office
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

263. UNRWA issued a new warehouse and inventory management manual in February 2023, which provides more efficient procedures for the monitoring of its inventory. The discrepancy was mainly due to in-kind contributions that had yet to be recorded in REACH. The current business process for recording in-kind contributions involves various stakeholders, including the External Relations Department, the Director of UNRWA Affairs, the Central Support Services Division, the Department of Health and the Department of Finance. UNRWA is currently undertaking a review of the regular and recurring in-kind contributions and making necessary amendments to improve the recording of the in-kind contributions in a timely and efficient manner.

264. In paragraph 46 of its report, the Board recommended that UNRWA set a reasonable time frame for the cash distribution process, streamlining administrative procedures, and leverage technology to facilitate payments and ensure that selective cash assistance is distributed in a timely manner.

<i>Department responsible:</i>	Department of Relief and Social Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2023

265. The Department of Relief and Social Services will liaise with the Department of Information Management and Technology to implement changes to the refugee registration information system in order to include the required functionality for administering selective cash assistance in the system and also set up a selective cash assistance dashboard or monitoring mechanism to monitor the timely distribution of selective cash assistance. The UNRWA Jordan field office currently utilizes the manual monitoring tools to ensure that proper reporting and compliance procedures are met.

266. In paragraph 51 of its report, the Board recommended that UNRWA take measures to update the refugee registration information system and monitor cash distribution in Gaza through the system to ensure the timely and accurate tracking of cash distributions.

<i>Department responsible:</i>	Department of Relief and Social Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

267. The Department of Relief and Social Services will liaise with the Department of Information Management and Technology to implement changes to the refugee registration information system to include the required functionality for administering Gaza cash distributions in the system and also set up a dashboard or monitoring mechanism to monitor the timely and accurate tracking of cash distributions. The Gaza field office currently utilizes manual monitoring tools to ensure that proper reporting and compliance procedures are met.

268. In paragraph 58 of its report, the Board recommended that UNRWA strengthen the loan risk management framework of the microcredit community support programme to minimize the risk of loan loss, review loan loss on the basis of collecting practice, write off loans in compliance with regulations and ensure accurate disclosure in financial statements.

<i>Departments responsible:</i>	Department of Relief and Social Services and Lebanon field office
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

269. The microcredit community support programme suspended the issuance of new loans in February 2020 owing to the worsening economic situation in Lebanon. Since the situation has not improved and may not get better soon, a decision has been taken by UNRWA to close the programme because management does not think that it is realistic or in line with the Agency's mandate for the Palestine refugee community in Lebanon to repay issued loans at the prevailing high exchange rates. Repayments and

the write-off of these loans have been duly considered for the closure. UNRWA considers this recommendation to be implemented and requests its closure by the Board.

270. In paragraph 65 of its report, the Board recommended that UNRWA take effective measures to gradually reduce reliance on daily paid workers, particularly in education and medical care, and to mitigate personnel instability and associated management risks that may arise from a high ratio of daily paid workers.

Department responsible: Department of Human Resources
Status: Under implementation
Priority: High
Target date: First quarter of 2024

271. UNRWA acknowledges that it hires daily paid workers to cover absences of a large workforce, as well as to manage the budget owing to the continuous financial constraints it is facing. The Commissioner-General has requested that field offices maintain daily paid workers at 7.5 per cent against the norms to reduce reliance on such workers. Field offices have been requested to proactively plan a reduction in the number of daily paid workers and to provide a plan for the reduction and progress towards the 7.5 per cent target. However, achieving the target will be contingent on the availability of financial resources for 2024 and onwards. It is important to note that any reduction in the number of daily paid workers will depend on the measures taken by UNRWA to address its financial situation.

272. In paragraph 72 of its report, the Board recommended that UNRWA prepare project plans and workplans in accordance with the requirements and templates set out in the project procedures manual.

Department responsible: Department of Planning
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2024

273. The revised UNRWA project procedures manual, which is expected to be finalized and issued by the second quarter of 2024, will include updated templates, elaborated in accordance with best practices, and provide guidance for the development of project plans and workplans.

274. In paragraph 78 of its report, the Board recommended that UNRWA conduct a review of the project assessment system, including the project assessment report template, and enhance the interaction between the project assessment system and REACH in relation to tracking project implementation and financial status.

Department responsible: Department of Planning
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

275. The Strategic Project Management Office in the Department of Planning has conducted a review of the UNRWA project assessment system, including the project assessment report. As a result, the project assessment report template is currently being enhanced to include up-to-date financial information directly extracted from REACH. This will facilitate the tracking of project implementation, including financial status. The new project assessment report template will be operational by the fourth quarter of 2023.

276. In paragraph 84 of its report, the Board recommended that UNRWA review the guidance on ratings for project financial status in the user manual for the project assessment system and ensure alignment of practice.

Department responsible: Department of Planning

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2024

277. As part of the revision of the project assessment report template, the new guidance on ratings for project financial status will be elaborated. This guidance will be included in the revised project procedures manual and is currently under development, with expected completion and issuance by the second quarter of 2024.

278. In paragraph 91 of its report, the Board recommended that UNRWA update the project procedures manual to further improve project closure procedures, including for the issuance of closing memos, and strengthen the monitoring of progress in grant closure for completed projects.

Department responsible: Department of Planning

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2024

279. The revised project procedures manual is currently under development and is expected to be finalized and issued during the second quarter of 2024. The manual will strengthen grant closure procedures, including for the issuance of closing memos. In the meantime, the Strategic Project Management Office is closely monitoring the UNRWA grants closure processes to ensure the timely issuance of closing memos and other procedures necessary to support grant closure for completed projects.

280. In paragraph 97 of its report, the Board recommended that UNRWA take steps to improve the efficiency of its contract management processes to ensure timely closure of purchase orders and minimize the risks associated with prolonged outstanding orders.

Department responsible: Central Support Services Division

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2023

281. UNRWA currently sends a report on purchase orders every two weeks to all contract managers to follow up on all open purchase orders in order to ensure timely delivery. The Agency also provides training and close technical support to all contract managers to follow up and close open purchase orders in a proactive and timely manner to avoid future delays in delivery. As a result, the number of late deliveries is progressively decreasing.

282. In paragraph 102 of its report, the Board recommended that UNRWA strengthen the management of its vendor performance evaluation process and the review of its results to ensure the completeness and accuracy of relevant records, and that it execute key control steps with due care to reduce the risk of incomplete and unfair evaluations.

Department responsible: Central Support Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

283. UNRWA is finalizing the standard operating procedures to strengthen the vendor evaluation process and ensure the timely completion of the vendor performance evaluation with proper endorsement by the concerned officials.

284. In paragraph 108 of its report, the Board recommended that UNRWA continue to conduct periodic reviews of the pattern and causes of dropping out and make a concerted effort to promote the sharing of good practices and to strengthen the academic engagement of students from a more unified perspective to gradually reduce the dropout rate.

Department responsible: Department of Education
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

285. A study is planned for implementation by the Jordan field office as the highest dropout rate was registered in Jordan. Coordination with the University of Bath, United Kingdom of Great Britain and Northern Ireland, in this regard is at an advanced stage. Furthermore, addressing dropout rates will require better understanding of root causes in each field and will also be contingent on the availability of resources. The Department of Education will continue to improve the monitoring of students who are at risk of dropout. Collaboration with the University of Bath is currently under way to better understand the concept of “child neglect” and its impact on students, which includes them dropping out. This understanding will give room to schools and teachers to identify warning signs and risk factors so that preventative and support mechanisms can be put in place. The Department of Education will consider enhancing the monitoring of dropout rates through the Education Management Information System.

286. In paragraph 114 of its report, the Board recommended that UNRWA further facilitate the implementation of teacher qualifying training programmes, establish relevant reporting mechanisms and monitor the progress of such programmes to better support and encourage teachers’ career development so as to enhance the quality of teaching and learning at UNRWA schools.

<i>Department responsible:</i>	Department of Education
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

287. UNRWA will develop a financially costed plan and check options on the basis of affordability, capacity and resources. UNRWA has started collecting data on teachers in need, and the plan will be available by the fourth quarter of 2023.

288. In paragraph 119 of its report, the Board recommended that UNRWA enhance the monitoring and evaluation system of human rights, conflict resolution and tolerance training for newly appointed teachers to ensure the effective implementation of the human rights, conflict resolution and tolerance policy.

<i>Department responsible:</i>	Department of Education
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2024

289. The Department of Education has introduced a new indicator in the UNRWA medium-term strategy for the period 2023–2028 for reporting on the number of newly appointed teachers trained in human rights, conflict resolution and tolerance. In addition, the Department of Education is developing an online course on human rights, conflict resolution and tolerance that will be completed by the end of 2023 and launched in the first quarter of 2024.

290. In paragraph 125 of its report, the Board recommended that UNRWA strictly adhere to the provisions of the policy on promotions of teacher salary group level and ensure that the professional development of teachers is carried out in a fair and transparent environment.

<i>Department responsible:</i>	Department of Education
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

291. UNRWA is undertaking an internal review of the identified cases, and actions will be taken on the basis of the outcome of the internal review and discussions. In addition, UNRWA is working to mitigate the challenge of the high number of teachers not being promoted in the Syrian Arab Republic field office by developing a costed plan that leads to a short-term solution and incorporating such promotions into the annual budget planning cycle. UNRWA expects to have this completed by the fourth quarter of 2023.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

292. In annex I to its report for the year ended 31 December 2022 (A/78/5/Add.4, chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 18 recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

293. Table 15 summarizes the overall situation as of August 2023.

Table 15

Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Central Support Services Division	1	–	–	1	1	–
Department of Education	1	–	–	1	1	–
Department of Finance	1	–	–	1	1	–
Department of Health	1	–	–	1	1	–
Department of Human Resources	1	–	–	1	1	–
Department of Information Management and Technology	4	–	–	4	4	–
Department of Microfinance	2	–	1	1	1	–
Department of Planning	2	–	–	2	2	–
Department of Relief and Social Services	5	–	3	2	2	–
Total	18	–	4	14	14	–

Report of the Board for the year ended 31 December 2016¹⁶

294. In paragraph 31 of the Board's report, UNRWA agreed with the Board's recommendation to (a) expedite allocation of a physical identification number for each asset in the fixed asset register maintained in the REACH system for easy traceability and monitoring of the assets; (b) develop a unique physical identifier to link the REACH system with other systems used to record fixed assets; and (c) expedite reconciliation of the number of vehicles in the REACH system and the fleet management system records.

Department responsible: Central Support Services Division

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2017

Revised target date: Fourth quarter of 2023

¹⁶ A/72/5/Add.4, chap. II.

295. As the only field office yet to fully implement this recommendation, the UNRWA West Bank field office has made progress in updating the asset register. The update is currently ongoing and is expected to be completed by the end of 2023. UNRWA notes that part (c) of the recommendation was already implemented in 2017.

Report of the Board for the year ended 31 December 2017¹⁷

296. In paragraph 138 of the Board's report, UNRWA agreed with the Board's recommendations that it: (a) closely follow up with the guarantors of loan defaulters to recover the long-outstanding loan and liaise with the legal office for legal advice, including enforcement of legal action against the guarantors; (b) perform eligibility analysis prior to granting the loan and avoid granting loans to clients whose guarantors refuse to provide monthly income evidence, with a view to reducing the recoverability risks in case of default by clients; and (c) amend the microcredit community support programme guideline of 2012 to reflect the change in the late fee, from 5 per cent to 2 per cent.

<i>Department responsible:</i>	Department of Relief and Social Services
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2019
<i>Revised target date</i>	Not applicable

297. UNRWA refers to its comments in paragraph 269 above relating to the recommendation in paragraph 58 of the Board's report for the year ended 31 December 2022. UNRWA considers this recommendation to be implemented and requests its closure by the Board.

298. In paragraph 142 of the Board's report, the UNRWA-Lebanon field office agreed with the Board's recommendation that it ensure that all important reports mentioned in the contract are configured in the loan management information system for better management of the microcredit community support programme loan portfolio.

<i>Department responsible:</i>	Department of Relief and Social Services
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2018
<i>Revised target date</i>	Not applicable

299. UNRWA refers to its comments in paragraph 269 above relating to the recommendation in paragraph 58 of the Board's report for the year ended 31 December 2022. UNRWA considers this recommendation to be implemented and requests its closure by the Board.

¹⁷ [A/73/5/Add.4](#), chap. II.

Report of the Board for the year ended 31 December 2019¹⁸

300. **In paragraph 186 of its report, the Board recommended that UNRWA evaluate all individual roles assigned to users in the REACH system and eliminate single roles from the users or document the cases in which single roles will be approved.**

<i>Department responsible:</i>	Department of Information Management and Technology
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date</i>	Fourth quarter of 2023

301. Further review and analysis of the corrected assigned roles has led to the identification of some additional single roles that were not assigned to a specific functional area. The newly identified areas are currently under review and corrective actions are being taken. UNRWA now anticipates finalizing the review and updates by the fourth quarter of 2023.

302. **In paragraph 201 of its report, the Board recommended that UNRWA update the policy on the filing method and the disposal of archives, establishing a method and schedule of disposal, in order to manage and protect information, especially confidential information, in accordance with current standards.**

<i>Department responsible:</i>	Department of Information Management and Technology
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date</i>	Fourth quarter of 2023

303. UNRWA will finalize and circulate the policies on information governance and the information life cycle to all staff by the fourth quarter of 2023. Those policies clearly indicate that the responsibility regarding the development and implementation of the retention schedules and policies and filing rests with the individual departments. The two policies provide the framework and guidance to the UNRWA departments to implement their retention and filing policies.

304. **In paragraph 202 of its report, the Board recommended that UNRWA unify the regulations applicable to headquarters and the different field offices.**

<i>Department responsible:</i>	Department of Information Management and Technology
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date</i>	Fourth quarter of 2023

¹⁸ A/75/5/Add.4, chap. II.

305. UNRWA refers to its comments in paragraph 303 above relating to the recommendation in paragraph 201 of the Board's report for the year ended 31 December 2019. The field offices will implement the policies on information governance and the information life cycle through retention and filing policies developed by the respective programmes and departments at UNRWA headquarters.

Report of the Board for the year ended 31 December 2020¹⁹

306. In paragraph 47 of its report, the Board recommended that UNRWA resume the drafting of the emergency response handbook and expedite its deployment.

<i>Department responsible:</i>	Department of Planning
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2022
<i>Revised target date</i>	Fourth quarter of 2023

307. The Department of Planning has reached out to the donor community; however, these efforts have yet to bear fruit. Regardless of the present gap, the Department has continued to strengthen UNRWA emergency preparedness and response efforts. In this regard, an emergency simulation exercise involving Gaza and headquarters was conducted on 31 October and 1 November 2022, involving 375 staff members at headquarters and in the field. Lessons learned were collected and recommendations will be submitted by the end of 2023 to the UNRWA Executive Advisory Group to continue to strengthen UNRWA emergency management.

308. In paragraph 200 of its report, the Board recommended that the Lebanon field office hold appeals committee meetings regularly in accordance with the relevant regulations and rules.

<i>Department responsible:</i>	Department of Relief and Social Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2022
<i>Revised target date</i>	Fourth quarter of 2023

309. The Department of Relief and Social Services is currently reviewing and updating the relief services instructions and is planning to revise the social safety net programme along with the targeting criteria based on the results of the socioeconomic survey that was conducted in Lebanon at the end of December 2022. The results of the survey are expected to be finalized by the end of 2023. The appeals committee will be in place once the new relief services instructions are adopted.

310. In paragraph 206 of its report, the Board recommended that UNRWA review the microcredit community support programme administrative fee on a regular basis to ensure full compliance with the programme guidelines.

¹⁹ A/76/5/Add.4, chap. II.

<i>Department responsible:</i>	Department of Relief and Social Services
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date</i>	Not applicable

311. UNRWA refers to its comments in paragraph 269 above relating to the recommendation in paragraph 58 of the Board's report for the year ended 31 December 2022. UNRWA considers this recommendation to be implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2021²⁰

312. In paragraph 74 of its report, the Board recommended that UNRWA integrate the inventory of vaccines and other medicines into the e-Health system for unified management and post hospital medicine use records in the REACH system in a timely and accurate manner in order to facilitate closer and more efficient tracking of actual medicine consumption.

<i>Department responsible:</i>	Department of Health
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date</i>	Fourth quarter of 2024

313. The Department of Health noted that the integration of vaccine inventory into the e-Health system would require a new electronic medical records system because integrating that function in the current e-Health system would negatively affect its functional performance. UNRWA is in the process of tendering for the new electronic medical records system, with a time frame of 18 months to finalize the roll-out. The Department of Health has ensured that all other medicine inventories transactions are integrated into the e-Health system and is working closely with the field offices to ensure that the average monthly consumption of non-integrated medicines is posted in the REACH system in a timely and accurate manner to avoid any inaccurate data entry and ensure that the appropriate expiry dates are shown against each batch. In addition, the Department is monitoring the vaccination inventory records closely and can confirm that there has been no expiry of vaccines or wastage of insulin since the Board's previous report.

314. In paragraph 94 of its report, the Board recommended that UNRWA make efforts to communicate with the relevant authority to obtain updated information on employment status and set up specific employment exclusion criteria in food assistance.

²⁰ A/77/5/Add.4, chap. II.

<i>Department responsible:</i>	Department of Relief and Social Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date</i>	No change

315. The Department of Relief and Social Services reached out to the relevant authorities in 2022 but has yet to obtain a positive response on the matter. Further follow-ups are being carried out by the Department to implement this recommendation.

316. In paragraph 108 of its report, the Board recommended that UNRWA keep close contact with the United Nations agency on outstanding contribution receivables and settle the issue as soon as possible.

<i>Departments responsible:</i>	Department of Health and Department of Finance
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date</i>	Fourth quarter of 2023

317. The Department of Finance has been in contact with the United Nations agency and a reconciliation is currently being undertaken for all outstanding receivables to be verified and settled.

318. In paragraph 114 of its report, the Board recommended that UNRWA check the data in the information system and correct any inaccuracies in a timely manner to ensure an accurate data basis for management.

<i>Department responsible:</i>	Department of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date</i>	Fourth quarter of 2023

319. UNRWA started fixing the issue in November 2022, and around 3,200 discrepancies related to the data in the “vacancy from” column were corrected in the first phase. In the second phase, which is currently in progress, the remaining 860 discrepancies are being fixed for the daily paid workers, who are hired against posts funded by the programme budget owing to financial challenges. For data in the “valid from” column, the required action for eliminating discrepancies has been determined. The Department of Human Resources is working with the Department of Information Management and Technology to extract post details from the obsolete enterprise resource planning system, RAMCO, after which the Department of Human Resources will review and upload the correct data from RAMCO to REACH.

320. In paragraph 130 of its report, the Board recommended that UNRWA evaluate the annual operational planning cycle and update organizational directive No. 21 on the basis of the evaluation.

<i>Department responsible:</i>	Department of Planning
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date</i>	Fourth quarter of 2023

321. The Department of Planning is currently finalizing the UNRWA strategic plan 2023–2028. Organizational directive No. 21 will be updated following the finalization and launch of the next strategic plan, and will be aligned with new reporting and planning processes contained in the plan. The Department will complete the revision of organizational directive No. 21 during the fourth quarter of 2023.

322. In paragraph 164 of its report, the Board recommended that UNRWA design and conduct business continuity awareness training for all staff members of the Department of Information Management and Technology.

<i>Department responsible:</i>	Department of Information Management and Technology
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date</i>	Fourth quarter of 2023

323. UNRWA is working on a new technical instruction that will cover business continuity and consider the recent changes in the environment related to cloud migration. This technical instruction in turn will allow UNRWA to deliver meaningful training.

324. In paragraph 171 of its report, the Board recommended that UNRWA ensure that its Gaza field office accelerate the progress of school construction, put the newly constructed schools into use as soon as possible and use flexible methods in setting class sizes to decrease the proportion of classes with more than 40 students.

<i>Departments responsible:</i>	Gaza field office and Department of Education
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2023
<i>Revised target date</i>	First quarter of 2024

325. As of September 2023, two of the four schools have been completed and handed over for use. Significant progress has also been made on the remaining two schools, with a completion rate of 87 per cent for the Tal Rumaida school and 47 per cent for

the Al-Salam school, and an expected completion and handover date of December 2023 and February 2024, respectively.

326. In paragraph 205 of its report, the Board recommended that UNRWA strengthen compliance with the operational manuals and enhance controls over mandatory guarantors to ensure that only eligible clients can apply for loans.

<i>Department responsible:</i>	Department of Microfinance
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date</i>	Not applicable

327. UNRWA has incorporated into its microfinance operational manuals the requirement of mandatory guarantors for every loan application, and has ensured adherence to the manuals in all field offices. UNRWA did not observe any non-compliance in 2022. UNRWA considers this recommendation to be implemented and requests its closure by the Board.

328. In paragraph 218 of its report, the Board recommended that UNRWA automate and integrate the expected credit loss calculator in the loan management information system so as to avoid manual misstatement and improve efficiency.

<i>Department responsible:</i>	Department of Microfinance
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date</i>	Fourth quarter of 2023

329. UNRWA is working to implement the use of the expected credit loss calculator to avoid manual errors, and is currently in the bidding process.

VIII. United Nations Institute for Training and Research

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022²¹

330. Table 16 summarizes the status of implementation of the main recommendations of the Board as of August 2023.

²¹ [A/78/5/Add.5](#), chap. II.

Table 16
Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division for Operations	1	–	1	–	–	–
Division for Strategic Planning and Performance	4	–	1	3	3	–
Multiple offices	1	–	1	–	–	–
Total	6	–	3	3	3	–

331. Table 17 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 17
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division for Operations	10	1	3	6	6	–
Division for Strategic Planning and Performance	6	–	1	5	5	–
Division for People and Social Inclusion	3	–	3	–	–	–
Office of the Executive Director	1	–	–	1	1	–
Multiple offices	5	–	1	4	4	–
Total	25	1	8	16	16	–

332. **In paragraph 34 of its report, the Board recommended that UNITAR develop effective controls to ensure that expenditures reported by the implementing partners are recognized and recorded in a timely manner.**

Department responsible: Division for Operations

Status: Closure requested

Priority: High

Target date: Not applicable

333. UNITAR has already acted by adding periodic reviewing and monitoring of the outstanding advances to implementing partners to the Finance and Budget Unit workplan starting from 2023. Reviewing and checking accounts balances and notifying programmes on ageing “grants-out” are already part of the year-end activities conducted by the Finance and Budget Unit when reviewing the accounts for the financial statements. Furthermore, the Finance and Budget Unit sends personalized emails to managers on delinquent reports, including implementing partner financial reports to programme managers responsible for overseeing the implementing partners with the missing financial reports. On the basis of the above-mentioned actions, UNITAR considers this recommendation to be implemented and requests its closure by the Board.

334. In paragraph 35 of its report, the Board recommended that UNITAR improve project management by requesting and monitoring all overdue financial reports of the implementing partners in accordance with their grant-out agreement provisions.

<i>Departments responsible:</i>	Division for Operations and Division for Strategic Planning and Performance
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

335. The project tracking tool already sends multiple automated notifications on financial reporting requirements to project management with the Finance and Budget Unit in copy, including a reminder of past due financial reports, also with the Executive Director in copy. UNITAR is of the view that the sufficient monitoring controls are currently in place. The controls are also particularly critical given the migration to a new enterprise resource planning system. Following a change in management, the Finance and Budget Unit now uses the project tracking tool regularly. UNITAR considers this recommendation to be implemented and requests its closure by the Board.

336. In paragraph 42 of its report, the Board recommended that UNITAR evaluate the effectiveness of the authorization process of the revolving loan fund and ensure that all requirements for granting loans are met prior to granting pre-financing to programme areas.

<i>Departments responsible:</i>	Office of the Executive Director and Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

337. UNITAR will review and improve the revolving loan fund processes for providing loans to programmes by the end of 2023.

338. In paragraph 43 of its report, the Board recommended that UNITAR ensure that all revolving loan funds be returned in accordance with the provisions established in AC/UNITAR/2016/12.

<i>Departments responsible:</i>	Office of the Executive Director and Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

339. UNITAR will improve its loan monitoring mechanism by implementing a tool to monitor the reimbursement of loans by project. A periodic report on the ageing of the loan, a close review of overdue loans and their timely reimbursement as stated in AC/UNITAR/2016/12 will be implemented by the end of 2023.

340. In paragraph 59 of its report, the Board recommended that UNITAR set up in the enterprise resource planning system the approved appropriations of the programme budget to control and monitor the allocations, commitments and ceilings as adopted by the Board of Trustees.

Department responsible: Division for Operations

Status: Not accepted

Priority: Medium

Target date: Not applicable

341. UNITAR cannot accept this recommendation as it will not be able to fully implement it because of how UNITAR is funded. While UNITAR is already setting up the “general funds” budget for executive management, functional support, institutional operating expenses and other direct operating expenses in the enterprise resource planning system, there is no assessed budget, no appropriation and no allocation of funds at the institutional level, in accordance with the UNITAR business model, which is entirely project-based. In the absence of an assessed budget, UNITAR does not withdraw any funds from any existing budget. The UNITAR Board of Trustees approves the projected budget, which is prepared on the basis of signed agreements and project proposals that are expected to materialize. Funds are raised directly by the programme managers, who are fully responsible for fundraising in their programme units. The allocation of funds is made at the project level, in accordance with the project budget agreed with the donor, and is reflected in the agreement. Managers cannot spend more than the amount they are able to fundraise. Furthermore, to mitigate the risks inherent to its business model, the UNITAR ledger has been changed to be cash-controlled rather than allocation-controlled. In addition, UNITAR is currently using open budget periods to increase efficiencies and reduce the need for massive budget revisions between the start and end of the budget period.

342. In paragraph 60 of its report, the Board recommended that UNITAR analyse the programme budget variances and the variables from which these originate, thus improving the formulation budgetary process.

Department responsible: Division for Operations

Status: Under implementation

Priority: Medium

Target date: Third quarter of 2024

343. UNITAR will launch a study to gather information and analyse the programme budget variances in order to improve its budget formulation process by the third quarter of 2024.

344. In paragraph 72 of its report, the Board recommended that UNITAR undertake an evaluation of learning-related programming, with a view to better understanding factors driving completion and action that can be taken to further improve overall certificate of completion rates in the future.

<i>Department responsible:</i>	Division for Strategic Planning and Performance
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2024

345. UNITAR has drafted terms of reference for an evaluation of learning-related programming, with a view to better understanding factors driving completion rates of courses and other learning events with objective assessments of knowledge. The evaluation will be undertaken during the third and fourth quarters of 2023.

346. In paragraph 73 of its report, the Board recommended that UNITAR establish a realistic target for certificate of completion rates for 2023 based on work undertaken and measure performance with the aim of increasing rates in the future.

<i>Department responsible:</i>	Division for Strategic Planning and Performance
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

347. UNITAR has reviewed its key performance indicators with guidance from the Institute's Evaluation Advisory Board. As a result of this review, UNITAR has included a new key performance indicator on certification of completion rates, with measures and targets defined with a view to gradually increasing rates over time. UNITAR considers this recommendation to be implemented and requests its closure by the Board.

348. In paragraph 88 of its report, the Board recommended that UNITAR undertake an analysis of all outcomes that could not be measured during the prior bienniums and have been included in the biennium 2022–2023 with the purpose of understanding the reasons for failure in its measurement and developing strategies to ensure its measurement by the end of 2023.

<i>Department responsible:</i>	Division for Strategic Planning and Performance
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2024

349. UNITAR has undertaken an analysis of result areas (outcomes) that were not measured in the 2018–2019 or 2020–2021 bienniums. UNITAR notes that some result areas that were not measured in the 2018–2019 biennium were also not measured in the 2020–2021 biennium. Reasons for non-measurement include not having means of verification for the outcome indicator identified at the time of the indicator specification, which has now been addressed through the implementation of another audit recommendation; lack of attention to monitoring outcomes at the level of programme and functional units; and changes to the staffing of one unit that accounted for the majority of non-measured outcomes in the 2020–2021 report. Management has already communicated the outcome measurement requirement for end of the 2022–2023 biennium to ensure that programme and functional units are prepared for this exercise.

350. **In paragraph 89 of its report, the Board recommended that UNITAR ensure that all the outcomes established in its specific results components of the programme budget for the 2022–2023 biennium are measured.**

Department responsible: Division for Strategic Planning and Performance
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2024

351. During the third quarter of 2023, the programme and functional units were notified of the performance measurement policy requirement that UNITAR will implement for the present biennium cycle and for the 2022–2023 performance report during the first half of 2024.

352. **In paragraph 100 of its report, the Board recommended that UNITAR resume as soon as possible the Finance and Budget Unit’s review process as required by “grants-in” and “grants-out” policies.**

Department responsible: Division for Operations
Status: Closure requested
Priority: Medium
Target date: Not applicable

353. The review of grants-in and grants-out by the Finance and Budget Unit has resumed with the appointment of the new Chief of Finance and Budget. UNITAR considers this recommendation to be implemented and requests its closure by the Board.

354. **In paragraph 101 of its report, the Board recommended that UNITAR develop a formal succession plan, with the aim of smoothing transition or minimizing disruptions in case of the unexpected departure of staff.**

Department responsible: Division for Operations
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2024

355. UNITAR will work on developing and implementing a succession strategy at the institutional level by the third quarter of 2024.

356. **In paragraph 113 of its report, the Board recommended that UNITAR develop, including but not limited to the \$200,000 threshold, clear definitions and comprehensive guidance on when an assurance activity should be applied over the expenditure reported by the implementing partners, as well as establish specific criteria on when activities are to be performed internally or externally and clear guidelines for its staff to correctly perform the assurance activities when applicable.**

Department responsible: Division for Strategic Planning and Performance
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

357. UNITAR has initiated work to develop clear definitions, guidance and criteria on assurance activities, taking into consideration the particularities of UNITAR grants to implementing partners and its headquarters-based organizational structure, as well as utilizing best practices from other United Nations organizations. The results of this work will be discussed by management and then presented to the Board of Trustees before being applied.

358. In paragraph 114 of its report, the Board recommended that UNITAR define a schedule for assurance activities that allows implementing partners to be revised within a reasonable time frame.

Department responsible: Division for Strategic Planning and Performance
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

359. A schedule for assurance activities will be developed as recommended by the Board.

360. In paragraph 129 of its report, the Board recommended that UNITAR establish a control mechanism to ensure that the nature and duration of the temporary appointments are in line with the provisions of administrative circular AC/UNITAR/2022/10.

Department responsible: Division for Operations
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

361. The Division for Operations will reinforce its control mechanism to comply with the provisions of administrative circular AC/UNITAR/2022/10. Various communications will be sent to programme managers and division directors urging them to comply with the policy document.

362. In paragraph 130 of its report, the Board recommended that UNITAR assess the root cause of the high percentage of exceptional extensions granted and take the necessary steps to reduce them.

Department responsible: Division for Operations and Office of the Executive Director
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

363. The Division for Operations will analyse the root cause of the high percentage of exceptions and, on the basis of the analysis, will propose a plan of action to reduce exceptions by the end of 2023.

364. In paragraph 142 of its report, the Board recommended that UNITAR review the design of the telecommuting authorization and recording process and establish effective controls in order to enable its monitoring.

Department responsible: Division for Operations
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

365. The Division for Operations plans to develop an information technology solution that would allow for the processing, recording, controlling and monitoring of requests and approval for flexible working arrangements, including telecommuting authorization.

366. In paragraph 143 of its report, the Board recommended that UNITAR review and update the current flexible working arrangements – work/life balance policy, taking special consideration to the gap between the practice at the Institute and the absence of guidance on duty stations.

Department responsible: Division for Operations
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

367. The Division for Operations will draft a plan to amend its policy document on flexible working arrangements by the end of the first quarter of 2024.

368. In paragraph 154 of its report, the Board recommended that UNITAR update its “Gender mainstreaming, gender equality and the empowerment of women policy” and include specific targets and margin of gender parity in its analysis, which aims at accomplishing the United Nations system-wide strategy on gender parity.

Department responsible: Office of the Executive Director
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

369. UNITAR plans to update the “UNITAR gender mainstreaming, gender equality and the empowerment of women policy” (AC/UNITAR/2016/09) by the end of 2023. UNITAR is already monitoring the status of gender representation at all levels on an annual basis through the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women and disseminating the information at a senior managers’ meeting to raise awareness. UNITAR has also engaged in continued support during recruitment, such as the need to have both male and female shortlisted candidates. Latest data on gender and geographical representation are shared with the hiring manager and the interview panel. In 2022, UNITAR started an internal capacity

development programme to empower female professionals. In addition to the above-mentioned ongoing support, UNITAR plans to develop guidance on ways to achieve equal gender representation that are tailored to the UNITAR context and business model.

370. In paragraph 166 of its report, the Board recommended that UNITAR comply with fee criteria under the current International Training Centre for Authorities and Leaders policy when entering into partnership agreements with International Training Centre for Authorities and Leaders centres or update and formalize the regulations if specific fee criteria should be established.

Department responsible: Division for People and Social Inclusion
Status: Closure requested
Priority: Medium
Target date: Not applicable

371. UNITAR has already updated the existing administrative circular, which was originally issued in 2015. In the amendment, host organizations of the International Training Centre for Authorities and Leaders located in the least developed countries, landlocked developing countries and small island developing States are exempted from paying an annual affiliation fee to UNITAR. UNITAR considers this recommendation to be implemented and requests its closure by the Board.

372. In paragraph 167 of its report, the Board recommended that UNITAR recognize the affiliation fee revenue in the correct period and collect from each International Training Centre for Authorities and Leaders the annual affiliation fee and evaluate actions to be taken over outstanding fees.

Department responsible: Division for Operations
Status: Closure requested
Priority: Medium
Target date: Not applicable

373. Starting from 2023, International Training Centre for Authorities and Leaders affiliation fees are recognized in accordance with IPSAS criteria once the agreement is signed. Reviewing and monitoring outstanding fees are included in the workplan of the Finance and Budget Unit for 2023. UNITAR considers this recommendation to be implemented and requests its closure by the Board.

374. In paragraph 168 of its report, the Board recommended that UNITAR remain within the limits of its responsibilities, not allocating funds to activities of the training centres.

Department responsible: Division for People and Social Inclusion
Status: Closure requested
Priority: Medium
Target date: Not applicable

375. This recommendation pertains to the strategic funds allocation that allowed UNITAR to create two new International Training Centre for Authorities and Leaders centres using funds related to a multidivisional health-related project in Africa.

UNITAR has subsidized the creation of both centres in recognition of their strategic location and the specific requests presented by both Governments to UNITAR. As these are unique cases approved under special circumstances, UNITAR considers this recommendation to be implemented and requests its closure by the Board.

376. In paragraph 169 of its report, the Board recommended that UNITAR always maintain duly signed and valid agreements with the host institution in all International Training Centre for Authorities and Leaders centres.

<i>Department responsible:</i>	Division for People and Social Inclusion
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

377. UNITAR confirms that all International Training Centre for Authorities and Leaders agreements were duly signed and validated by all host institutions. The only exception is the UNITAR-affiliated centre in Shanghai, China, which was founded in 2004 by a group of partners that included the Department of Economic and Social Affairs of the Secretariat, CityNet and Regional Cooperation Office for City Informatization of Shanghai Municipality. The original agreement from 2004 was ratified by the Ministry of Foreign Affairs of China and by Shanghai Municipality in 2005. In turn, and as requested by the Government of China, the municipality created an autonomous not-for-profit entity and registered it under its auspices. UNITAR considers this recommendation to be implemented and requests its closure by the Board.

378. In paragraph 177 of its report, the Board recommended that UNITAR review, update and complete all data associated with non-expendable property in the UNITAR inventory tool.

<i>Departments responsible:</i>	Division for Strategic Planning and Performance and Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

379. UNITAR will update and complete data associated with non-expendable property purchased after 2018 in the inventory tool, in accordance with the existing delegation of authority given to managers for creating, maintaining and updating property and inventory control records. For items purchased before 2018, UNITAR has determined that it is not feasible to complete missing information owing to the unavailability of supporting documents for old items. UNITAR will also review fields required in the inventory tool to ensure adequate accountability and efficiency in creating and monitoring inventory records.

380. In paragraph 178 of its report, the Board recommended that UNITAR take measures to ensure proper recording and data updates in the inventory tool and implement them to control and monitor the process for property management.

<i>Department responsible:</i>	Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

381. UNITAR will take action to record and update data in the inventory tool and use the data to control and monitor the process for property management by the end of 2023.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

382. In the annex to its report for the year ended 31 December 2022 (A/78/5/Add.5, chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the two recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

383. Table 18 summarizes the overall situation as of August 2023.

Table 18

Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division for Operations	2	–	–	2	2	–
Total	2	–	–	2	2	–

Report of the Board for the year ended 31 December 2021²²

384. In paragraph 82 of its report, the Board recommended that UNITAR improve the level of compliance with regard to the completion of mandatory training courses.

<i>Department responsible:</i>	Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

385. UNITAR will take action to urge staff members to complete the mandatory training courses. Furthermore, UNITAR will make the mandatory training part of the onboarding procedure for new staff members.

386. In paragraph 83 of its report, the Board recommended that UNITAR implement a monitoring and control mechanism on the completion of mandatory

²² A/77/5/Add.5, chap. II.

training courses in order to mitigate the risks of non-compliance with these personnel obligations in a preventive manner, encouraging the engagement of all levels of governance.

<i>Department responsible:</i>	Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

387. In early 2023, the Human Resources Unit requested the Communications and Information Technology Support Unit to develop an information technology solution that would respond to the recommendation for developing a monitoring mechanism on completion of mandatory training courses. Possible information technology solutions have been discussed, and the development of a solution is in the workplan of the Communications and Information Technology Support Unit for 2023 and will be developed, tested and implemented by the end of 2023.

IX. Voluntary funds administered by the United Nations High Commissioner for Refugees

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022²³

388. Table 19 summarizes the status of implementation of the main recommendations of the Board as of August 2023.

Table 19
Status of implementation of main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division of Financial and Administrative Management	5	–	–	5	5	–
Division of Emergency, Security and Supply	7	–	–	7	7	–
Enterprise Risk Management Service	2	–	–	2	2	–
Total	14	–	–	14	14	–

389. Table 20 summarizes the status of implementation of all recommendations of the Board as of August 2023.

²³ A/78/5/Add.6, chap. II.

Table 20
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division of Financial and Administrative Management	7	–	–	7	7	–
Division of Emergency, Security and Supply	8	–	–	8	8	–
Enterprise Risk Management Service	2	–	–	2	2	–
Total	17	–	–	17	17	–

390. In paragraph 56 of its report, the Board recommended that UNHCR apply specific inventory identifiers, instead of generic ones, for items that are not similar in nature.

Department responsible: Division of Emergency, Security and Supply
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

391. UNHCR is in the process of implementing a new cloud enterprise resource planning system (Cloud ERP) and the use of generic items will be minimized.

392. In paragraph 63 of its report, the Board recommended that UNHCR take the opportunity of the new Cloud ERP system to improve the quality of the freight costs calculation.

Department responsible: Division of Financial and Administrative Management
Status: Under implementation
Priority: High
Target date: First quarter of 2024

393. UNHCR will implement a new approach for calculating freight costs. In the new Cloud ERP system, the basis for freight cost capitalization will be the invoiced freight costs. For donations in kind, the freight costs are recorded as part of the donation value.

394. In paragraph 74 of its report, the Board recommended that UNHCR record all consumables stored in controlled (warehouse) locations in the new Cloud ERP system and apply identical procedures as for other stock items (purchases, distributions, physical verifications, etc.).

Department responsible: Division of Emergency, Security and Supply
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2024

395. In the new Cloud ERP system, UNHCR will record consumables stored in controlled warehouses as inventory, and has already designed steps to reflect this accounting approach. UNHCR will also review the controlled locations in which consumables will be accounted for as inventory until distributed.

396. In paragraph 83 of its report, the Board recommended that UNHCR issue a policy on employee benefits liabilities valuation describing the controls attributable respectively to UNHCR and its actuary.

Department responsible: Division of Financial and Administrative Management
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

397. UNHCR has started to draft instructions that describe the key controls that must be applied in the calculation of employee benefits liabilities, both by UNHCR and by its actuary. The instructions will be finalized and implemented for the next annual financial reporting cycle.

398. In paragraph 101 of its report, the Board recommended that UNHCR conduct and document a detailed review of expenses where cut-off error risk is high, in particular of the most material procurement transactions, such as transportation or fuel.

Department responsible: Division of Financial and Administrative Management
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

399. UNHCR will conduct and document a targeted review of material charges with high risk of cut-off error in the first quarter of 2024 for the next financial year.

400. In paragraph 116 of its report, the Board recommended that UNHCR review and document asset disposal requests against the property, plant and equipment register at year-end closure to ensure that its new guidance concerning transfer of ownership of assets is effectively implemented.

Department responsible: Division of Financial and Administrative Management
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

401. In the design of its new Cloud ERP system, UNHCR will implement a new process that allows it to record the transfer of assets to partners without the need to manually change the asset status to “in service”, which is the case in the current system. This process will facilitate the review of assets at year-end to ensure that all assets subject to transfer of ownership are correctly identified and reflected accordingly in the accounting records.

402. **In paragraph 117 of its report, the Board recommended that UNHCR record all necessary impairments through an annual review of all assets older than one year, especially of vehicles held in the three warehouses (Chon Buri, Thailand, Dubai, United Arab Emirates, and Rotterdam, Kingdom of the Netherlands).**

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2023

403. UNHCR has already initiated a policy to depreciate vehicles held for more than one year at major storage locations where it is considered that the impact of depreciation would be material.

404. **In paragraph 126 of its report, the Board recommended that UNHCR enhance the role of the regional bureaux in the internal control process.**

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: High

Target date: First quarter of 2024

405. The UNHCR regional bureaux are consulted initially when the questionnaire is reviewed to capture the particularities of the cycle. At that stage, they have the opportunity to flag new risks or controls that could be included in the questionnaire. The regional bureaux also play a role in analysing and discussing the results of the UNHCR internal control questionnaires, as well as the remediating actions that could be taken by the region in response. UNHCR will explore further steps to involve the regional bureaux in the review and endorsement of the initial ratings made by country offices in their region.

406. **In paragraph 152 of its report, the Board recommended that UNHCR secure all access rights in its new enterprise resource planning system, taking into account the segregation of duties and changes in employee positions.**

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2023

407. UNHCR will extend the future equivalent of the current delegation of authority plan to all roles actively used by UNHCR in the new Cloud ERP system and will establish procedures to identify and prevent the conflicting roles. UNHCR will also consider embedding various access controls in Cloud ERP.

408. **In paragraph 201 of its report, the Board recommended that UNHCR ensure more consistency in the way risks are reviewed and can be escalated at the level of regional bureaux, and reassess the level of monitoring needed on the less critical ones.**

Department responsible: Enterprise Risk Management Service
Status: Under implementation
Priority: High
Target date: First quarter of 2024

409. UNHCR will develop and roll out guidance to ensure more consistent and effective escalation of risks, as well as guidance on handling less critical risks.

410. **In paragraph 212 of its report, the Board recommended that UNHCR adopt, as a complement to the issuance of its corporate risk appetite statement, a consistent methodology for defining internally its tolerance for operational risks at the field level.**

Department responsible: Enterprise Risk Management Service
Status: Under implementation
Priority: High
Target date: Third quarter of 2024

411. In addition to developing a corporate risk appetite statement, UNHCR will work with a sample of country operations to pilot the setting of risk tolerances for certain key metrics and the operational level. On the basis of these pilots, UNHCR will then develop a consistent methodology for internally defining tolerance for operational risks that can be rolled out more broadly.

412. **In paragraph 267 of its report, the Board recommended that the Administration revise the 2021 procurement framework by (a) lowering the threshold for formal solicitation to ensure effective monitoring and oversight of procurement actions; and (b) addressing key loopholes, particularly in terms of planning, training and staff qualifications.**

Department responsible: Division of Emergency, Security and Supply
Status: Under implementation
Priority: High
Target date: Second quarter of 2024

413. While UNHCR has no evidence that would indicate that its procurement thresholds are too high, it will conduct another in-depth review on the basis of data analysis for all operations, which will be complemented by a review of a sample of procurement actions with values above and below the threshold in selected operations. These reviews will help UNHCR to assess the experience of working with the current threshold.

414. UNHCR is also revising its policy and administrative instructions on procurement and, as part of this revised policy, plans to reinforce the guidance related to procurement planning, as well as training and qualifications for procurement staff.

415. **In paragraph 297 of its report, the Board recommended that UNHCR enhance strategic leadership on procurement at the highest level and allocate as efficiently and effectively as possible the procurement activities to be carried out at the country operation, regional bureau and headquarters levels.**

Department responsible: Division of Emergency, Security and Supply
Status: Under implementation
Priority: High
Target date: First quarter of 2024

416. UNHCR has already undertaken a revision of its supply operating model, which is currently being rolled out. This new framework aims to strengthen the procurement leadership, define in a clearer manner the responsibilities at the country operation, regional bureau and headquarters levels and strengthen procurement capacity at all levels, specifically at the regional bureau level.

417. **In paragraph 315 of its report, the Board recommended that UNHCR define and implement a prioritized demand and supply plan for each entity, and define tools and additional mechanisms to monitor procurement throughout the year.**

Department responsible: Division of Emergency, Security and Supply
Status: Under implementation
Priority: High
Target date: Second quarter of 2024

418. The new supply operating model being implemented by UNHCR foresees a stronger role for the regional bureaux supply teams to coordinate the annual procurement planning and consolidation at the regional level. UNHCR will also review which part of the consolidated procurement plans for all countries should be sourced internationally (i.e. through the Supply Management Service at headquarters), against which part must be procured locally (through local or regional supply teams).

419. **In paragraph 352 of its report, the Board recommended that UNHCR develop a more systemic approach in the way that procurement and inventory management are linked.**

Department responsible: Division of Emergency, Security and Supply
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

420. UNHCR has configured the new Cloud ERP system to enable the evaluation of alternative sourcing options by a category manager or a buyer, including sourcing from existing inventory. Additional checks and alerts are also included as measures to optimize the inventory on hand or in the pipeline.

421. **In paragraph 369 of its report, the Board recommended that UNHCR strengthen the role of the second “line of defence” in key internal controls on procurement processes, including at the regional level.**

<i>Department responsible:</i>	Division of Emergency, Security and Supply
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2024

422. UNHCR is introducing a new supply operating model. This new framework aims to strengthen the procurement teams in the regional bureaux, giving them responsibility for complex local purchases, which in the past were carried out by country teams. International purchasing will also be handled by a strengthened global service. This framework is supported by the new Cloud ERP system scheduled to be launched in September 2023. UNHCR also considers reviewing the criteria for selecting the most appropriate purchasing method.

423. In paragraph 410 of its report, the Board recommended that UNHCR regularly undertake a review of the most frequent cases of non-compliance in procurement identified by the relevant procurement review authority, and put in place appropriate measures to tackle the root causes of those weaknesses, in order to improve the oversight of procurement processes at all levels.

<i>Department responsible:</i>	Division of Emergency, Security and Supply
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2024

424. UNHCR is reviewing and analysing cases of non-compliance related to procurement activities in several ways. UNHCR will review how this root cause analysis might be further enhanced, for example through the conduct of additional checks on samples of procurement activities.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

425. In the annex to its report for the year ended 31 December 2022 ([A/78/5/Add.6](#), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 41 recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

426. Table 21 summarizes the overall situation as of August 2023.

Table 21
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division of Strategic Planning and Results	15	–	–	15	15	–
Division of Human Resources	13	–	2	11	11	–
Division of Financial and Administrative Management	9	–	–	9	9	–
Evaluation Office	1	–	–	1	1	–
Global Data Service	1	–	–	1	1	–
Transformation and Change Service	1	–	–	1	1	–
Division of Information Systems and Telecommunications	1	–	–	1	1	–
Total	41	–	2	39	39	–

Report of the Board for the year ended 31 December 2021²⁴

427. **In paragraph 27 of its report, the Board recommended that UNHCR follow up on the impact and costs of the decentralization and regionalization reform through completing a comprehensive evaluation to establish if intended results foreseen in 2019 framework decisions on decentralization and regionalization have been achieved.**

Department responsible: Evaluation Office
Status: Under implementation
Priority: High
Original target date: Second quarter of 2024
Revised target date: No change

428. A comprehensive evaluation of the decentralization and regionalization reform is included in the work programme 2023–2024 of the Evaluation Office of UNHCR.

429. **In paragraph 28 of its report, the Board recommended that UNHCR closely monitor the implementation of the strategic workforce planning methodology and its impact on the strengthening of country presences in view of the intended goals of the decentralization and regionalization reform.**

Department responsible: Division of Human Resources
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2023
Revised target date: No change

²⁴ A/77/5/Add.6, chap. II.

430. UNHCR is closely monitoring the implementation of the strategic workforce planning approach. For example, operations were requested to report within the 2022 internal control questionnaire whether they had prepared a human resources action plan as provided in the applicable guidance. These plans are a key result derived from the workforce planning exercises that operations are encouraged to undertake. UNHCR is also building the capacity of operations in general, and human resources teams, to implement the strategic workforce planning approach through a newly developed workforce planning handbook to be released in the fourth quarter of 2023.

431. In paragraph 37 of its report, the Board recommended that UNHCR summarize existing documents into one formal accountability framework that defines roles, authorities and accountabilities in the organization in a compulsory manner and includes reporting lines and authorities.

<i>Department responsible:</i>	Transformation and Change Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Second quarter of 2024

432. UNHCR has revised the roles, accountabilities and authorities for country offices, regional bureaux and headquarters divisions. The updated roles, accountabilities and authorities were reissued by the United Nations High Commissioner for Refugees in December 2022, reflecting many lessons learned over the past three years. They also included new content in key areas of work. The roles, accountabilities and authorities, together with policies and administrative instructions, constitute a foundation block of the UNHCR accountability framework and are a guide to empower teams and support decision-making at every level of the organization. UNHCR intends to bring together these components in a formal accountability framework in 2024 following the finalization of the business transformation programme.

433. In the finalization of its overall accountability framework, UNHCR will also be informed by the outcomes of the report of the Joint Inspection Unit report on the review of accountability frameworks in the United Nations system organizations (JIU/REP/2023/3), which was issued in June 2023.

434. In paragraph 74 of its report, the Board recommended that UNHCR reshape its results-based management guidance to ensure the intended reorientation of strategic planning and set a focus on the required mind-shift towards the intended added value of the new approach, the multi-year planning and the practical implementation of COMPASS.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Third quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

435. UNHCR has revised and consolidated all its results-based management and programming guidance and policies over the past two years to fully reflect its

multi-year strategic planning approach and the transformation brought about through COMPASS. The new programme handbook and policies and procedures on programme and resource management will be issued in the fourth quarter of 2023. In addition, UNHCR is preparing a capacity development strategy to provide further support to country operations in order to strengthen the quality of their strategic planning. Furthermore, since early 2021, dedicated capacity-building officers continue to be deployed to all regional bureaux to support this process.

436. In paragraph 85 of its report, the Board recommended that UNHCR complement the COMPASS tool with enhanced reporting functionalities based on identified user needs.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

437. UNHCR is developing reporting functionalities, which include a business intelligence tool and a results data portal that will allow both global and detailed COMPASS data analysis as well as the creation of customized reports for specific needs. The majority of the COMPASS content is now on the data portal, which is accessible to UNHCR staff, with the remaining few reports expected to be completed by the end of 2023.

438. In paragraph 87 of its report, the Board recommended that UNHCR further enhance the user-friendliness, functionalities and operational capabilities of the COMPASS tool.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

439. UNHCR has been improving and enhancing the COMPASS tool, taking into account, in particular, the lessons learned in 2021, which allowed UNHCR to capture end-user feedback and identify areas for improvement, which are mainly focused on performance, stability, user experience and reporting capabilities. In 2022, in the key areas of budgeting and results chain management, user-friendly improvements have been implemented with positive feedback from the end-user community, as well as functional and reporting improvements to the position management functionality. The results data portal has also been improved to provide reports and analytical views to support decision-making and results-based management. Additional enhancements are included in the scope of work of the COMPASS realignment project.

440. In paragraph 101 of its report, the Board recommended that UNHCR streamline the measurement of programme results by interconnecting sectoral information available in other systems, such as CashAssist and the Project

Reporting, Oversight and Monitoring Solution (PROMS), to feed into COMPASS, the new results-based management tool.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2023
<i>Revised target date:</i>	Second quarter of 2024

441. An inventory exercise conducted in 2021 by the Global Data Service in respect of UNHCR operational headquarters data systems found a lack of interoperability for many of these systems, hindering evidence-based decision-making. Updated guidance on managing the core indicators will be included in the forthcoming programme handbook, making a clearer link to other operational data systems to ensure that they are considered comprehensively in monitoring, adjustment and reporting. While an automated flow of data from the sectoral systems to COMPASS is not envisaged, the results indicator information will be automatically shared from PROMS to COMPASS.

442. In addition, since 2022, UNHCR has implemented Orion, establishing a robust foundation for combining operational data, beginning with population and location data, spread across disconnected enterprise systems into a centralized data platform and enabling integrated analysis to aid data-driven decisions. This has created valuable insights from reliable data that support stronger advocacy and more effective targeting of interventions. The Global Data Service is working on expanding the data inventory to include in the Orion Analytics Centre, with more data being collected by operations and bureaux or extracted from different other data domains.

443. In paragraph 111 of its report, the Board recommended that UNHCR prioritize the use of core impact and outcome indicators and encourage the appropriate use of good practice and user-defined indicators to ensure coherent and aggregable reporting.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	No change

444. UNHCR is in the process of reviewing and improving core impact and outcome indicator guidance to improve their use. UNHCR is also developing guidance for using prioritized good practice indicators, and is monitoring the use of good practice and user-defined indicators to understand how this flexibility has been utilized, recognizing that this was a key requirement coming from field operations at the time when the new results-based management system was developed. The lessons learned will feed into the organizational efforts to enhance the management of indicators and will be captured in the programme handbook.

445. In paragraph 112 of its report, the Board recommended that UNHCR continue to review and monitor the selection and use of output indicators, with

a view to considering developing a subset of relevant output indicators for global aggregation and reporting.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	No change

446. In the fourth quarter of 2023, UNHCR will introduce a set of core output indicators that operations will start using in COMPASS for strategies in 2024. Detailed guidance is currently being developed for these indicators to ensure harmonized use. This set will be used for global reporting, with results data available for the first time in 2025, and will help to streamline the aggregation of output.

447. In paragraph 117 of its report, the Board recommended that UNHCR carefully review the comparability of indicators that are intended for global presentation and ensure the availability of baseline data.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	First quarter of 2024

448. The review of core indicator data was systematically undertaken as part of the 2022 annual results reporting. Core indicator data were published in mid-2023 as part of the global report and in the annual results reports of 50 operations. Since this was the first time that the data for the new indicators were shared, UNHCR will use this internal review and external reporting to learn lessons and possibly refine and improve the presentation of indicators in future.

449. In paragraph 208 of its report, the Board recommended that UNHCR improve its mechanisms for the tracking of large orders of information technology-related serially tracked items in the new enterprise resource planning system and strengthen the compliance of field operations with the policy on serially tracked items.

<i>Department responsible:</i>	Division of Information Systems and Telecommunications
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	No change

450. In the new Cloud ERP system, the serially tracked items (which will be renamed as “low-value tracked items”) will be tracked through the same functionality as the

one used for other fixed assets. While the low-value tracked items will continue to be fully depreciated immediately and will not be capitalized, the use of the functionality for asset management will help to improve the management of such low-value assets. The policy related to low-value assets is also under review to provide additional clarity and to strengthen the way such items are handled.

451. In paragraph 234 of its report, the Board recommended that UNHCR accelerate its separation process to minimize the number of cases that last beyond the turn of the year.

Department responsible: Division of Human Resources

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2022

Revised target date: Fourth quarter of 2023

452. Following the launch of the new digital human resources system (Digital HR) in late 2022, UNHCR has been exploring more efficient ways to deal with the completion of the separation procedures. The separation procedures consist of not only actions taken in the human resources system, but also those taken in the new Cloud ERP system; therefore, the completion of process enhancements for separation also depends on the launch and stabilization of Cloud ERP. In the interim, the Managing for Systems, Resources and People (MSRP) system is also being maintained to allow for the processing of transactions with retroactive effect.

453. In paragraph 235 of its report, the Board recommended that UNHCR ensure the timely recognition of special post allowances and salary increases after promotion to higher staff categories in the new enterprise resource planning system.

Department responsible: Division of Human Resources

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2022

Revised target date: Fourth quarter of 2023

454. UNHCR continues to explore the implementation of necessary process enhancements in the newly implemented Digital HR system, in order to optimize and improve the timing related to the management of special post allowances and salary increases following promotions.

455. In paragraph 241 of its report, the Board recommended that UNHCR ensure the recording of salary payments in the appropriate financial period by integrating all other payroll elements into the global payroll subledger of the new enterprise resource planning system to avoid staff-related journal entries on general ledger accounts.

<i>Department responsible:</i>	Division of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

456. UNHCR is currently in the process of migrating to a new enterprise resource planning system (Cloud ERP) that will integrate all payroll accounting procedures into the subledger and will enhance the automation of the payroll journal entries that are currently posted manually. This future automated process will further support the recording of salary payments in the appropriate financial period by enhancing the accuracy and completeness of the year-end accruals in connection with the payroll elements.

457. In paragraph 273 of its report, the Board recommended that UNHCR improve its data sources for the reporting of staff in between assignments and use the valid data from the payroll system as an information basis.

<i>Department responsible:</i>	Division of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

458. UNHCR is taking measures in the newly adopted system (Workday) to streamline the data sources for staff in between assignments and will present enhanced information based on various parameters related to staff in between assignments to address the needs of various target audiences in a consistent manner.

459. In paragraph 286 of its report, the Board recommended that UNHCR update its financial risk management strategy and guidelines, conduct updates on a regular basis and specify in the guidelines how UNHCR assesses, monitors and mitigates the credit, liquidity and market risks (in particular currency and interest risks) at the individual and portfolio level.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

460. UNHCR will holistically update the strategy and guidelines regarding core treasury management (liquidity, foreign exchange and investments) and the related treasury risk management methodologies and assessments used. It is expected that the updated guidelines on treasury management will be finalized for endorsement in the fourth quarter of 2023.

461. **In paragraph 294 of its report, the Board recommended that UNHCR design additional automated key performance indicators that can be objectively calculated on the basis of data recorded in the new enterprise resource planning system and that complement the information used in generating the statement of internal control.**

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Third quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

462. As part of the Cloud ERP project, UNHCR will identify relevant key performance indicators that can be extracted from the future system for use in assessing the functioning of various controls. These indicators will be used to complement the information collected through the self-certified internal control questionnaire, as part of the process to prepare the statement of internal control. The Cloud ERP system is expected to be launched in the third quarter of 2023, after which time the design of automated indicators that can be extracted from the system will be refined and tested in practice, in the context of the preparation of the internal control questionnaire for 2023.

463. **In paragraph 310 of its report, the Board recommended that UNHCR review the accounting process of implementing partners with regard to an automation and simplification that makes manual intervention almost redundant in the new enterprise resource planning system.**

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	No change

464. In the context of the business transformation programme, UNHCR is implementing a project reporting, oversight and monitoring solution (PROMS), which will contribute to automating the main partnership management processes and reduce manual intervention in the posting of financial transactions.

465. **In paragraph 318 of its report, the Board recommended that UNHCR strengthen the link between performance review and the release of additional instalment payments and enable the documentation of the review in the upcoming software solution.**

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	No change

466. UNHCR has improved the link between performance review and financial verification leading to requests for new instalments. The process for requesting instalments is intended to be automated within PROMS. This automation will significantly enhance partnership management in this area.

467. In paragraph 322 of its report, the Board recommended that UNHCR use the tools available to take further steps to improve compliance with its deadlines with regard to partner financial reports.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	No change

468. UNHCR will automate the process for submission of partner financial reports within PROMS. This automation is expected to enhance compliance with the requirements for the timely submission and revision of partner financial reports.

469. In paragraph 380 of its report, the Board recommended that UNHCR update and aggregate its existing policies and guidelines regarding the monitoring, documentation and accounting of construction projects to achieve an institutionalized use of templates and status reports.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

470. While some guidance related to construction projects is currently available in various documents, UNHCR is planning to capture all of this guidance in a consolidated and more detailed manner in the form of a separate guiding document on construction projects. That document will form part of the global repository of documents accompanying the programme handbook, which is under development. It is expected that guidance document on construction projects will contribute to improved consistency and harmonization of practices for planning, monitoring and reporting on construction projects across the field operations. PROMS will also provide for the digitalization of key construction management milestones and tasks, ensuring a clear audit trail of construction project documentation.

471. **In paragraph 395 of its report, the Board reiterated its recommendation that UNHCR should establish an overarching strategy for workforce planning purposes (A/76/5/Add.6, chap. II, para. 288) and emphasized that the strategy framework should outline how trends could be assessed.**

Department responsible: Division of Human Resources

Status: Under implementation

Priority: High

Original target date: Fourth quarter of 2024

Revised target date: No change

472. To further develop its workforce planning approach and leveraging the new human resources system, UNHCR has initiated the drafting of an overarching strategy and framework for workforce planning in UNHCR.

473. **In paragraph 401 of its report, the Board reiterated its recommendation that UNHCR develop and release staffing review toolkits (A/76/5/Add.6, chap. II, para. 296) and stressed that these toolkits should include indicators for benchmarks following the eight functional areas to quantify staffing needs.**

Department responsible: Division of Human Resources

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2023

Revised target date: Fourth quarter of 2024

474. UNHCR is developing two handbooks, one providing guidance on the staffing reviews and workforce planning, and the other on guidance related to field presences and staffing indicators. The handbook related to staffing reviews is expected to be released before the end of 2023, while the handbook on field presences requires extensive consultations and input from various offices across UNHCR, and thus is expected to be completed by the end of 2024. These handbooks together will provide a comprehensive and holistic set of tools to be used for conducting staffing reviews and identifying functional indicators that would address this recommendation.

475. **In paragraph 405 of its report, the Board recommended that UNHCR examine whether to establish sample performance indicators that could be used for monitoring purposes and adapted to the staffing needs of each operation.**

Department responsible: Division of Human Resources

Status: Under implementation

Priority: High

Original target date: Fourth quarter of 2022

Revised target date: Fourth quarter of 2023

476. UNHCR has drafted a list of key performance indicators and metrics that can be used to monitor the human resources action plans. The list will be included in the

UNHCR handbook for workforce planning, which will be released before the end of 2023 (see also para. 474 above).

477. In paragraph 410 of its report, the Board recommended that UNHCR reconsider the methodology for determining the right size of the human resources teams in operations.

<i>Department responsible:</i>	Division of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

478. As mentioned in the response to the recommendation of the Board in paragraph 401 of its report (see para. 474 above), UNHCR is further enhancing the identified staffing indicators for determining the right size and level of staffing for various functions across UNHCR operations, including the human resources function and teams, to ensure a consistent approach. The indicators specific to human resources functions are expected to be finalized by the end of 2023 and will later be included in the handbook for designing field presences alongside staffing indicators for other functions in UNHCR.

479. In paragraph 417 of its report, the Board recommended that UNHCR review how the plan access control system roles are attributed to functional roles in UNHCR to encourage more participation and inputs and ultimately optimize the quality of the information entered in COMPASS.

<i>Department responsible:</i>	Division of Human Resources
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2023
<i>Revised target date:</i>	Not applicable

480. UNHCR has reviewed the plan access control roles and ensured that human resources partners have been granted the “bureau plan quality assurer roles” in COMPASS to optimize the quality of information entered in COMPASS. UNHCR considers this recommendation to be implemented and requests its closure by the Board.

481. In paragraph 418 of its report, the Board recommended that UNHCR strengthen the role of human resources partners and make their participation in the budget and annual programme review process more prominent.

<i>Department responsible:</i>	Division of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

482. UNHCR is building the capacity of human resources colleagues and human resources partners, both at the field operation and regional bureau levels, in workforce planning, with the aim of achieving a more effective participation of these roles in the planning process. The participation of human resources partners in the budget and annual programme review will be formalized by including language on the role of human resources in various sections of the draft programme handbook and in the new policy on plan, get and show to reflect the important role of human resources in the planning process.

Report of the Board for the year ended 31 December 2020²⁵

483. In paragraph 89 of its report, the Board recommended that UNHCR continue to review the impact of the changes to its budgetary structure on management efficiencies, analyse the benefits of the changes proposed, communicate the result of the analysis and provide assurance that the proposed budgetary structure meets the requirements of transparency and quality.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2025
<i>Revised target date:</i>	No change

484. UNHCR will continue to examine its amended budget structure over the coming budget cycles, with a view to reporting to its Executive Committee in accordance with the relevant decision of the Committee at its seventy-first session (see [A/AC.96/1209](#)), in which it endorsed a review of the impact of changes to the budgetary structure and periods on management efficiencies and the ability of UNHCR to deliver on its mandate, with a view to any revisions if needed, to be presented to the Committee no later than 2025, with preliminary reviews as needed.

485. In October 2021, the Executive Committee approved the programme budget for 2022 ([A/AC.96/1213/Rev.1](#)), the first one to reflect the new global results framework. The programme budget for 2023 ([A/AC.96/1224](#)) was also reviewed and approved by the Executive Committee. This provided a new opportunity to assess whether Member States had any concerns on the new budgetary structure and its transparency and quality.

486. In paragraph 171 of its report, the Board recommended that UNHCR analyse and streamline the fuel management in country operations, where relevant and feasible, and establish guidance, including on storage, reconciliation and documentation, and unitary templates for standard operating procedures for fuel management on the basis of guiding principles.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

²⁵ [A/76/5/Add.6](#), chap. II.

487. An administrative instruction on fuel management is currently being prepared. This instruction will be informed by the findings and recommendations of the fuel management analysis project, which is ongoing. This project required more time than initially estimated and therefore triggered a delay in the preparation of the instruction on fuel. In the meantime, UNHCR has partially addressed the recommendation by putting in place a standardized tendering package for fuel procurement in consultation with the Procurement Section.

488. In paragraph 172 of its report, the Board recommended that UNHCR implement measures to facilitate the monitoring of fuel management in the country operations. The regional bureaux could play a role in identifying and reconciling discrepancies in quantities and in expense recognition with regard to fuel.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

489. UNHCR is in the process of drafting an administrative instruction on fuel management. This new instruction will clarify roles and responsibilities regarding the monitoring of fuel management at the local, regional and headquarters levels. The role and responsibilities of the bureaux in that regard will be especially emphasized, building upon the conclusions from the fuel survey conducted in 2021.

490. A fuel stock measurement/control pilot study has been initiated in one country operation with new technology for fuel level monitoring. The findings of the pilot study will inform the analysis mentioned in paragraph 487 above relating to the recommendation in paragraph 171 of the Board's report for the year ended 31 December 2020.

491. In paragraph 231 of its report, the Board recommended that UNHCR consolidate and complement the guidance material on the implementing partnership management processes in one comprehensive repository that should also include the regulations in response to previous audit recommendations.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

492. UNHCR has been working to consolidate and revise its guidance material for all processes around the management of funded partnerships. However, given the ongoing implementation of the new Cloud ERP system, the launch of the new programme handbook, designed to be a repository for partnership management procedures, has been postponed until the fourth quarter of 2023 to allow for better capturing of the specific elements derived from the launch of new systems, thus necessitating the revision of the target date for implementation of the recommendation.

493. In paragraph 268 of its report, the Board recommended that UNHCR define more clearly the cases in which the use of new job titles for affiliates is applicable with regard to the new administrative instruction.

<i>Department responsible:</i>	Division of Human Resources
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2022
<i>Revised target date:</i>	Not applicable

494. In the newly implemented digital human resources system, there is a mandatory requirement to process all hiring of all categories of affiliates through a job requisition process. As part of this process, the system offers the standard UNHCR job titles to the administrator for cases when the affiliate does a job identical to those carried out by staff. For cases when the affiliate's job is non-standard (e.g. for consultants), the system allows a different job title to be entered accordingly. However, even in such cases, the administrator needs to link the special job title to the relevant job family, which drastically enhances the capability of UNHCR to monitor and report on its workforce composition in terms of functional areas. UNHCR considers this recommendation to be implemented and requests its closure by the Board.

495. In paragraph 279 of its report, the Board recommended that UNHCR further improve the use of enhanced data analytics for additional dashboard reports and data analytics that would facilitate human resources planning analysis. Therefore, UNHCR should define key indicators. This would allow for the benchmarking of the workforce among operations and would enhance knowledge regarding whether the various functional groups of an operation are adequately staffed compared with those of other operations.

<i>Department responsible:</i>	Division of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	No change

496. Since the roll-out of the new Digital HR system in October 2022, new dashboards have been created to facilitate data analytics and data-driven decision-making processes. Training of human resources practitioners, in partnership with regional bureaux and headquarters divisions, is ongoing. Staffing indicators are being developed for every function with the aim of including them in the handbook for designing field presences.

497. In paragraph 312 of its report, the Board recommended that UNHCR, together with the FleetWave provider, optimize the FleetWave tool to avoid faulty data recording and to enhance usability.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Second quarter of 2022
<i>Revised target date:</i>	First quarter of 2024

498. UNHCR has enhanced the data entry functionality by including an automatic data control mechanism that sets the parameters for the different data sets and flags any entries that are outside the expected range to enable correction at entry point. The change in the UNHCR enterprise resource planning system to a new cloud-based system provided an opportunity to enhance the integration between FleetWave and the new Cloud ERP system. The transition from the current tool to the new Cloud ERP system will be done in multiple phases; the current interface functionality will be replicated in Cloud ERP during 2023 and the additional integrations are expected to be implemented during the first quarter of 2024, necessitating the adjustment of the target dates for implementation.

Report of the Board for the year ended 31 December 2019²⁶

499. In paragraph 36 of its report, the Board recommended that UNHCR opt for a simplified asset recognition process and a reduced need for manual month-end adjustments in the selection of a new enterprise resource planning solution.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2023

500. This recommendation will be addressed through the incorporation of the necessary functionality in the design of the new enterprise resource planning system. Various alternatives to deal with the cost of deployment of assets from the stockpile to the country operations (second-leg transportation) are assessed as part of the asset module of the new Cloud ERP system.

501. In paragraph 40 of its report, the Board recommended that UNHCR explore options for the automated allocation of the second-leg transportation costs in the selection of a new enterprise resource planning system.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2023

²⁶ A/75/5/Add.6, chap. II.

502. Implementation of the recommendation will be addressed through the incorporation of the necessary functionality in the design of the new enterprise resource planning system. Various alternatives to deal with the cost of deployment of assets from the stockpile to the country operations (second-leg transportation) are assessed as part of the asset module of Cloud ERP.

503. In paragraph 88 of its report, the Board recommended that UNHCR explore the option of an electronic, system-integrated delegation of authority process. The process should encompass all enterprise resource planning modules and ensure an overarching conflict check across the entire enterprise resource planning architecture.

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: High

Original target date: First quarter of 2024

Revised target date: Fourth quarter of 2023

504. UNHCR is building on the available modules in the new Cloud ERP system dedicated to access controls and transaction controls to incorporate in the design various automated processes for the delegation of authority. UNHCR will extend the future equivalent of the current delegation of authority plan to all roles actively used by UNHCR in Cloud ERP and will establish procedures to identify and prevent the conflicting roles. UNHCR will also consider embedding various access controls in Cloud ERP, as equally indicated in paragraph 407 above relating to the recommendation in paragraph 152 of the Board's report for the year ended 31 December 2022. The target date for implementation has been revised to align with the scheduled projected go-live date of the new Cloud ERP system.

505. In paragraph 89 of its report, the Board recommended that UNHCR link the procure-to-pay delegation of authority to functions rather than to individual persons, subject to the progress of the ongoing job description harmonization project.

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: Medium

Original target date: First quarter of 2024

Revised target date: Fourth quarter of 2023

506. UNHCR refers to its comments in paragraph 504 above relating to the recommendation in paragraph 88 of the Board's report for the year ended 31 December 2019.

507. In paragraph 238 of its report, the Board recommended that UNHCR develop a plan for the ongoing implementation and extension of multi-year partnership agreements (including a financial target) for the years ahead. This should include links to budget cycles, monitoring and auditing.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2023

508. UNHCR has reviewed and updated its policies and practices regarding multi-year agreements in the light of recent multi-year planning reforms and the roll-out of COMPASS. Following dialogue with internal and external stakeholders, and considering the limitations related to donor funding and the UNHCR financial cycle, the forthcoming procedure on partnership management introduces partnership framework agreements from 2024, to give partners more predictability across the period of the multi-year strategy. UNHCR used this opportunity to clarify and distinguish between the terms and conditions of agreements to collaborate or partner over multiple years, on the one hand, and those for the immediate financial year, on the other hand. The new procedure is expected to be released before the end of 2023.

509. In paragraph 240 of its report, the Board recommended that UNHCR provide templates for multi-year partnership agreement amendments to continue the agreement into the second year. Such templates should provide for necessary information such as budget information and updated instalment plans in a concise format.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2023

510. This recommendation will be addressed through the same actions as those in response to the recommendation in paragraph 238 of the Board's report for the year ended 31 December 2019 (see para. 508 above). This recommendation will be implemented with the launch of the new partnership procedure and programme handbook before the end of 2023.

511. In paragraph 343 of its report, the Board recommended that the representatives of country operations each confirm to the regional bureaux and headquarters with their signatures the decommissioning of proGres v3.

<i>Department responsible:</i>	Global Data Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Fourth quarter of 2023

512. UNHCR is developing an administrative instruction that will include more extensively policy and procedural aspects related to the Population Registration and

Identity Management EcoSystem (PRIMES). Following the successful migration of the proGres v4 system to the cloud in April 2023, a thorough assessment is being conducted with the aim of extending the proposed administrative instruction to also encompass proGres v4 itself.

X. Fund of the United Nations Environment Programme

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022²⁷

513. Table 22 summarizes the status of implementation of the main recommendations of the Board as of August 2023.

Table 22

Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Corporate Services Division	5	–	–	5	5	–
Policy and Programme Division	1	–	–	1	1	–
Evaluation Office	1	–	–	1	1	–
Total	7	–	–	7	7	–

514. Table 23 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 23

Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Corporate Services Division	10	–	1	9	9	–
Policy and Programme Division	5	–	–	5	5	–
Ozone Secretariat	3	–	2	1	1	–
Regional Office for Europe	2	–	–	2	2	–
Regional Office for West Asia	1	–	1	–	–	–
Industry and Economy Division	1	–	–	1	1	–
Law Division	1	–	1	–	–	–
Evaluation Office	1	–	–	1	1	–
Total	24	–	5	19	19	–

515. In paragraph 26 of its report, the Board recommended that the United Nations Environment Programme (UNEP) liaise with each of the multilateral environmental agreements' secretariats to conduct an individual analysis on the

²⁷ A/78/5/Add.7, chap. II.

applicability of adopting a results-based approach in budget formulation for their respective budgets.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2024

516. The Multilateral Environmental Agreements Unit in the Corporate Services Division, in consultation with the multilateral environmental agreement secretariats, will develop a guidance note on results-based budgeting tailored to individual multilateral environmental agreement secretariats.

517. In paragraph 31 of its report, the Board recommended that UNEP, in coordination with the Ozone Secretariat, include information on estimated earmarked contributions in the fact sheets, in addition to the received contributions in the proposed budget, to enhance the transparency of the trust funds.

<i>Department responsible:</i>	Ozone Secretariat
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

518. Estimated earmarked contributions, as well as contributions that have been received for the year 2024, have been reflected in the fact sheets document and posted on the Secretariat's website for review and discussion by the parties during the thirty-fifth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer, to be held during the fourth quarter of 2023. A similar practice will be followed in future years' budget documents, specifically the fact sheets document. UNEP considers this recommendation to be implemented and requests its closure by the Board.

519. In paragraph 37 of its report, the Board recommended that the Ozone Secretariat consult the parties and UNEP to agree on the appropriate level of cash balance in order to make full use of the fund.

<i>Department responsible:</i>	Ozone Secretariat
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

520. The amount of \$11,370,000 as at 30 September 2022 noted in the Board's report is the total of the cash balance and reserves of the trust fund for the Montreal Protocol. The cash balance on 30 September 2022 was \$9,326,909. The Ozone Secretariat has reviewed and calculated its current uncommitted cash balance. As at 30 June 2023, the uncommitted balance was \$6,401,516, which can cover up to 11 months of expenditure. It does not take into account the end-of-service and post-retirement staff liabilities. At the thirty-fourth Meeting of the Parties, UNEP consulted the parties to the Montreal Protocol on the use of the cash balance; the parties authorized the Ozone

Secretariat to use the cash balance for specific activities, over and above the core budget, to be implemented in 2024, and to cover the shortfall between the approved level of contributions for 2023 and the approved budget for 2023. UNEP considers this recommendation to be implemented and requests its closure by the Board.

521. In paragraph 43 of its report, the Board recommended that UNEP, in coordination with the Regional Office for Europe, analyse the assets wrongly recorded and adjust them to reflect the appropriate cost centre.

Department responsible: Regional Office for Europe
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

522. UNEP has started a review of the assets, involving not only the Regional Office for Europe, but also all other UNEP divisions and units that may have had assets wrongly recorded under the Regional Office for Europe cost centre. Although most of the assets have already been adjusted to their respective cost centres, the full exercise is expected to be completed by the fourth quarter of 2023.

523. In paragraph 44 of its report, the Board recommended that UNEP check the list of assets regularly, and dispose of the assets that have been damaged and cannot be used in a timely manner.

Department responsible: Regional Office for Europe
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

524. UNEP has implemented a physical verification exercise of assets to be completed every six months. The communication of the physical verification exercise has been circulated to all the asset focal points and their supervisors, together with relevant guidelines, templates and process workflows.

525. In paragraph 57 of its report, the Board recommended that UNEP develop a plan to implement its Strategy for South-South and Triangular Cooperation with adequate funding and human resources, and reinforce project implementation reporting when appropriate.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

526. UNEP has been working to implement aspects of its Strategy for South-South and Triangular Cooperation, with a particular focus on clearly articulating the Strategy's activities and interventions in projects at the design stage, and on the monitoring and reporting of related activities. The Strategy is now embedded in the project design template and the programme and project management manual. Use of existing functions in the integrated planning, management and reporting module in

Umoja is being refined to ensure that activities related to the Strategy can be monitored and reported on. UNEP will enhance its human resources capacity and funding to implement South-South and triangular cooperation.

527. In paragraph 64 of its report, the Board recommended that UNEP clearly define the responsibilities of the regional offices in implementing the corporate resource mobilization strategy to enhance resource mobilization from different types of funding sources.

Department responsible: Corporate Services Division
Status: Closure requested
Priority: Medium
Target date: Not applicable

528. UNEP has implemented a range of measures to establish clear responsibilities for the regional offices in the implementation of the corporate resource mobilization strategy. Notably, the Public Sector Partnerships and Resource Mobilization Unit has instituted a coordination mechanism with the regional offices. This mechanism facilitates quarterly meetings between UNEP headquarters and regional offices to discuss various aspects, including opportunities for resource mobilization in the regions, upcoming events, high-level missions planned in the regions, resource mobilization communication strategies, and general updates on the corporate resource mobilization strategy. In line with the efforts to introduce the new delivery model, the Public Sector Partnerships and Resource Mobilization Unit has developed a comprehensive paper outlining specific roles and responsibilities for resource mobilization. UNEP considers this recommendation to be implemented and requests its closure by the Board.

529. In paragraph 71 of its report, the Board recommended that UNEP, in coordination with the Ozone Secretariat, undertake an internal assessment before the next Conference of the Parties on how fundraising may be further improved.

Department responsible: Ozone Secretariat
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

530. The Ozone Secretariat, in coordination with the Public Sector Partnerships and Resource Mobilization Unit in the Corporate Services Division, is currently conducting internal consultations to assess the identified issues and develop a plan to improve fundraising. The Secretariat will finalize the assessment before the next Conference of Parties to the Vienna Convention for the Protection of the Ozone Layer, to be held during the fourth quarter of 2024.

531. In paragraph 80 of its report, the Board recommended that UNEP reinforce its procedures for the review of critical risk level entities in compliance with the regulations of the updated programme and project management manual and the revised partnership policy and procedures, and rigorously form the partnership in accordance with the results of due diligence and risk assessments to reduce the likelihood of reputational risk posed to UNEP.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2023

532. The UNEP partnership policy and procedures provides clear guidance on the management of partnerships, including requirements for risk mitigation plans. The UNEP senior management team reviewed the partnerships policy during the second quarter of 2023, and the final policy is expected to be adopted by the end of 2023.

533. In paragraph 89 of its report, the Board recommended that UNEP establish a standard template for partner review by the Partnership Committee that includes explicit criteria for review comments.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

534. The UNEP partnerships policy and procedures contains the terms of reference for the Partnership Committee, as well as clear templates and criteria for the review and selection of partners. The UNEP senior management team reviewed the partnerships policy during the second quarter of 2023, and the final policy is expected to be adopted by the end of 2023.

535. In paragraph 96 of its report, the Board recommended that UNEP complete the tracking data of projects (i.e. project indicators in the integrated planning, management and reporting solution), to enhance the monitoring of OzonAction projects in the chemicals and pollution action subprogramme.

<i>Department responsible:</i>	Law Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

536. UNEP has enriched all projects in the integrated planning, management and reporting solution to include the indicators to enhance the monitoring of OzonAction projects in the chemicals and pollution action subprogramme. UNEP considers this recommendation to be implemented and requests its closure by the Board.

537. In paragraph 105 of its report, the Board recommended that UNEP give priority to subprogramme evaluations and take active measures to reach the coverage targets set out in [ST/AI/2021/3](#).

<i>Department responsible:</i>	Evaluation Office
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2024

538. The targets set out in [ST/AI/2021/3](#) require UNEP to conduct evaluations that cover each of its seven subprogrammes within a six-year period. The coverage targets will be met through subprogramme and thematic programme evaluations. In practice, this means delivering one subprogramme or thematic programme evaluation and launching another each year. In 2023, the Evaluation Office has begun the climate action subprogramme evaluation: the terms of reference have been finalized and recruitment of the evaluation team is under way. In addition, the terms of reference for the chemicals and pollution action subprogramme evaluation are being drafted with the intention of launching the evaluation during the fourth quarter of 2023.

539. In paragraph 111 of its report, the Board recommended that UNEP perform terminal assessments on the sampled completed projects in the Programme Information Management System, and that the respective managing divisions provide or perform midterm assessments on the 47 sampled projects in the System with a duration of four years or more as required.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

540. UNEP is currently following up with the divisions on the status of midterm assessments for the 47 sampled projects in the Programme Information Management System, and it awaits some clarifications from the Board on the seven completed projects referred to in the Board's audit observation memorandum.

541. In paragraph 118 of its report, the Board recommended that UNEP assess the workload of incumbent task managers of GEF projects and formulate a response plan to mitigate the potential imbalance of project allocations.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: High
Target date: First quarter of 2024

542. The recommendation is currently under assessment to determine the most suitable methodology. This assessment will involve collaboration at the portfolio level and is planned to be concluded by the first quarter of 2024.

543. In paragraph 126 of its report, the Board recommended that UNEP formulate more specific guidelines on no-cost extension and encourage project/task managers to minimize the need for project extensions.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

544. A brief guideline addressing the Board's recommendation on no-cost extensions and minimizing their need will be issued by the first quarter of 2024, providing

relevant information. Concurrently, training for GEF focal points will be conducted to complement the guidance and encourage project and task managers to minimize the use of no-cost extensions.

545. In paragraph 137 of its report, the Board recommended that UNEP strengthen its ICT governance and management by approving and issuing a digital governance framework and establishing a new ICT Committee.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

546. The new governance framework and draft terms of reference for the ICT Committee have been prepared and will be submitted to the UNEP senior management team for clearance in the fourth quarter of 2023.

547. In paragraph 144 of its report, the Board recommended that UNEP complete the data enrichment of the ongoing projects in the integrated planning, management and reporting module according to the transition plan.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

548. The data enrichment for ongoing projects started in 2022. Given the different categories of UNEP projects, the enrichment of projects under the programme was completed in the first quarter of 2023, while the Green Climate Fund and OzonAction projects were enriched in the second quarter of 2023. The enrichment of the remaining GEF projects will be completed in the fourth quarter of 2023.

549. In paragraph 150 of its report, the Board recommended that UNEP enhance its website security management by registering the two hosted websites with the Office of Information and Communications Technology.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

550. UNEP is in process of registering and monitoring compliance of the two UNEP websites under the Unite Apps portal. This exercise is expected to be completed by the fourth quarter of 2023.

551. In paragraph 167 of its report, the Board recommended that UNEP consider publishing 75 per cent of active projects' information and conducting a quarterly review on the updating of Open Data portal content to help ensure the integrity, accuracy and consistency of the voluntary information disclosure.

<i>Department responsible:</i>	Policy and Programme Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

552. UNEP will undertake quarterly reviews of data in the Open Data portal, starting in the third quarter of 2023, to help ensure the accuracy and consistency of the voluntary information disclosure. A preliminary review of the Open Data portal was undertaken to help improve the quality of data and information published in the portal. One recommendation from this review, currently under implementation, is that across all project categories, UNEP will display information on active and closed projects and their corresponding budgets in the Open Data portal. This is expected to meet the 75 per cent target and ensure greater consistency of information on project data.

553. In paragraph 168 of its report, the Board recommended that UNEP disclose the safeguard information and information on Sustainable Development Goals when the safeguards and gender online system and the integrated planning, management, and reporting solution, respectively, are ready.

<i>Department responsible:</i>	Policy and Programme Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

554. The safeguards and gender online system is under development. UNEP plans to start using the system as soon as the project development and approval phase of the system is ready by the end of 2023.

555. In paragraph 174 of its report, the Board recommended that the Regional Office for West Asia, together with the UNEP Human Resources Section in cooperation with the United Nations Office at Nairobi, establish a plan on to fill long-standing vacant positions.

<i>Department responsible:</i>	Regional Office for West Asia
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

556. To address this recommendation, a plan has been established to address the long-standing vacant positions during the second quarter of 2023, which was assessed and considered adequate by the Board. UNEP considers this recommendation to be implemented and requests its closure by the Board.

557. In paragraph 183 of its report, the Board recommended that UNEP develop a plan to monitor the pre-selected vendor modality.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2023

558. UNEP will undertake a review of the pre-selected procurement services requests by other service providers and will report its findings to senior management in the fourth quarter of 2023.

559. In paragraph 193 of its report, the Board recommended that UNEP establish a long-term strategic clean fleet management plan, including a replacement plan for its old vehicles and a procurement plan for accelerating the transformation to zero-emission vehicles.

<i>Department responsible:</i>	Industry and Economy Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2024

560. In the past few years, UNEP has, among other things, established appropriate electric infrastructure and after-care services in Nairobi, allowing United Nations agencies in Kenya to procure fully electric cars accordingly. In addition, UNEP will draft a policy proposal for the United Nations Secretariat to start switching to electric vehicles, where possible. UNEP is now consolidating all ongoing and planned actions into a long-term strategic clean fleet management plan.

561. In paragraph 199 of its report, the Board recommended that UNEP annually summarize and check the implementation of vendor performance evaluation, and track and record performance of the contracts with vendors according to the requirements of contract management in the Procurement Manual.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2024

562. To implement this recommendation, UNEP is in the process of finalizing an internal analysis of the risk level tied to performance evaluation and is preparing an action plan on how to streamline and standardize vendor performance evaluation.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

563. In the annex to its report for the year ended 31 December 2022 ([A/78/5/Add.7](#), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 28 recommendations that were assessed by the Board to be either under

implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

564. Table 24 summarizes the overall situation as of August 2023.

Table 24

Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Corporate Services Division	13	–	3	10	10	–
Policy and Programme Division	5	–	3	2	2	–
Secretariat of the Convention on Biological Diversity	6	–	–	6	6	–
Secretariat of the Basel, Rotterdam and Stockholm Conventions	1	–	–	1	1	–
Multiple offices	3	–	1	2	2	–
Total	28	–	7	21	21	–

Report of the Board for the year ended 31 December 2018²⁸

565. **In paragraph 79 of its report, the Board recommended that UNEP carry out a review and consolidation of all current UNEP-GEF projects, with the necessary information to ensure adequate accountability and programme management.**

Department responsible: Corporate Services Division

Status: Under implementation

Priority: High

Original target date: First quarter of 2021

Revised target date: First quarter of 2024

566. The GEF portfolio is being enhanced in the integrated planning, management and reporting solution. All new projects continue to be entered in the solution, which will be the central database for all active projects. The Umoja grantor module is fully functional and has the financial information of and agreements for a large portion of the portfolio in complementarity with the integrated planning, management and reporting solution. SharePoint is used as a cloud-based file repository platform. A dedicated GEF operational note has been issued as guidance to facilitate the full utilization of the solution's framework by project and task managers, providing them with comprehensive guidelines and best practices to ensure implementation across all projects.

567. **In paragraph 80 of its report, the Board recommended that UNEP take measures to integrate and to improve the management of information, in order to ensure compliance with the objectives of the Programme.**

²⁸ A/74/5/Add.7, chap. II.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2021
<i>Revised target date:</i>	First quarter of 2024

568. UNEP refers to its comments in paragraph 566 above relating to the recommendation in paragraph 79 of the Board's report for the year ended 31 December 2018.

Report of the Board for the year ended 31 December 2019²⁹

569. In paragraph 98 of its report, the Board recommended that UNEP coordinate with the Regional Office for Latin America and the Caribbean and the Regional Office for Africa in order to take liaison measures with the external institutions involved in project implementation, aiming to improve the efficiency of the project implementation process.

<i>Department responsible:</i>	Corporate Services Division, Regional Office for Latin America and the Caribbean and Regional Office for Africa
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2023

570. The UNEP partnership policy and procedures, and the updated programme and project management manual provide clear guidance on the management of partnerships and project implementation. The UNEP senior management team reviewed the partnerships policy during the second quarter of 2023, and the final policy is expected to be adopted by the end of 2023.

571. In paragraph 109 of its report, the Board recommended that UNEP coordinate with the Umoja team to improve the structure of the registration of information in the Umoja system with regard to regional projects that develop activities in several countries of the region, allowing for segregation by country in the system.

<i>Department responsible:</i>	Policy and Programme Division, Regional Office for Latin America and the Caribbean, Regional Office for Africa and Corporate Services Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2021
<i>Revised target date:</i>	Not applicable

²⁹ A/75/5/Add.7, chap. II.

572. UNEP coordinated with the Umoja team to improve the structure of the registration of information in the Umoja system with regard to regional projects that develop activities in several countries of the region. With the full transition to the integrated planning, management and reporting solution, the issue has been resolved. UNEP considers this recommendation to be implemented and requests its closure by the Board.

573. In paragraph 170 of its report, the Board recommended that UNEP establish the proper liaison between its headquarters and the Executive Secretary of the Convention on Biological Diversity and its Protocols in order to agree on the procedures and responsibilities that each entity shall assume with regard to the provision of secretariat services to the Conference of the Parties to the Convention on Biological Diversity, including the aspects related to non-administrative functions.

<i>Department responsible:</i>	Secretariat of the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2024

574. The secretariat of the Convention on Biological Diversity, in collaboration with the UNEP Multilateral Environment Agreement Coordination Office, will further assess the requirements for the implementation of this recommendation before the end of 2023, with the aim of finalizing the implementation exercise by the end of 2024. Delays in implementation were due to staffing shortages in the secretariat of the Convention on Biological Diversity, which is responsible for the implementation of the outstanding recommendation. The administration is gradually filling the vacant positions and the secretariat will be fully operational again by the end of 2023.

575. In paragraph 171 of its report, the Board recommended that UNEP liaise with the Executive Secretary of the Convention on Biological Diversity to propose to the Conferences of Parties to the Convention on Biological Diversity and its Protocols the adoption of a memorandum of understanding. If agreed, this instrument shall include the arrangements for the provision of secretariat functions by UNEP, aiming to establish a regulatory framework that sets out clear responsibilities, transparency, guidance and accountability among the Parties and Member States.

<i>Department responsible:</i>	Secretariat of the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2024

576. UNEP refers to its comments in paragraph 574 above relating to the recommendation in paragraph 170 in the Board's report for the year ended 31 December 2019.

577. In paragraph 221 of its report, the Board recommended that UNEP assist and liaise with the secretariat of the Convention on Biological Diversity to coordinate with the Conference of the Parties to the Convention in order to agree

on the implementation of a more effective resource mobilization mechanism for the secretariat.

<i>Department responsible:</i>	Secretariat of the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2023

578. UNEP has received clarification that it does not have a direct coordination role regarding the resource mobilization mechanism for the secretariat of the Convention on Biological Diversity. Further guidance on how to implement the recommendation will be discussed with the Board.

Report of the Board for the year ended 31 December 2020³⁰

579. In paragraph 83 of its report, the Board recommended that UNEP cooperate with the United Nations Office at Nairobi to improve grants management by issuing final financial reports to the donors in a timely manner to ensure the financial closure of the operationally closed grants.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2022
<i>Revised target date:</i>	Not applicable

580. All the grants were issued with final donor reports and closed with no balances. UNEP considers this recommendation to be implemented and requests its closure by the Board.

581. In paragraph 94 of its report, the Board recommended that the secretariat of the Basel, Rotterdam and Stockholm Conventions further consolidate and harmonize its reports and review the posting frequency of reports on its website to ensure that parties are adequately informed of progress made in the use of resources and the implementation of its programme, taking into account cost and benefit.

<i>Department responsible:</i>	Secretariat of the Basel, Rotterdam and Stockholm Conventions
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2023

³⁰ [A/76/5/Add.7](#), chap. II.

582. The secretariat of the Conventions has initiated the process of reviewing and updating standard operating procedures, including a standard operating procedure that refers to the posting of reports and other information on the Convention-specific websites. Work has also progressed on the restructuring of the presentation of information on the three websites to enable the parties to track the progress of implementation of programmatic activities.

583. In paragraph 168 of its report, the Board recommended that UNEP accelerate the clean-up of legacy matters and complete the closure procedures for delayed projects as soon as possible.

Department responsible: Policy and Programme Division

Status: Closure requested

Priority: High

Original target date: First quarter of 2022

Revised target date: Not applicable

584. This recommendation has been overtaken by events, as UNEP transitioned from the Programme Information and Management System to the integrated planning, management and reporting solution in June 2023. UNEP considers this recommendation to be overtaken by events and requests its closure by the Board.

585. In paragraph 204 of its report, the Board recommended that UNEP complete the delayed closure procedures for operationally completed GEF projects as soon as possible.

Department responsible: Corporate Services Division

Status: Under implementation

Priority: Medium

Original target date: First quarter of 2022

Revised target date: Fourth quarter of 2024

586. Various factors have contributed to the delays in implementation of the recommendation, including insufficient documentation for the project closure package and staff turnover at both UNEP and the implementing partner. Seventy-four of the projects identified in the 2018 recommendation have yet to be closed. The Corporate Services Division has provided guidance to accelerate the closure of these projects. Umbrella projects will remain open until all sub-country project activities are completed. For the stand-alone projects, the target date for closure is the fourth quarter of 2024.

587. In paragraph 210 of its report, the Board recommended that UNEP review and update its programme and project management manual in relation to GEF and to the replacement of the advanced DGEF database information system with integrated planning, management and reporting, as well as ensure that the content of the manual is consistent with current circumstances.

<i>Departments responsible:</i>	Corporate Services Division and Policy and Programme Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

588. An advanced draft of the GEF operational notes covering all aspects of the GEF project life cycle is in its final stages of completion. The operational notes are intended to enhance project management practices and ensure standardized procedures. In addition, another dedicated note focused on operational matters of the integrated planning, management and reporting solution is being finalized. Both operational notes are expected to be finalized by the end of 2023.

Report of the Board for the year ended 31 December 2021³¹

589. In paragraph 28 of its report, the Board recommended that UNEP develop corporate guidance in its monitoring policy on when and how to collect relevant data to establish baselines for programme of work indicators.

<i>Department responsible:</i>	Policy and Programme Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Third quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

590. UNEP has begun the development of a monitoring policy, which will provide corporate guidance, including on when and how to collect relevant data to establish baselines for programme of work indicators. The draft policy will be completed by the end of 2023.

591. In paragraph 35 of its report, the Board recommended that UNEP strengthen the monitoring of the development of workplans and formulate a guideline on the development of the workplans with specific requirements regarding format, content and timelines, among others.

<i>Department responsible:</i>	Policy and Programme Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2023
<i>Revised target date:</i>	Not applicable

592. In the second quarter of 2023, UNEP issued a revised workplan template and guidance note, including on the process, format and timeline, for the performance year from 1 April 2023 to 31 March 2024. The template was completed by each division and

³¹ [A/77/5/Add.7](#), chap. II.

office and is available on the UNEP intranet. The workplan will be used by directors to self-monitor progress made by the division or office on a quarterly basis. The template includes a column for directors to provide an update on progress to the Executive Office, which will be augmented by the quarterly business review. UNEP considers this recommendation to be implemented and requests its closure by the Board.

593. In paragraph 44 of its report, the Board recommended that the secretariat of the Convention on Biological Diversity accelerate the finalization of the development of the decision-tracking tool and the manual for users of the tool and establish a mechanism to make good use of the information and keep it up to date.

<i>Department responsible:</i>	Secretariat of the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

594. The decision-tracking tool has been completed and the secretariat aims to finalize the standard operating procedures for its use during the fourth quarter of 2023.

595. In paragraph 50 of its report, the Board recommended that UNEP create a plan to enhance the monitoring of non-subprogramme indicators and to improve its target achievement rate at the end of the biennium.

<i>Department responsible:</i>	Policy and Programme Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

596. UNEP has developed a detailed plan to strengthen monitoring and improve performance. This includes highlighting changes in the indicators from previous programmes of work, setting or confirming baselines and identifying or confirming indicator focal points and preparing a monitoring tracker for the 2022–2023 programme of work. The 2022 programme performance report, which was delivered during the second quarter of 2023, included reporting on several non-subprogramme indicators. This reporting will be further enhanced in the next annual programme performance report.

597. In paragraph 59 of its report, the Board recommended that the secretariat of the Convention on Biological Diversity make efforts to mobilize voluntary contributions to improve the level of adequate, predictable, effective and efficient programme support cost funding for its administrative activities.

<i>Department responsible:</i>	Secretariat of the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

598. The Conference of the Parties to the Convention on Biological Diversity, at its fifteenth meeting, approved additional posts that will be funded from the core budget and therefore will increase the resources of the administration and reduce the deficit in the programme support cost account. The programme budget for 2023–2024 of the secretariat of the Convention has been uploaded to the website. It is anticipated that the secretariat will remain within the allocated budget of the overhead trust account for 2023 and hence close this recommendation by the end of 2023.

599. In paragraph 65 of its report, the Board recommended that UNEP review ageing and not expensed advance transfers to implementing partners on a case-by-case basis and clear those pending advances in coordination with the United Nations Office at Nairobi.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

600. UNEP is currently finalizing the implementation of this recommendation. In total, 77 items have been completed, 12 are partially completed and 22 have yet to be completed. The remaining items will be completed before the fourth quarter of 2023.

601. In paragraph 78 of its report, the Board recommended that the secretariat of the Convention on Biological Diversity actively communicate with donors in a timely manner and expedite the process of clearing up the outstanding balances of closed grants.

<i>Department responsible:</i>	Secretariat of the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

602. The secretariat is currently finalizing the clearing up of outstanding balances of closed grants, and aims to complete the exercise by 31 December 2023.

603. In paragraph 94 of its report, the Board recommended that UNEP ensure that the prescribed comparative analysis is properly conducted in conformity with UNEP policy.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2023
Revised target date: No change

604. The 2023 revision of the UNEP partnership policy and procedures provides clear guidance on due diligence and comparative assessment processes, and the underlying systems and workflows will ensure that the processes are followed. The UNEP senior management team reviewed the partnerships policy during the second quarter of 2023, and the final policy is expected to be adopted during the fourth quarter of 2023.

605. In paragraph 101 of its report, the Board recommended that UNEP review the information gap between the Programme Information and Management System and Umoja and develop a plan for integrated planning, monitoring and reporting.

Department responsible: Policy and Programme Division
Status: Closure requested
Priority: High
Original target date: Fourth quarter of 2022
Revised target date: Not applicable

606. UNEP transitioned from the Programme Information and Management System to the integrated planning, management and reporting solution on 1 June 2023. UNEP considers this recommendation to be overtaken by events and requests its closure by the Board.

607. In paragraph 120 of its report, the Board recommended that UNEP update active projects with supporting implementation files in the integrated planning, management and reporting module, and review and standardize project cycle management tools as a complement to the module.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Original target date: First quarter of 2023
Revised target date: Fourth quarter of 2023

608. The GEF portfolio is being enhanced in the integrated planning, management and reporting solution and all new projects continue to be entered. The solution will be the central database for all projects once the enhancement work and the uploading of projects is concluded as planned. The Umoja grantor module is fully functional and has the financial information of and agreements for a large portion of the portfolio

in complementarity with the integrated planning, management and reporting solution. SharePoint is used as a cloud-based file repository platform. A dedicated GEF operational note has been issued to facilitate the full utilization of the solution's framework, providing comprehensive guidelines and best practices for its implementation across all projects.

609. In paragraph 127 of its report, the Board recommended that UNEP establish an internal mechanism to flag, review and report on the slow implementation of GEF projects.

Department responsible: Corporate Services Division

Status: Under implementation

Priority: High

Original target date: Second quarter of 2023

Revised target date: Fourth quarter of 2023

610. In response to the audit recommendation, UNEP made necessary changes to the established GEF project implementation report to provide more in-depth information on the status of project implementation. In addition, UNEP is currently establishing a registry dedicated to tracking delayed projects, enabling relevant teams to explore and implement corrective measures. The registry will be finalized by the end of 2023, coinciding with the conclusion of the project implementation reporting cycle in the third quarter of 2023.

611. In paragraph 133 of its report, the Board recommended that UNEP take effective action to accelerate the pre-inception activities of UNEP-Green Climate Fund projects and promote the approved projects' implementation.

Department responsible: Corporate Services Division

Status: Under implementation

Priority: Medium

Original target date: First quarter of 2023

Revised target date: Fourth quarter of 2023

612. The project implementation delays have been caused by factors ranging from pre-inception activities, e.g. procurement, recruitment and establishment of project management units, to disbursement delays by the Green Climate Fund secretariat. These issues have been mitigated by ensuring a project inception duration of six months to accommodate pre-inception activities. In addition, the revised readiness guidebook of the Fund, which has been issued as guidance to UNEP teams, emphasized the importance of ensuring that the time required for initial pre-inception activities, such as setting up grant management processes, recruitment of project management teams and consultants, and setting up communication and coordination channels, among others, is factored into the total grant duration at the design stage. The guidance on authorization to start the recruitment of project teams upon notification by the Green Climate Fund Board of project approval is expected to be issued by the end of the third quarter of 2023.

613. In paragraph 139 of its report, the Board recommended that UNEP use project monitoring tools to flag underperforming UNEP-Green Climate Fund projects and provide guidance to bring them back on track.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Original target date: Third quarter of 2023
Revised target date: Fourth quarter of 2023

614. UNEP has developed a prototype business intelligence dashboard aimed at monitoring financially underperforming projects. The dashboard is accessible but is currently undergoing a review. The enhancements are expected to provide further analytics on Green Climate Fund project performance and gaps. In addition, UNEP continues to monitor project implementation progress, including the identification of risks, through annual progress reporting to the Green Climate Fund, where mitigation measures for identified risks are provided to ensure that projects get back on track.

615. In paragraph 148 of its report, the Board recommended that UNEP follow the information system's monitoring technical procedure and perform periodic testing and reviews of the system's monitoring operations and capabilities.

Department responsible: Corporate Services Division
Status: Closure requested
Priority: High
Original target date: Fourth quarter of 2022
Revised target date: Not applicable

616. The recommendation has been addressed and implemented through two systematic monitoring mechanisms: (a) live monitoring by UNEP, with the support of the United Nations International Computing Centre, of all servers comprising all UNEP systems, supported by a network operation centre with a documented standard operating procedure for escalation; and (b) the adoption by UNEP of the Office of Information and Communications Technology procedure of registering all monitoring applications under Unite Apps, which carries out registration, deployment testing, monitoring, retesting and recertification at the end of each year. Through unified cybersecurity alerts, application owners are notified in order to implement required updates. UNEP compliance under Unite Apps is tracked under management key performance indicators. UNEP considers this recommendation to be overtaken by events and requests its closure by the Board.

617. In paragraph 156 of its report, the Board recommended that UNEP formulate the application decommissioning plan, accelerate the process of system integration and update the system information in Unite Apps as changes occur.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Not applicable

618. UNEP transitioned from the Programme Information and Management System to the integrated planning, management and reporting solution on 1 June 2023. UNEP considers this recommendation to be overtaken by events and requests its closure by the Board.

619. In paragraph 184 of its report, the Board recommended that UNEP monitor the low-value acquisition procurement process to ensure adherence to relevant regulations and rules.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

620. UNEP released the low-value procurement dashboard, updated a guidance note and initiated an outreach programme for financial management officers and requisitioners in the first half of 2023. Outreach to financial management officers ensures that the staff members who approve low-value acquisition purchase orders are well advised on the process requirements and know what to check before approving. The dashboard serves as a monitoring tool for the low-value acquisition procurement process.

XI. United Nations Population Fund

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022³²

621. Table 25 summarizes the status of implementation of the main recommendations of the Board as of August 2023.

Table 25

Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Information Technology Solutions Office	4	–	1	3	3	–
Supply Chain Management Unit	3	–	–	3	3	–
Office of Audit and Investigation Services	3	–	1	2	2	–
Total	10	–	2	8	8	–

³² A/78/5/Add.8, chap. II.

622. Table 26 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 26
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Information Technology Solutions Office	7	–	2	5	5	–
Supply Chain Management Unit	9	–	–	9	9	–
Office of Audit and Investigation Services	5	–	2	3	3	–
Türkiye country office	4	–	–	4	4	–
Policy and Strategy Division	2	–	–	2	2	–
Yemen country office	2	–	–	2	2	–
Executive Board Branch	2	2	–	–	–	–
Philippines country office	1	–	–	1	1	–
Multiple offices	5	–	2	3	3	–
Total	37	2	6	29	29	–

623. **In paragraph 40 of its report, the Board recommended that UNFPA formalize the current enterprise resource planning project documentation and ensure that it is updated, in order to enhance a proper project governance, as well as the proper assignment of accountabilities and responsibilities.**

Department responsible: Information Technology Solutions Office

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2023

624. As part of the transition to Quantum, the United Nations Population Fund (UNFPA) has maintained project documentation jointly with UNDP in the form of agreed project deliverables. After the go-live milestone in 2023, UNFPA will shift from the project modality to the established change management process within Quantum partner agencies.

625. **In paragraph 41 of its report, the Board recommended that UNFPA develop a framework for monitoring the implementation and management of resources for ICT projects, establishing a clear path with timelines, responsibilities, milestones to be achieved, risk assessment and stages to implement the projects in their entirety.**

Department responsible: Information Technology Solutions Office

Status: Closure requested

Priority: High

Target date: Not applicable

626. UNFPA management has, in 2023, established more robust ICT governance processes to oversee and manage ICT projects. This includes a new ICT project management methodology, released in February 2023, updated UNFPA ICT Board terms of reference and updated UNFPA ICT Portfolio Committee terms of reference, as well as editorial updates to "Policy and procedures for information and communications technology governance" in May 2023. UNFPA considers this recommendation to be implemented and requests its closure by the Board.

627. In paragraph 53 of its report, the Board recommended that UNFPA monitor project expenses and set benchmarks to serve as early indicators of potential resource depletion, which are crucial for effective resource management.

Department responsible: Information Technology Solutions Office

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2023

628. UNFPA management agrees with the recommendation highlighting the importance of monitoring project expenses. Management would like to emphasize that, while specific configuration items or code developed in the separate UNFPA project were not used directly in the Quantum configuration, the work effort on the UNFPA side in reviewing and documenting business processes, as well as configuration options in Oracle, were transferred to the Quantum project. This pre-work was a critical factor in the ability of UNFPA to join the Quantum project in March 2022 seamlessly and to go live quickly in January 2023.

629. UNFPA management also highlights that project monitoring was already strengthened in 2022, with the enterprise resource planning project Board monitoring timelines and project expenses throughout the year.

630. In paragraph 54 of its report, the Board recommended that UNFPA accelerate the action taken to define the modules developed on Atlas pending their inclusion in the Quantum enterprise resource planning system.

Department responsible: Information Technology Solutions Office

Status: Under implementation

Priority: High

Target date: First quarter of 2024

631. UNFPA management notes that work to transfer the global programming system and shipment tracker modules began in 2023, is progressing well and is on track to go live in the first half of 2024.

632. In paragraph 62 of its report, the Board recommended that UNFPA, in coordination with UNDP, sign a memorandum of understanding and a service-level agreement that define clearly the rules of engagement and services provided that relate to the Quantum enterprise resource planning.

Department responsible: Information Technology Solutions Office
Status: Closure requested
Priority: Medium
Target date: Not applicable

633. UNFPA signed a new memorandum of understanding with UNDP for Quantum enterprise resource planning in March 2023, followed by a more detailed service-level agreement in April 2023. UNFPA considers this recommendation to be implemented and requests its closure by the Board.

634. In paragraph 68 of its report, the Board recommended that UNFPA ensure the procedure for revoking access for all ICT resources for separated staff is carried out in a timely manner.

Department responsible: Information Technology Solutions Office
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

635. The recommendation is being implemented as part of the user-provisioning processes for the new enterprise resource planning system.

636. In paragraph 75 of its report, the Board recommended that UNFPA establish a disaster recovery plan procedure that outlines a clear scope of applicability, reporting and responsibilities for executing and supervising plans from headquarters to country, subregional or regional offices to monitor the establishment and the conduction of the disaster recovery exercises.

Department responsible: Information Technology Solutions Office
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

637. While the responsibility for disaster recovery plans remains with individual offices, UNFPA headquarters will be responsible for second-line oversight and monitoring.

638. In paragraph 90 of its report, the Board recommended that UNFPA develop and issue a supply chain management policy so that a coordinated approach to supply chains and logistics is implemented within the Fund.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

639. UNFPA management is reviewing the terms of reference, organigram and supply chain management unit staffing needs before developing and issuing the supply chain management policy by the end of 2024.

640. In paragraph 91 of its report, the Board recommended that UNFPA conduct an assessment in regard to the fulfilment of the functions included in the Supply Chain Management Unit's terms of reference to ensure a clear implementation schedule and accountabilities, in order to fulfil the Unit's mandate.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

641. The assessment activities were conducted and a proposal to senior management for realignment is in progress. Drafting an implementation schedule and assigning accountabilities to accomplish the Supply Chain Management Unit's mandate will be undertaken by the end of 2024.

642. In paragraph 92 of its report, the Board recommended that UNFPA take the action necessary to complete the initial implementation activities of the Supply Chain Management Unit.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

643. The implementation activities list will be updated and implemented by the end of 2024.

644. In paragraph 101 of its report, the Board recommended that UNFPA define and approve a supply chain strategy to provide the organization with a holistic supply chain system.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2024

645. UNFPA management notes that seven strategic focus areas for the period 2023–2025 have been decided upon and that the activities to arrive at a comprehensive supply chain strategy are being planned for completion by September 2024.

646. In paragraph 110 of its report, the Board recommended that UNFPA conduct the Supply Chain Management Unit and supply chain function risk assessments in order to address a complete risk approach.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2025

647. Focus will be placed first on the Supply Chain Management Unit's enterprise risk management initiative, before extending to country offices.

648. In paragraph 121 of its report, the Board recommended that the UNFPA Supply Chain Management Unit carry out an assessment of its staffing needs to effectively organize relevant responsibilities in order to successfully fulfil the functions defined in the terms of reference.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

649. Staff assessment activities were undertaken and a realignment submission to UNFPA management is in progress.

650. In paragraph 122 of its report, the Board recommended that the UNFPA Supply Chain Management Unit analyse the reasons for the high turnover rate and take the action necessary to address it.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2024

651. UNFPA management recognizes the deficiencies in the organizational structure of the Supply Chain Management Unit. Consequently, an initiative has been launched to reassess staffing requirements, review job responsibilities and explore the matter of elevated staff turnover, among other systematic considerations. The outcome of this initiative is a realignment proposal for the Unit's structure that has been carefully put together and submitted to senior management for approval. Upon approval of the proposal, a change management process associated with the implementation of the review's recommendations will also target the issue of capacity turnover by ensuring that there is the best fit between people and posts.

652. In paragraph 133 of its report, the Board recommended that UNFPA ensure that its business units conduct vendor assessments when the purchase order is closed.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

653. The realignment submission has proposed additional human resources to undertake vendor assessment, and therefore this issue will be addressed when the proposal is approved. Similarly, the vendor assessment tool is also being enhanced and will be instrumental in implementing the recommendation.

654. In paragraph 134 of its report, the Board recommended that UNFPA improve oversight of business units with the timely fulfilment of vendor assessments in the vendor assessment application that are defined by the Fund.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

655. The full implementation of this recommendation will take place after the approval of the realignment proposal.

656. In paragraph 144 of its report, the Board recommended that the UNFPA Yemen country office carry out a forecast for reproductive health commodities, taking into account the ideal forecast and justifying the reason for using that methodology.

Department responsible: Yemen country office
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

657. The UNFPA country office in Yemen works closely with the Ministry of Health. UNFPA, as the reproductive health commodity security committee co-Chair, has been engaging with the key stakeholders in Yemen to determine the most appropriate methodology for forecasting essential reproductive health supplies. After carefully considering available data and consultation with technical experts, the Committee has decided, effective December 2023, to use demographic data as the basis for the annual forecasting process. These data may include population size, age distribution and mortality rates, among others.

658. In paragraph 145 of its report, the Board recommended that the UNFPA Yemen country office incorporate information about the forecast for reproductive health commodities into the supply plan, indicating whether they are the result of an estimation.

Department responsible: Yemen country office
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

659. The UNFPA country office in Yemen agreed to implement this recommendation to ensure the inclusion of information about the forecasting method for reproductive health commodities in the supply plan.

660. The country office, by December 2023, will implement specific measures to strengthen the forecasting for reproductive health commodities in the supply plan and will facilitate a clear indication of the forecasting method by using either estimations or other sources of data, which will be shared with the stakeholders to ensure transparency.

661. In paragraph 152 of its report, the Board recommended that the UNFPA Türkiye country office clearly identify the service provision from the management of goods given by UNFPA to the implementing partners when the activities and indicators are determined, thus enabling monitoring of them.

Department responsible: Türkiye country office

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2023

662. The UNFPA country office in Türkiye formed an in-country supply chain management team in February 2023 and has begun to include supply indicators in the implementing partners' workplans, as well as supply types, sizes and values in the activities of workplans.

663. In paragraph 153 of its report, the Board recommended that the UNFPA Türkiye country office standardize the parameters included in their primary and supplementary reports to enable the monitoring of the quantities and amounts established in the signed workplans between the implementing partners and the office.

Department responsible: Türkiye country office

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2024

664. The supply chain management team of the UNFPA country office in Türkiye, formed in February 2023, noted that the supply chain management-related activity codes of the implementing partners could not appear in the inventory status report of UNFPA because the goods were not procured by the implementing partners. Thus, the team is working on an internal tool to link the strategic information system to procurement plans, implementing partners' workplans, the shipment tracker, distribution plans and stock reports.

665. In paragraph 154 of its report, the Board recommended that the UNFPA Philippines country office strengthen the programme monitoring regarding the supplies to be provided by UNFPA to the implementing partners, through an accurate establishment of the activities, indicators and targets embodied in the signed workplans.

Department responsible: Philippines country office

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2023

666. The UNFPA country office in the Philippines has taken note of the recommendation and will ensure that relevant workplans reflect the indicators linked with the activities. In addition, before the release of supplies from the warehouse, the focal point will verify the request against the approved workplan for confirmation.

667. In paragraph 169 of its report, the Board recommended that UNFPA ensure the Oversight Advisory Committee's independence by updating its terms of reference with the aim of aligning them with the International Standards for the Professional Practice of Internal Auditing and best practices.

Department responsible: Executive Board Branch

Status: Not accepted

Priority: Medium

Target date: Not applicable

668. UNFPA management underlines that the Oversight Advisory Committee is an independent advisory body to the UNFPA Executive Director, in line with the Executive Board-approved oversight policy of UNFPA. This is the same as current practices in other United Nations organizations, with Committee-equivalent advisory bodies reporting to their relevant executive heads. In line with its terms of reference, the Committee undertakes structured and systematic reviews of the organization's governance, risk management and internal control practices as they relate to the independent oversight functions of audit and investigations, evaluation and ethics to assist the Executive Director in fulfilling her oversight responsibilities. The Committee Chair has unrestricted access to the Executive Board and its President. To further strengthen the relationship between the Committee and the Executive Board and prompted in part by the Joint Inspection Unit report on audit committees (JIU/REP/2019/6), UNFPA revised the terms of reference of the Committee and, among others, included language that allows the Committee to present its report at the annual session, at the request of the Executive Board. The terms of reference also establish safeguards and spell out clearly why the Committee's appointees are independent.

669. UNFPA appreciates that there are various approaches to securing the independence of audit committees and maintains that the current structure and functioning of the UNFPA Oversight Advisory Committee, as an advisory body to enable the Executive Director to fulfil her oversight responsibilities, is a best practice, independent and of immense value to the organization in strengthening its oversight, transparency and risk management.

670. In paragraph 170 of its report, the Board recommended that UNFPA strengthen its third line of defence by reviewing and updating the related oversight policies in order to reflect the new Oversight Advisory Committee definition and purpose.

Department responsible: Executive Board Branch

Status: Not accepted

Priority: Medium

Target date: Not applicable

671. UNFPA refers to its comments in paragraphs 668 and 669 above relating to the recommendation in paragraph 169 of the Board's report.

672. In paragraph 184 of its report, the Board recommended that UNFPA review and approve a new version of the charter of the Office of Audit and Investigation Services that ensures adherence to the International Standards for the Professional Practice of Internal Auditing.

<i>Department responsible:</i>	Office of Audit and Investigation Services
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

673. The Office of Audit and Investigation Services initiated the review and drafting of a revised charter, prior to the Board's audit, in May 2022. In its review, the Office surveyed the charters of 17 United Nations funds and programmes and specialized agencies and made comparisons to identify good practices not reflected in the current charter and for harmonization, when appropriate. The final version of the charter presented to the Executive Director included recommendations from the external quality assurance of the Office conducted in 2022; recommendations of the Board in its audit of the Office in 2022; a decision of the Executive Board (2022/22) on the report on the self-assessment of the independence of the Office; and comments and suggestions from the UNFPA Legal Unit, the Oversight Advisory Committee, the Independent Evaluation Office and the Office of the Executive Director. The revised charter was approved by the Executive Director on 1 August 2023, and it will be shared with the Board and with the Executive Board for information. UNFPA considers this recommendation to be implemented and requests its closure by the Board.

674. In paragraph 185 of its report, the Board recommended that UNFPA review and update its policies related to budget and human resources with the aim of enhancing the operational independence of the Office of Audit and Investigation Services.

<i>Departments responsible:</i>	Division for Human Resources and Division for Management Services
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

675. UNFPA management continuously updates its human resources policy framework to ensure that it meets the organization's needs and reflects best practices and developments in the area of human resources management. During this process, the organization is mindful of respecting and safeguarding the independence of the Office of Audit and Investigation Services and other offices that require the highest level of independence and impartiality, such as the Ethics Office and the Evaluation Office. Whenever any concerns about specific human resources policy provisions are brought to the attention of UNFPA, they are carefully reviewed and addressed.

676. UNFPA has implemented the recommendation relating to budget policies and updated its resource management policy, effective October 2022, where it further clarified and codified the special treatment of independent offices (Office of Audit and Investigation Services and Evaluation Office) in terms of budgetary allocations and resource management. The revised policy specifies the treatment of those offices

in terms of budget allocations. Following the Executive Board's approval of the institutional budget, these offices cannot have their allocations reduced, can freely redistribute funds between budget lines and can request the rollover of unutilized funds across years, subject to funding availability and approval. UNFPA considers this recommendation to be implemented and requests its closure by the Board.

677. In paragraph 186 of its report, the Board recommended that UNFPA establish a mechanism that allows the personnel of the Office of Audit and Investigation Services to declare any potential conflict of interest for each assignment.

Department responsible: Office of Audit and Investigation Services
Status: Closure requested
Priority: Medium
Target date: Not applicable

678. The Office of Audit and Investigation Services has implemented this recommendation in full through the issuance of Office directive No. 2023-002 issued by the Interim Director in June 2023. Copies of this directive were also shared with the Board and management. Most Office staff and consultants and the Interim Director have submitted to the directorate and the Office of the Executive Director their declaration forms for the year 2023. Compliance with this directive is required every year. UNFPA considers this recommendation to be implemented and requests its closure by the Board.

679. In paragraph 200 of its report, the Board recommended that UNFPA review and approve a new version of the audit and casework manuals to enhance the conduct of internal audits and investigations.

Department responsible: Office of Audit and Investigation Services
Status: Under implementation
Priority: High
Target date: Second quarter of 2024

680. The Office of Audit and Investigation Services initiated the revision of the internal audit manual even before the audit, with the preparation of a general framework for the manual. However, the new International Standard for the Professional Practice of Internal Auditing is due for implementation and will be effective one year from its issuance in 2024. The Office decided to align the timing of the revision of the manual once the new Standard is officially issued. To address the immediate need to prescribe new and/or updated guidance, procedures and templates on specific business processes, the Office started with the development and issuance of standard operating procedures in 2021, which will become part of the revised manual, and development thereof has been expedited by hiring a consultant, who is fully dedicated to this undertaking.

681. Similarly, the updating of the investigation casework manual has been initiated, adopting the same approach of developing standard operating procedures to reflect changes and revisions to applicable UNFPA policies, case registration practices and investigative best practices, in particular in the area of sexual misconduct, taking into account the manual for the investigation of sexual harassment complaints issued by

the United Nations System Chief Executives Board for Coordination (CEB) and the need for greater specificity on the victim-centred approach of UNFPA.

682. In paragraph 201 of its report, the Board recommended that UNFPA adhere to the timelines of audit reports and investigations and develop a mechanism to periodically review the level of compliance.

<i>Department responsible:</i>	Office of Audit and Investigation Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2024

683. In late 2021, the Office of Audit and Investigation Services conducted a comprehensive internal analysis of the root causes for delays in issuing audit and investigation reports. The analysis identified legacy staffing and working modalities issues that contributed to the delays. This review led to a two-phased restructuring of the Office initiated early in 2022. The Office has since embarked on a number of initiatives by addressing immediate needs, such as creating new units in the two branches to address the bottlenecks caused by having only two unit heads and one unit head in the audit and investigation branches, respectively, for the delivery of the Office's mandate; adopting audit and investigation good practices for a more efficient and timely completion of engagements and investigation of cases; formally establishing the intake unit to triage incoming complaints; instituting a quality assurance and improvement programme, using information technology tools and developing standardized reports and work products; closely monitoring progress of work; formulating strategies to identify audit and investigation priorities on the basis of risk assessments conducted annually; and undertaking other improvements that will enable staff to execute audit and investigation work and produce quality audit and investigation reports and the closure of cases in a timely manner.

684. These initiatives are already bearing fruit, given that the timeliness of the issuance of reports under the 2023 annual workplan had already improved significantly at the end of the first half of the year.

685. In paragraph 202 of its report, the Board recommended that UNFPA define a reasonable time frame for completing investigations.

<i>Department responsible:</i>	Office of Audit and Investigation Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2023

686. The existing investigation casework manual does not specify an exact time frame for completion of a full investigation, except for retaliation cases, which should be completed within 120 days of receipt of a referral from the Ethics Office. The Office of Audit and Investigation Services is therefore reviewing what constitutes a feasible time frame for the assessment of incoming complaints and the appropriate criteria for opening full investigations, bearing in mind that complaints are varied. Using the five (harmonized) categories of cases, the Office will analyse the experience and the applied improved work modalities and, on the basis of this analysis, will develop time frames for each of the five harmonized categories of cases that will be outlined in an updated manual.

687. **In paragraph 213 of its report, the Board recommended that UNFPA reinforce the mainstreaming of the impact of the Sustainable Development Goals into its programme implementation, including the activities, indicators and baseline data.**

Department responsible: Policy and Strategy Division

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2025

688. UNFPA management recognizes the need to reinforce the mainstreaming of the relevant Sustainable Development Goals into its programming. It is taking steps to integrate results and workplan programming to allow UNFPA to show better the impact of its work on achieving the relevant Goals.

689. **In paragraph 214 of its report, the Board recommended that UNFPA implement a mechanism to monitor the adoption of the Sustainable Development Goal globally and across all the regions in order to enhance transparency and accountability and detect gaps to be filled.**

Department responsible: Policy and Strategy Division

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2025

690. UNFPA management is working on a mechanism for monitoring the UNFPA contribution to the achievement of the Sustainable Development Goals.

691. **In paragraph 225 of its report, the Board recommended that the UNFPA Türkiye country office ensure that service contract personnel are recruited only under the conditions stated in the guidelines that apply to the entity and guarantee that no core functions are listed under the activities to be performed.**

Department responsible: Türkiye country office

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2023

692. UNFPA will introduce a new contract modality (local service contract) that will replace the current service contract modality, which has been planned for launch in 2023. The new contract modality will allow the country offices to continue to engage locally recruited personnel for support functions, whereas managerial roles will be conducted only by UNFPA staff.

693. **In paragraph 226 of its report, the Board recommended that the UNFPA Türkiye country office establish a plan to avoid inappropriate prolonged use of non-staff personnel currently under contract.**

<i>Department responsible:</i>	Türkiye country office
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

694. The UNFPA country office in Türkiye initiated a human resources realignment process in mid-2022, with the primary aim of addressing the issue of non-staff personnel. On the basis of an independent human resources review undertaken by the country office, a realignment proposal was submitted and approved by the regional office and, subsequently, by UNFPA headquarters in February 2023. Implementation of the approved realignment is already under way. All current service contracts will have expired or abolished by the end of 2023.

695. In paragraph 238 of its report, the Board recommended that the Information Technology Solutions Office coordinate with the Türkiye country office to assess the local data collection system in order to assess risks, support services, stability, effectiveness and impact on internal system performance after its launch.

<i>Departments responsible:</i>	Türkiye country office and Information Technology Solutions Office
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2024

696. The UNFPA Türkiye country office started the evaluation process, together with the Information Technology Solutions Office, to identify risks, support services, stability, effectiveness and impact on the internal system performance in line with current policies. The country office, in consultation with the Information Technology Solutions Office and other headquarters business units, began to explore the possibility of assessing and using an implementing partner data management system within the organization to ensure effective real-time data collection and reporting regarding the beneficiaries and the service delivery.

697. In paragraph 239 of its report, the Board recommended that UNFPA formalize and incorporate a confidential management clause regarding beneficiaries into the agreements signed with its implementing partners.

<i>Departments responsible:</i>	Policy and Strategy Division and Legal Unit
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

698. Clause 21.3 of the UNFPA general terms and conditions for implementing partner agreements already provide that all data compiled by or received by the implementing partner under the agreements (i.e., including beneficiary data) shall be the property of UNFPA, shall be made available for use or inspection by UNFPA at reasonable times and in reasonable places, shall be treated as confidential and shall be delivered only to UNFPA authorized officials on completion of work under the

agreements. Accordingly, implementing partners are already contractually obligated to ensure the confidentiality of beneficiary data, and any breach of that obligation would potentially subject the implementing partner to liability for breach of contract. (The agreements are available at www.unfpa.org/IP.)

699. The foregoing notwithstanding, the Board may wish to note that UNFPA has embarked on a process of reviewing all its legal forms and all its general terms and conditions, service conditions and general conditions of contract for alignment with the requirements contained in the UNFPA data protection policy. Accordingly, UNFPA may decide to revise the above-referenced clause of the UNFPA general terms and conditions for implementing partner agreements if this is deemed necessary or useful during the review. UNFPA considers this recommendation to be implemented and requests its closure by the Board.

700. In paragraph 240 of its report, the Board recommended that UNFPA take mitigating measures regarding the manner of access to its information in the local data collection system when a non-institutional email address is used.

<i>Departments responsible:</i>	Information Technology Solutions Office and Legal Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2024

701. UNFPA management will undertake an assessment and measures for risk mitigation of local ICT applications as part of operationalizing the ICT component of the new enterprise risk management policy by the second quarter of 2024.

702. In paragraph 241 of its report, the Board recommended that UNFPA assess the use of an implementing partners management system within the organization, in order to have effective real-time data collection and reporting regarding the beneficiary service being delivered.

<i>Departments responsible:</i>	Policy and Strategy Division and Information Technology Solutions Office
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2025

703. UNFPA management will assess the use of an implementing partner management system and, if needed, will integrate monitoring and data collection regarding beneficiary service delivery to the new programme module.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

704. In the annex to its report for the year ended 31 December 2022 ([A/78/5/Add.8](#), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the nine recommendations that were assessed by the Board to be either under

implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

705. Table 27 summarizes the overall situation as of August 2023.

Table 27

Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Supply Chain Management Unit	2	–	–	2	2	–
Division for Management Services	3	–	1	2	2	–
Colombia country office	1	–	–	1	1	–
Democratic Republic of the Congo country office	1	–	–	1	1	–
Multiple offices	2	–	1	1	1	–
Total	9	–	2	7	7	–

Report of the Board for the year ended 31 December 2019³³

706. **In paragraph 165 of its report, the Board recommended that the UNFPA offices in Ethiopia, Mozambique and Myanmar incorporate into the information system strengthened tools related to the travel management process, in order to increase the effectiveness and efficiency of that process.**

Department responsible: Division for Management Services

Status: Under implementation

Priority: Medium

Original target date: Second quarter of 2022

Revised target date: First quarter of 2024

707. In the context of the transition to the new Quantum enterprise resource planning system, a new travel module has been developed and is being piloted at UNFPA headquarters. The global roll-out of the module to all UNFPA offices is expected in 2024.

Report of the Board for the year ended 31 December 2020³⁴

708. **In paragraph 42 of its report, the Board recommended that UNFPA incorporate automatic controls in the new enterprise resources planning system, with the aim of determining the implementing partners subject to mandatory assurance activities in a timely and accurate manner.**

³³ A/75/5/Add.8, chap. II.

³⁴ A/76/5/Add.8, chap. II.

<i>Department responsible:</i>	Division for Management Services
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	Second quarter of 2022
<i>Revised target date:</i>	Not applicable

709. UNFPA management agrees with the proposed controls and has implemented them in the current system for managing partners. Partner management is outside the scope of the new enterprise resources planning system. UNFPA considers this recommendation to be implemented and requests its closure by the Board.

710. In paragraph 88 of its report, the Board recommended that UNFPA improve its supply monitoring process at the regional and country governance level, with the purpose of detecting business units that require support for maintaining timely and accurate information about the entity's supplies and the delivery of inventory to the implementing partners.

<i>Department responsible:</i>	Supply Chain Management Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Second quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2024

711. UNFPA management agrees with the recommendation; a priority-based phased approach will be taken by hiring logisticians with risk and oversight functions to be placed in the regional offices by the fourth quarter of 2024.

712. In paragraph 89 of its report, the Board recommended that UNFPA incorporate preventive controls related to inventory information in the new enterprise resource planning system, in order to provide early alerts at each stage of the supply process.

<i>Department responsible:</i>	Supply Chain Management Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Second quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2024

713. UNFPA management expects broad improvement in managing processes in the new enterprise resource planning system. However, following the switch from a dedicated UNFPA system to the shared Quantum system, UNFPA will have to reassess options for UNFPA-specific processes.

Report of the Board for the year ended 31 December 2021³⁵

714. In paragraph 78 of its report, the Board recommended that UNFPA strengthen the assurance activities plan and put in place preventive controls in its formulation process for the implementing partners assessment.

<i>Department responsible:</i>	Division for Management Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Not applicable
<i>Revised target date:</i>	Fourth quarter of 2024

715. UNFPA management agrees with this recommendation and is developing a system-based solution to prevent and correct discrepancies by applying additional prevention measures to enhance the data entry process and minimize human errors. In the meantime, a comprehensive review of all micro-assessment reports available is conducted periodically to ensure accuracy and consistency with data entered into the Implementing Partner Assurance System.

716. In paragraph 103 of its report, the Board recommended that the UNFPA country offices in Lebanon and the Democratic Republic of the Congo ensure that reviews are carried out in a timely manner by the programme officer before the approval of the workplan progress report and the respective funding authorization and certificate of expenditure form in order to safeguard the resources used by the implementing partner.

<i>Departments responsible:</i>	Lebanon and Democratic Republic of the Congo country offices
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Not applicable

717. The UNFPA country office in the Democratic Republic of the Congo has developed a tool for the quarterly monitoring of the annual workplan, the workplan progress report and the funding authorization and certificate of expenditure form. A memo was issued to all staff in which emphasis was placed on the need to comply with annual workplan management and monitoring. The country office delivery unit also holds weekly meetings to review the submission timelines of these documents.

718. The UNFPA Lebanon country office has implemented this recommendation by developing an internal controls framework database. UNFPA considers this recommendation to be implemented and requests its closure by the Board.

719. In paragraph 157 of its report, the Board recommended that UNFPA country offices in Lebanon and Colombia ensure that the delivery of goods to implementing partners is linked with the distribution plan.

³⁵ A/77/5/Add.8, chap. II.

<i>Departments responsible:</i>	Lebanon and Colombia country offices
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

720. The UNFPA Lebanon country office has ensured that the distribution plan is created at the beginning of the workplans. A method is being implemented using Google Sheets to update the distribution plan as soon as an unexpected humanitarian emergency arises, given that the distribution plan is changeable and depends on emergencies that may occur at any time.

721. The UNFPA Colombia country office is committed to updating the distribution plan more frequently to eliminate discrepancies between the global programming system and inventory.

722. In paragraph 176 of its report, the Board recommended that the UNFPA country office in Colombia work closely with headquarters to incorporate the categorization of the type of delivery document (programme supplies distribution agreements, direct distribution and delivery slips) into the new enterprise resource planning system.

<i>Department responsible:</i>	Colombia country office
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2024

723. UNFPA management expects broad improvement in the ability to manage processes in the new enterprise resource planning system. Following the switch from a dedicated UNFPA system to the shared Quantum system, UNFPA will have to reassess options for UNFPA-specific processes.

724. In paragraph 186 of its report, the Board recommended that the UNFPA country office in the Democratic Republic of the Congo strengthen the preparation and review of the different reports involved in the last-mile assurance process components.

<i>Department responsible:</i>	Democratic Republic of the Congo country office
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

725. UNFPA management has thoroughly reviewed the various reports associated with the last-mile process component and the team structure supporting this process. All aspects have been meticulously revised and are now progressing smoothly.

Considering the annual nature of this ongoing process, its finalization is anticipated by the fourth quarter of 2023.

XII. United Nations Human Settlements Programme

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022³⁶

726. Table 28 summarizes the status of implementation of the main recommendations of the Board as of August 2023.

Table 28
Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Management Advisory and Compliance Service	5	–	–	5	5	–
External Relations, Strategy, Knowledge and Innovation Division	2	–	–	2	2	–
Office of the Executive Director	1	–	–	1	1	–
Total	8	–	–	8	8	–

727. Table 29 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 29
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Management Advisory and Compliance Service	20	–	–	20	20	–
External Relations, Strategy, Knowledge and Innovation Division	4	–	–	4	4	–
Office of the Executive Director	4	–	–	4	4	–
Total	28	–	–	28	28	–

728. **In paragraph 23 of its report, the Board recommended that UN-Habitat hold meetings of the headquarters Programme Review Committee with the attendance of required members to comply with the guidelines for programme/project review and approval.**

Department responsible: Office of the Executive Director

Status: Under implementation

Priority: Medium

Target date: First quarter of 2024

³⁶ A/78/5/Add.9, chap. II.

729. The Programme Review Committee's review process is going through a peer review and the current Committee guidelines will be reviewed and updated to respond to improvements and recommendations that emanate from the peer review.

730. In paragraph 24 of its report, the Board recommended that UN-Habitat strengthen the function of the Programme Review Committee with regard to project budgets and financial review, and ensure that the Management Advisory and Compliance Service Division, as a member of the Committee, performs its duties with regard to reviewing the budgetary and financial elements of the project.

Department responsible: Office of the Executive Director

Status: Under implementation

Priority: High

Target date: First quarter of 2024

731. Prior to 2022 under the Programme Advisory Group, now the Programme Review Committee, the Management Advisory and Compliance Service Director or a representative participated in the Group reviews and completed the financial feasibility assessment. However, from the inception of the Committee in 2022, the membership of the Committee is set at the Director level. The Committee review process is going through a peer review, and the current Committee guidelines will be reviewed and updated to respond to improvements and recommendations that emanate from the peer review, including the recommendation of additional budget oversight provided by the Service.

732. In paragraph 31 of its report, the Board recommended that UN-Habitat strengthen the review of the budget for ICT Strategy by submitting the ICT Budget to the Office of Information and Communications Technology for further consideration.

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Target date: First quarter of 2024

733. The ICT committee will be operationalized and the terms of reference will include the review of budgets for ICT.

734. In paragraph 38 of its report, the Board recommended that UN-Habitat promote mechanisms such as the Budget Steering Committee and ensure that meetings are held regularly.

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Target date: First quarter of 2024

735. The Budget Steering Committee was established in the first quarter of 2022 and has met at a frequency of three times per year, chaired by the Chief of Staff, with the

Director, Management Advisory and Compliance Service, serving as Secretary. The meetings of the Committee are supplemented by operational meetings at the division level, to better inform the Committee. The terms of reference include budget implementation of the current year across all funding segments, as well as budget planning for the following year across all funding segments, with due attention paid to the non-earmarked foundation fund and the programme support cost fund. The corresponding documentation will be shared with the Board for its review during the next audit.

736. In paragraph 48 of its report, the Board recommended that UN-Habitat develop guidance on unearmarked grants to ensure the efficient and effective management of funds.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: High
Target date: First quarter of 2024

737. Guidance on unearmarked grants will be developed to ensure the efficient and effective management of funds.

738. In paragraph 49 of its report, the Board recommended that UN-Habitat comply with the cash management policy, put in place a repayment plan for overdue loans, and ensure that internal loans are repaid in a timely manner.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: High
Target date: First quarter of 2024

739. UN-Habitat will conduct a thorough review of all the loans individually to identify the main reasons for the extended non-payment. In addition, UN-Habitat will review the cash management policy to ensure that the scope of the policy aligns with the types of loans that are given, including the maximum amount that can be issued and the period of repayment.

740. In paragraph 57 of its report, the Board recommended that UN-Habitat develop a policy and establish a mechanism to ensure that programme support cost rates are in line with the United Nations policy and that exceptions to standard rates are properly reviewed and approved.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: High
Target date: First quarter of 2024

741. UN-Habitat has reviewed the list of 40 grants analysed by the Board and has noted that it comprises 22 operational grants (55 per cent) and 18 unearmarked grants (45 per cent). With regard to the latter, UN-Habitat wishes to advise that these are not operational in nature and are not signed with any donor. For this reason, unearmarked

grants do not have any programme support cost rate. However, UN-Habitat will adjust the record to add the standard programme support cost rate under the unearmarked grants. With respect to the 22 operational grants, UN-Habitat agrees with the observations and recommendations by the Board. UN-Habitat will develop an internal policy guidance within the United Nations Secretariat's policy that will prescribe standard programme support cost rates, which will be presented for pre-approval by the Controller to align programme support cost rates with the mandate of UN-Habitat. The internal guideline will also address how special rates (exceptions to standard rates) are considered and approved, in line with the Secretariat's policy. In addition, UN-Habitat will work with the United Nations Office at Nairobi to ensure the correct application of approved programme support cost rates in Umoja.

742. In paragraph 58 of its report, the Board recommended that UN-Habitat apply programme support cost rates correctly in Umoja.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

743. UN-Habitat will work with the United Nations Office at Nairobi to ensure the correct application of approved programme support cost rates in Umoja.

744. In paragraph 65 of its report, the Board recommended that UN-Habitat take actions to strengthen the control of grants, including cleaning up deficit balances in grants accounts and settling the liability of closing grants, to ensure that the projects are operationally and financially closed in a timely manner.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

745. UN-Habitat will continue its efforts towards strengthening the control of grants, including cleaning up deficit balances in grant accounts and settling the liability of closing grants. Regular reports on the status of grants will continue to be shared with the programme management officers by UN-Habitat and the United Nations Office at Nairobi, to support the review and cleaning of closing grants. The UN-Habitat Finance and Budget Unit will continue to provide guidance and support, as required. The Office will provide support through refresher training sessions and assistance in closing open items, upon request.

746. In paragraph 82 of its report, the Board recommended that UN-Habitat further standardize the criteria for exemption from review by the Programme Review Committee. Applications for exemption should be approved by authorized approver after being cleared by the Programme Review Committee, to avoid the conflicts of interest, to ensure that the exemption request is adequate and complies with the guidelines, and to promote the risk control of projects.

<i>Department responsible:</i>	External Relations, Strategy, Knowledge and Innovation Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2024

747. The Programme Review Committee is revising its guidelines, and this will clarify projects that can be exempted from the Committee's review, the authorized officer to approve exemptions, the protocol and the required documents.

748. In paragraph 83 of its report, the Board recommended that UN-Habitat further strengthen the project preparation process protocols to ensure that for projects exempted from review by the Programme Review Committee, necessary procedures and required supporting documents are not omitted.

<i>Department responsible:</i>	External Relations, Strategy, Knowledge and Innovation Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2024

749. UN-Habitat refers to its comments in paragraph 747 above relating to the recommendation in paragraph 82 of the Board's report.

750. In paragraph 94 of its report, the Board recommended that UN-Habitat enhance the engagement of the Programme Review Committee in project monitoring and evaluation, including clarifying relevant work responsibilities and identifying the primary key tasks of projects between different phases.

<i>Department responsible:</i>	External Relations, Strategy, Knowledge and Innovation Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2024

751. The Programme Review Committee working group's project monitoring role commenced in May 2023. UN-Habitat will utilize the unique identification that is attached to every project in the integrated planning, management and reporting solution to clearly identify all projects and monitor their status from approval through to implementation.

752. In paragraph 95 of its report, the Board recommended that UN-Habitat follow the relevant project management regulation, conducting re-evaluation of the project when there are material changes, and use primary key identifiers, such as consistent project names or codes, to ensure the identification of projects between the approval phase and the implementation phase.

Department responsible: External Relations, Strategy, Knowledge and Innovation Division

Status: Under implementation

Priority: Medium

Target date: First quarter of 2024

753. UN-Habitat will utilize the unique identification that is attached to every project in the integrated planning, management and reporting solution to clearly identify all projects and monitor their status from approval through to implementation.

754. In paragraph 104 of its report, the Board recommended that UN-Habitat clarify the roles of various offices in relation to implementing partners management, and designate a unit or office responsible for the overall coordination, oversight and management of implementing partners, including supervising the use of the implementing partner module included.

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Target date: First quarter of 2024

755. The updated implementing partner policy being prepared will clarify the roles of various offices relating to implementing partner management and provide other guidance required to implement the audit recommendations in full.

756. In paragraph 105 of its report, the Board recommended that UN-Habitat strengthen the uploading of documents related to the selection of implementing partners, including review documents of the Implementing Partners Selection Committee, and improve the maintenance of payment schedule and report schedule functions in the implementing partner module of Umoja.

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Target date: First quarter of 2024

757. Guidance to support staff members will be provided in the updated implementing partner policy, in line with the functionality of the grantor module.

758. In paragraph 115 of its report, the Board recommended that UN-Habitat appoint the members of the Implementing Partners Selection Committee through official documents signed by the person designated in the terms of reference of the Committee.

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Target date: First quarter of 2024

759. UN-Habitat accepts the recommendation and the requirement will be implemented accordingly.

760. In paragraph 116 of its report, the Board recommended that UN-Habitat review various options to solve the issue of not meeting the quorum and ensure that only appointed members and designated alternates can participate in the discussion.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

761. The updated implementing partner policy will provide guidance on quorums and the appointment of members and alternates.

762. In paragraph 117 of its report, the Board recommended that each member of the Implementing Partners Selection Committee sign a non-conflict of interest statement at every meeting prior to the review of proposals.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

763. UN-Habitat accepts the recommendation and the requirement will be implemented accordingly.

764. In paragraph 127 of its report, the Board recommended that UN-Habitat ensure that the ICT requirements of all divisions and offices are effectively coordinated and consolidated in the development of applications.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: High
Target date: Third quarter of 2024

765. UN-Habitat accepts the recommendation and the requirement will be implemented accordingly.

766. In paragraph 135 of its report, the Board recommended that UN-Habitat retire the Project Accrual and Accountability System once the Donor Information System and Project Accrual and Accountability System components have been moved to the UN-Habitat website.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2024

767. The Project Accrual and Accountability System platform remains in production and is continuously updated and reviewed. The System meets the United Nations cybersecurity standards required of systems in production mode. It is also regularly patched whenever a new software update is released. The Project Accrual and Accountability System will be retired accordingly once UN-Habitat's main website update is completed and the Donor Information System and Project Accrual and Accountability System components are moved to the main website.

768. In paragraph 146 of its report, the Board recommended that UN-Habitat comply with the procedures of the Office of Information and Communications Technology for decommissioning applications by regularly reviewing its procedures for disposing of confidential data and preparing required documentation specified in the United Nations ICT Technical Procedure and the United Nations Secretariat ICT Technical Procedure on the ICT Data Retention Schedule.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2024

769. The warden information system was retired. UN-Habitat will comply with the Office of Information and Communications Technology's procedures for decommissioning applications.

770. In paragraph 154 of its report, the Board recommended that UN-Habitat, in coordination with the United Nations Office at Nairobi, complete the comprehensive disaster recovery plan at the application level in a timely manner to ensure business continuity and minimize data loss in case of a disaster.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

771. UN-Habitat has a disaster recovery plan in place and in effect. Therefore, business continuity is ensured and data loss is not envisaged. The plan is updated in line with Office of Information and Communications Technology requirements that require entities to update their disaster recovery plans, test results and update emergency contacts and strategies as part of the requirement of the annual self-assessment exercise on the Unite apps platform. UN-Habitat will update the disaster recovery plan on the basis of the latest request from the Office by the set deadline of December 2023. UN-Habitat will continue to liaise with service providers to regularly run disaster recovery tests in line with the service provider's schedule. UN-Habitat relies entirely on service providers' infrastructure because it does not have its own infrastructure.

772. In paragraph 155 of its report, the Board recommended that UN-Habitat liaise with service providers to conduct the disaster recovery tests on a periodic basis and incorporate lessons learned and corrective actions into updates of the comprehensive disaster recovery plan.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

773. UN-Habitat refers to its comments in paragraph 771 above relating to the recommendation in paragraph 154 of the Board's report.

774. In paragraph 162 of its report, the Board recommended that UN-Habitat continue to develop a clear strategy regarding the total number of core operational staff who are under UNDP and UNOPS contracts, implement the "lift & shift" project and move core operational staff with UNDP and UNOPS contracts to United Nations Secretariat contracts.

Department responsible: Office of the Executive Director
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2024

775. UN-Habitat accepts the recommendation to develop a clear strategy for the implementation of the "lift & shift" project, based on criteria relating to operational functions, to identify the total number of core operational staff who are under UNDP/United Nations for Project Services (UNOPS) contracts and who will be moved to secretariat contracts, on the basis of the operational needs of the UN-Habitat office concerned. The support of the United Nations Office at Nairobi and interaction with the relevant sections in the United Nations Secretariat will be requested.

776. In paragraph 167 of its report, the Board recommended that UN-Habitat strengthen its management of consultants and individual contractors by further clearly defining their roles, responsibilities and authorization levels within the agency's hierarchy to ensure that they do not exceed their delegation of authority.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: High
Target date: First quarter of 2024

777. The clarity of roles and responsibilities of consultants and individual contractors will be ensured in the contracts issued to ensure that they do not exceed their delegation of authority.

778. In paragraph 172 of its report, the Board recommended that UN-Habitat follow strictly break-in-service regulations and develop mechanisms to ensure that the reappointment of staff fully meets the break-in-service requirement.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2024

779. Regular reports will be shared with recruiting managers and the UN-Habitat Human Resources Unit will conduct checks at the point of recruitment and conduct regular reviews to ensure that the audit recommendation is implemented in full.

780. In paragraph 180 of its report, the Board recommended that UN-Habitat track the evaluation recommendations in a timely manner and complete the implementation of recommendations according to established timelines.

<i>Department responsible:</i>	Office of the Executive Director
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Third quarter of 2024

781. The evaluation report monitoring system will be enhanced to track the implementation of evaluation recommendations and regular reporting, and follow-up will be done.

782. In paragraph 187 of its report, the Board recommended that UN-Habitat implement and embed enterprise risk management in line with Organization-wide approved policies and methodologies.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2024

783. UN-Habitat takes note of the audit recommendation and can confirm that it has prepared a corporate risk catalogue and will make concerted efforts to ensure that the corporate risk register is completed by the deadline of December 2023 set by United Nations Headquarters. Further implementation of enterprise risk management will be given priority in the coming months.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

784. In the annex to its report for the year ended 31 December 2022 ([A/78/5/Add.9](#), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 44 recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

785. Table 30 summarizes the overall situation as of August 2023.

Table 30
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Management Advisory and Compliance Service	39	–	–	39	39	–
External Relations, Strategy, Knowledge and Innovation Division	5	–	–	5	5	–
Total	44	–	–	44	44	–

Report of the Board for the year ended 31 December 2016³⁷

786. **In paragraph 74 of its report, the Board recommended that UN-Habitat strengthen monitoring of the implementation projects funded by conditional agreements in order to ensure that revenue is realized after fulfilling the conditions and to reduce the amount of liability in the financial statements.**

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2017

Revised target date: First quarter of 2024

787. UN-Habitat has established systems for monitoring the implementation of projects funded through conditional agreements. A regular report is sent to the project management offices to provide the status of the grants and ensure effective management. The integrated planning, management and reporting module also supports the monitoring of implementation of all projects, regardless of funding source.

Report of the Board for the year ended 31 December 2017³⁸

788. **In paragraph 32 of its report, the Board recommended that UN-Habitat: (a) ensure that funds are released to implementing partners on time so that the planned activities can be completed within the scheduled period; and (b) establish a risk-based fast-track payment process for emergency and high-priority countries, as proposed by the country office in the Syrian Arab Republic.**

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: High

Original target date: Fourth quarter of 2018

Revised target date: First quarter of 2024

³⁷ A/72/5/Add.9, chap. II.

³⁸ A/73/5/Add.9, chap. II.

789. UN-Habitat has developed a system to improve implementing partner management. The grantor module has also improved implementing partner management, which supports the monitoring of payment schedules and appropriate response in cases of fast-track payments for emergencies. Regular reviews of implementing partner status reports will be carried out.

Report of the Board for the year ended 31 December 2018³⁹

790. In paragraph 21 of its report, the Board recommended that UN-Habitat conduct a complete analysis of the registers associated with the grants, specifically for the cases observed by the Board. As part of the analysis, UN-Habitat should identify the current status of the amounts delivered to implementing partners and received from conditional agreements, conduct a compliance review of the signed agreements and, if applicable, request reimbursement of the resources provided under them and correct the accounting transactions records.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2019
<i>Revised target date:</i>	First quarter of 2024

791. UN-Habitat conducts regular reviews of funds received from conditional agreements and monitors payment to implementing partners from these funds. Regular reporting will be established to improve implementing partner management. The grantor module has also improved implementing partner management through the availability of reports that will support and facilitate the reviews and monitoring of payments to implementing partners.

792. In paragraph 22 of its report, the Board recommended that UN-Habitat evaluate the application of impairment provisions to advances accounts.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2019
<i>Revised target date:</i>	First quarter of 2024

793. UN-Habitat will conduct the evaluation of the current application of impairment provisions to advance accounts and take the action necessary to implement the audit recommendation. Consultation and collaboration with the United Nations Office at Nairobi will be made, as required.

794. In paragraph 23 of its report, the Board recommended that UN-Habitat enhance project supervision and internal control in the UN-Habitat policy for implementing partners to prevent grants under which no accounting transactions have been made for an extended period from remaining in force.

³⁹ [A/74/5/Add.9](#), chap. II.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: High
Original target date: Fourth quarter of 2019
Revised target date: First quarter of 2024

795. UN-Habitat has developed a system to improve implementing partner management. The grantor module has also improved implementing partner management. The implementing partner policy is being updated and will include policy guidance on preventing inactive grants.

796. In paragraph 42 of its report, the Board recommended that UN-Habitat establish a framework and methodology for full cost recovery in accordance with General Assembly resolution 67/226 applicable in all units of the entity and inform its hubs and offices of its application.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: High
Original target date: Fourth quarter of 2019
Revised target date: First quarter of 2024

797. UN-Habitat is developing an internal guide for full cost recovery in alignment with the guidance established by United Nations Headquarters.

798. In paragraph 77 of its report, the Board recommended that UN-Habitat conduct a review of the expenses relating to projects that are led or supported by consultants.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2019
Revised target date: First quarter of 2024

799. UN-Habitat will review travel expenses to identify any incorrect charges in the staff/personnel travel class and necessary corrections will be made in collaboration with the United Nations Office at Nairobi.

800. In paragraph 78 of its report, the Board recommended that, as part of the review, UN-Habitat should request reclassification of the travel expenses and correct the accounting transactions records.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2019
<i>Revised target date:</i>	First quarter of 2024

801. UN-Habitat will review travel expenses to identify any incorrect charges in the staff/personnel travel class and necessary corrections will be made in collaboration with the United Nations Office at Nairobi.

802. In paragraph 79, the Board recommended that UN-Habitat strengthen measures to identify and reclassify expenses and clearly set out the scope and frequency of controls.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2019
<i>Revised target date:</i>	First quarter of 2024

803. In collaboration with the United Nations Office at Nairobi, UN-Habitat will review the current measures established to identify and reclassify expenses and make necessary improvements.

804. In paragraph 128 of its report, the Board recommended that UN-Habitat perform periodic and timely reviews of the leave system to identify absences and, if relevant, apply charges on the monthly salary of the staff.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2019
<i>Revised target date:</i>	First quarter of 2024

805. UN-Habitat has commenced discussions with the United Nations Office at Nairobi, and they will jointly agree on action required to ensure full implementation of this recommendation.

Report of the Board for the year ended 31 December 2019⁴⁰

806. In paragraph 150 of its report, the Board recommended that UN-Habitat ensure that overtime as compensatory time off and additional payment are calculated in accordance with information circular UNON/IC/2015/07 and other applicable instructions, in compliance with the official work schedule established by the Nairobi duty station.

⁴⁰ A/75/5/Add.9, chap. II.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: High
Original target date: Fourth quarter of 2020
Revised target date: First quarter of 2024

807. UN-Habitat has worked with the United Nations Office at Nairobi to correct the reported cases and to ensure compliant calculations in future. UN-Habitat will provide evidence to the Board during the upcoming interim audit.

808. In paragraph 151 of its report, the Board recommended that UN-Habitat review and correct the cases of miscalculations of compensatory time off, of overtime payments on incorrect schedules and of payments that exceed the established rates.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2020
Revised target date: First quarter of 2024

809. UN-Habitat has commenced discussions with the United Nations Office at Nairobi, and they will jointly agree on action required to ensure full implementation of this recommendation.

810. In paragraph 152 of its report, the Board recommended that UN-Habitat regulate the lunch break time on Fridays for the purpose of ensuring the proper calculation of the overtime.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2020
Revised target date: First quarter of 2024

811. UN-Habitat has commenced discussions with the United Nations Office at Nairobi, and they will jointly agree on action required to ensure full implementation of this recommendation.

812. In paragraph 195 of its report, the Board recommended that UN-Habitat update the information contained in the Umoja report on equipment in accordance with the SC119 Umoja property management overview course, assigning for each item the location and/or user responsible.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2020
Revised target date: First quarter of 2024

813. UN-Habitat has commenced a review exercise with the support of the United Nations Office at Nairobi. It will subsequently complete the updating of equipment.

814. In paragraph 196 of its report, the Board recommended that the assigned staff member responsible for the operational equipment be a staff member of UN-Habitat.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2020
Revised target date: Fourth quarter of 2023

815. UN-Habitat staff members are now the custodians and are responsible for operational equipment. UN-Habitat will provide evidence to the Board during the upcoming interim audit.

816. In paragraph 207 of its report, the Board recommended that UN-Habitat headquarters take measures to monitor the proper registration of the capitalization and disposal of property, plant and equipment items, from the time when the assets are received by the entity and according to the information indicated in the corresponding delivery note or when the disposal is approved.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2020
Revised target date: First quarter of 2024

817. UN-Habitat has commenced a review exercise with the support of the United Nations Office at Nairobi, and subsequently they will jointly agree on action required to ensure full implementation of this recommendation.

818. In paragraph 208 of its report, the Board recommended that UN-Habitat consider the depreciation of its assets when they are available for use, pursuant to the delivery principle of the United Nations corporate guidance for IPSAS on the delivery principle and paragraph 71 of IPSAS 17.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	First quarter of 2024

819. UN-Habitat, in collaboration with the United Nations Office at Nairobi, will jointly agree on action required to ensure that the depreciation of assets complies with relevant financial regulations and rules.

820. In paragraph 215 of its report, the Board recommended that UN-Habitat coordinate with Headquarters on the possibility of phasing out the standard cost methodology, aligning its accounting with IPSAS requirements for valuing property, plant and equipment assets.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	First quarter of 2024

821. UN-Habitat, with support from the United Nations Office at Nairobi, will follow up on the discussions and coordinate with United Nations Headquarters on the possibility of phasing out the standard cost methodology, aligning its accounting with IPSAS requirements for valuing property, plant and equipment assets.

822. In paragraph 226 of its report, the Board recommended that UN-Habitat coordinate with Headquarters to carry out a regular review of the residual value of assets in general and its fully depreciated assets that remain in use, in particular appropriately assigned useful lives and residual values to the assets, as established under IPSAS 17.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	First quarter of 2024

823. UN-Habitat, with support from the United Nations Office at Nairobi, will follow up on the discussion and coordinate with United Nations Headquarters to carry out a review of the residual value of assets in general and its fully depreciated assets that remain in use to ensure compliance with relevant financial regulations and rules.

824. In paragraph 247 of its report, the Board recommended that UN-Habitat strengthen the monitoring of the payment procedure, in order to avoid having pending payments owing to an absence of the prerequisite documentation.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	First quarter of 2024

825. UN-Habitat will strengthen the monitoring of the payment procedure, in order to avoid having pending payments owing to an absence of the prerequisite documentation. UN-Habitat will review the payables focal point system to improve the payments system. Support will be requested from the United Nations Office at Nairobi, as required.

826. In paragraph 292 of its report, the Board recommended that UN-Habitat hold the ICT Committee meetings periodically in order to achieve the objectives and purposes established in Secretary-General's bulletin [ST/SGB/2003/17](#) and the Committee's terms of reference.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2020
<i>Revised target date:</i>	First quarter of 2024

827. The Information and Communication Technology Committee members have been nominated. The Committee will commence its meetings by the fourth quarter of 2023.

Report of the Board for the year ended 31 December 2020⁴¹

828. In paragraph 24 of its report, the Board recommended that UN-Habitat clear open items and open commitments of operationally closed grants and ensure a timely financial closure, in order to enhance the financial effectiveness of the organization and the accuracy of the financial statements.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2021
<i>Revised target date:</i>	First quarter of 2024

829. UN-Habitat has developed a system to improve grant management through regular monitoring, reviews and reporting shared with relevant staff members. The grantor module has also improved implementing partner management through the availability of reports that support and facilitate the review and monitoring of grants, payments to implementing partners and submissions. Reviews of transfers made to

⁴¹ [A/76/5/Add.9](#), chap. II.

implementing partners will be carried out and open items and open commitments of operationally closed grants will be cleared accordingly. The United Nations Office at Nairobi will provide support through refresher training sessions and assistance in closing open items, upon request.

830. In paragraph 29 of its report, the Board recommended that UN-Habitat adjust the \$64,637.69 of payroll charges by recording them against award grants and regularly monitor the grant implementation status to make sure that no further payroll charges are to be posted against closing grants.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2021
Revised target date: First quarter of 2024

831. UN-Habitat will ensure that the recommended adjustments for the payroll costs of the two grants are processed. UN-Habitat has developed a system to improve grant management. The grantor module has also improved implementing partner management. The United Nations Office at Nairobi will provide support through refresher training sessions and assistance in closing open items, upon request.

832. In paragraph 34 of its report, the Board recommended that UN-Habitat strictly implement the standard operating procedure regarding petty cash accounts management.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2021
Revised target date: First quarter of 2024

833. UN-Habitat, in collaboration with the United Nations Office at Nairobi, will implement the standard operating procedure regarding petty cash accounts.

834. In paragraph 101 of its report, the Board reiterated the former recommendation that UN-Habitat avoid the ex post facto situation prior to the signing of new contracts.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: High
Original target date: Fourth quarter of 2021
Revised target date: First quarter of 2024

835. UN-Habitat will conduct a quarterly review of all existing contracts to ensure that any required extensions are completed in a timely manner, to avoid the ex post facto cases identified. To help UN-Habitat to implement this recommendation, the United Nations

Office at Nairobi will periodically share with the Management Advisory and Compliance Service a comprehensive report on the state of each contract, including proposed action such as contract extensions, new procurement action and contract closeouts, for contracts that the Office will establish and administer on UN-Habitat's behalf.

836. In paragraph 107 of its report, the Board recommended that UN-Habitat perform its duties on contract management to ensure that comprehensive evaluations of vendor performance are conducted before processing any extension to existing contracts.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2021
Revised target date: First quarter of 2024

837. UN-Habitat will further the discussion with the United Nations Office at Nairobi and ensure that the audit recommendation has been implemented in full. The United Nations Office at Nairobi will support UN-Habitat in conducting refresher training on administrative aspects of contract management such as contract amendments, extensions, contract closure, records retention and dispute resolution. UN-Habitat will seek training on contract management matters from the United Nations Secretariat.

838. In paragraph 132 of its report, the Board recommended that UN-Habitat, in collaboration with UNOPS, amend the individual contractor agreement by further specifying the scope of entitlement in compliance with the above-mentioned administrative instruction.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2022
Revised target date: First quarter of 2024

839. The Director of Management Advisory and Compliance Service and UNOPS will revise the document, in line with the instruction and guidance to be issued by Headquarters.

840. In paragraph 147 of its report, the Board recommended that UN-Habitat make sure an inter-organization agreement among the organizations is signed and the cost or fair value of employee benefits can be reliably accounted for.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2021
Revised target date: Second quarter of 2024

841. UN-Habitat will obtain support from the United Nations Office at Nairobi in the drafting of the inter-organization agreement and in ensuring that the cost or fair value of employee benefits are reliably accounted for.

842. In paragraph 172, the Board recommended that UN-Habitat generate barcodes for all assets under its control, in order to keep all assets traceable, and fill in the acquisition dates that represent the beginning of the useful life of the assets.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2021
Revised target date: Second quarter of 2024

843. UN-Habitat will conduct asset management refresher training for members of staff in the Egypt country office and all asset focal points on property management. The training will include Umoja asset management.

844. In paragraph 181, the Board recommended that UN-Habitat strengthen its travel planning process to ensure that the booking and purchase of tickets be finalized 16 calendar days in advance of the commencement of official travel.

Department responsible: Management Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2021
Revised target date: First quarter of 2024

845. While it is not always possible to meet the 16-calendar day travel plan owing to circumstances that are outside of UN-Habitat's control, such as late requests by donors and Governments, UN-Habitat is monitoring travel compliance on a quarterly basis, and a good level of compliance has been achieved.

Report of the Board for the year ended 31 December 2021⁴²

846. In paragraph 27 of its report, the Board further recommended that UN-Habitat prepare a report based on surveys and communications with previous, present and potential core funds donors to identify the gap between donor expectations and current situations.

Department responsible: External Relations, Strategy, Knowledge and Innovation Division
Status: Under implementation
Priority: High
Original target date: Fourth quarter of 2023
Revised target date: No change

⁴² [A/77/5/Add.9](#), chap. II.

847. UN-Habitat has launched a survey targeting previous, present and potential donors and has had a number of bilateral meetings with previous, present and potential donors. UN-Habitat will prepare and disseminate the report to present the findings of the survey and bilateral meetings with the donors.

848. In paragraph 32 of its report, the Board recommended that UN-Habitat, coordinating with the United Nations Office at Nairobi, make continuous efforts to review the cash balance of grants regularly and clean the closed grants with a positive cash balance.

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Original target date: Second quarter of 2023

Revised target date: First quarter of 2024

849. UN-Habitat has developed a system to improve grant management. The grantor module has also improved implementing partner management. UN-Habitat will review cash balances of grants and clean the closed grants with a positive cash balance. The United Nations Office at Nairobi will provide support through refresher training sessions and assistance in closing open items, upon request.

850. In paragraph 39 of its report, the Board recommended that UN-Habitat, cooperating with the United Nations Office at Nairobi, strengthen internal controls to perform regular monitoring and review to ensure the accuracy of accounting records.

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Original target date: First quarter of 2023

Revised target date: First quarter of 2024

851. UN-Habitat will cooperate with the United Nations Office at Nairobi to further strengthen internal controls to perform the regular monitoring and review of accounting records.

852. In paragraph 45, the Board recommended that UN-Habitat regularly communicate with donors about the possibility of recollecting voluntary contributions receivable, especially for grants with closing status, and start the write-off or write-down process in time when eligible.

Department responsible: External Relations, Strategy, Knowledge and Innovation Division

Status: Under implementation

Priority: Medium

Original target date: Second quarter of 2023

Revised target date: First quarter of 2024

853. UN-Habitat will continue to monitor and review aged receivables for voluntary contributions regularly; regularly communicate with donors about the possibility of recollecting overdue voluntary contributions receivable, especially for grants with closing status; and write off or write-down uncollectible aged voluntary contributions receivable.

854. In paragraph 66, the Board also recommended that UN-Habitat review the post distribution and human resources regularly to further analyse its employment priorities and resources distribution and to facilitate the selection process when the necessary funding is in place.

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: High

Original target date: First quarter of 2023

Revised target date: First quarter of 2024

855. UN-Habitat will review the post distribution and human resources regularly to further analyse employment priorities.

856. In paragraph 109, the Board recommended that UN-Habitat establish a mechanism that gathers and cross-checks the data and hiring records of non-staff personnel, in compliance with further clarified Secretariat requirements, giving due consideration to the principle of obtaining the best value for the money.

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Original target date: First quarter of 2023

Revised target date: First quarter of 2024

857. UN-Habitat will establish the necessary mechanism and take action to implement this recommendation.

858. In paragraph 153, the Board recommended that UN-Habitat review its implementing partner policy and standard operating procedures for implementing partner selection to ensure that implementing partner selection is compliant with the general principles of fairness, integrity, transparency and effective competitiveness set by the Financial Regulations and Rules of the United Nations; and any necessary waiver should provide, among others, programmatic and financial justifications and detail the exceptional circumstances.

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: High

Original target date: First quarter of 2023

Revised target date: Fourth quarter of 2023

859. UN-Habitat is updating its implementing partner policy and the standard operating procedures.

860. In paragraph 154, the Board recommended that UN-Habitat take necessary actions, including but not limited to reviewing its implementing partner policy and standard operating procedures for implementing partner selection to avoid splitting contracts.

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: High

Original target date: First quarter of 2023

Revised target date: Fourth quarter of 2023

861. UN-Habitat is updating its implementing partner policy and standard operating procedures.

862. In paragraph 162, the Board recommended that UN-Habitat build up and maintain a database of properly screened implementing partners for all of UN-Habitat to facilitate the implementing partner selection process and link it to the Umoja Implementing Partner Management Module to strengthen implementing partner data-sharing.

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Original target date: First quarter of 2023

Revised target date: First quarter of 2024

863. UN-Habitat will explore the possibility of joining the United Nations Partner Portal.

864. In paragraph 170, the Board recommended that UN-Habitat improve its standard operating procedures for implementing partner selection by setting up guidance for selecting prospective implementing partners and the threshold for accepting recommended implementing partners.

Department responsible: Management Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Original target date: First quarter of 2023

Revised target date: Fourth quarter of 2023

865. UN-Habitat is updating its implementing partner policy and standard operating procedures. This updated policy will address the audit recommendation.

866. In paragraph 184, the Board recommended that UN-Habitat set up a clear resource mobilization target by donor type in order to make a feasible action

plan accordingly and in turn expand UN-Habitat funding sources in compliance with United Nations policies.

<i>Department responsible:</i>	External Relations, Strategy, Knowledge and Innovation Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	First quarter of 2024

867. UN-Habitat will take the action necessary to implement the recommendation in the next action plan. Specific resource mobilization targets by donor type will be set in the next strategic plan.

868. In paragraph 192, the Board recommended that UN-Habitat complete the performance measurement plan and the internal performance measurement system in a timely manner to ensure implementation of the strategic plan 2020-2023.

<i>Department responsible:</i>	External Relations, Strategy, Knowledge and Innovation Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	First quarter of 2024

869. UN-Habitat will take the action necessary to implement the recommendation accordingly. The completion of the performance measurement plan and internal performance measurement is now prioritized to ensure implementation of the audit recommendation.

870. In paragraph 206, the Board recommended that UN-Habitat maintain its website, including by updating information, and monitor the effectiveness of the website on a regular basis, to improve transparency and accountability and further facilitate its business delivery.

<i>Department responsible:</i>	External Relations, Strategy, Knowledge and Innovation Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	Second quarter of 2024

871. UN-Habitat's main website is being upgraded and nearing completion, and it will improve transparency and facilitate UN-Habitat's business delivery.

872. In paragraph 221, the Board recommended that UN-Habitat further clarify the laptop/computer allocation rules and standards to optimize laptop/computer procurement and allocation and reduce related operational costs.

<i>Department responsible:</i>	Management Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	First quarter of 2024

873. UN-Habitat will develop guidance that will clarify the allocation of laptops and computers, as recommended.

XIII. United Nations Office on Drugs and Crime

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022⁴³

874. Table 31 summarizes the status of implementation of the main recommendations of the Board as of August 2023.

Table 31

Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division for Management	2	–	–	2	2	–
Office of the Executive Director	1	–	1	–	–	–
Multiple offices	1	–	–	1	1	–
Total	4	–	1	3	3	–

875. Table 32 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 32

Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division for Management	5	–	–	5	5	–
Office of the Executive Director	3	–	2	1	1	–
Division for Policy Analysis and Public Affairs	1	–	–	1	1	–
Multiple offices	6	–	1	5	5	–
Total	15	–	3	12	12	–

⁴³ A/78/5/Add.10, chap. II.

876. **In paragraph 23 of its report, the Board recommended that UNODC conduct a complete assessment of the property, plant and equipment recognition criteria by evaluating whether a change in this approach could better represent the nature of the construction assets currently classified as property, plant and equipment in the financial statements of UNODC, as well as the financial impact of a possible eventual change in this approach.**

Department responsible: Division for Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2023

877. The United Nations Office on Drugs and Crime (UNODC) will evaluate the recognition criteria for all construction assets recorded on its books as at 31 December 2022 and will determine the appropriate accounting treatment for these assets.

878. **In paragraph 31 of its report, the Board recommended that UNODC ensure that a control review mechanism be continuously applied to ensure that capitalization of property, plant and equipment is done in a timely manner.**

Department responsible: Division for Management

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

879. Considering the established capitalization threshold, UNODC will conduct periodic reviews of all serialized property records throughout the year, including an end-of-year assessment, to determine their eligibility for capitalization.

880. **In paragraph 40 of its report, the Board recommended that UNODC take the actions necessary to further ensure that the balance of the fund “64DCR” is maintained at an appropriate level in accordance with relevant policies and guidance.**

Department responsible: Division for Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2027

881. UNODC has initiated action to implement this recommendation. A plan and implementation road map have been established and agreed with Member States. The process will continue as a matter of practice, with annual reviews and revisions, as needed. UNODC expects that the multi-year execution plan will bring the 64DCR fund balance to the appropriate levels by the end of December 2027.

882. **In paragraph 47 of its report, the Board recommended that UNODC conduct a complete review of the expired service-level agreements and update, as necessary, those that are outdated to accurately reflect the duration of the signed documents.**

<i>Department responsible:</i>	Division for Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2024

883. UNODC will interact with Member States' counterparts to complete the review of expired service-level agreements and issue amendments to clarify the continued rolling renewal of the agreements, if considered necessary by Member States. It is expected that the review will be completed by the end of December 2023 and that all amendments will be in place by the end of December 2024.

884. In paragraph 56 of its report, the Board recommended that UNODC strengthen its internal controls in framework of programme and project implementation to avoid the reiteration of ex post facto approval of assets transferred to end beneficiaries.

<i>Departments responsible:</i>	Division for Management, Division for Operations and Division for Treaty Affairs
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

885. The standard operating procedure on transfer of property to end beneficiaries was issued in March 2022 and shared with all UNODC field offices. An updated standard operating procedure was shared by the Director of the Division for Management in March of 2023 with all UNODC management, including UNODC field office representatives. UNODC considers this recommendation to be implemented and requests its closure by the Board.

886. In paragraph 67 of its report, the Board recommended that UNODC put additional measures in place, such as those implemented in its field offices, to ensure compliance with the established property management procedures and timelines.

<i>Departments responsible:</i>	Division for Management and Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2024

887. UNODC has taken action to ensure that offices are informed of property management procedures and timelines. A dedicated Microsoft Teams channel has been created to facilitate communication, policies and procedures have been made available, and updated standard operating procedures have been published and circulated. Field offices have benefited from support provided by the General Support Section at UNODC headquarters and from the issuance of corporate guidance on property management rules and procedures. As a corollary, most field offices upscaled efforts to undertake a physical count against the Umoja equipment register with the aim of addressing discrepancies. In 2022 and 2023, selected field offices have also

received visits from UNODC headquarters experts. Improved accountability is also being promoted through the inclusion of this work aspect into relevant managers' workplans. Field offices will continue to ensure compliance with the established property management procedures and timelines and regularly review equipment records.

888. In paragraph 72 of its report, the Board recommended that UNODC review its enterprise risk management framework and make the revisions and updates necessary to ensure that a comprehensive framework is continuously updated and accurately reflects the risk assessment process.

Department responsible: Office of the Executive Director

Status: Closure requested

Priority: Medium

Target date: Not applicable

889. The risk management framework, as well as the governance document, risk register and risk treatment plan, were updated throughout 2022, taking into account the relevant strategic documents, such as the UNODC strategy, and assessing emerging risks (e.g., those relating to the COVID-19 pandemic). The new enterprise risk management framework was adopted by the UNODC Executive Committee in December 2022. UNODC considers this recommendation to be implemented and requests its closure by the Board.

890. In paragraph 79 of its report, the Board recommended that UNODC ensure that quarterly presentations on enterprise risk management are made properly to the UNODC Executive Committee.

Department responsible: Office of the Executive Director

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2023

891. UNODC will submit the results of the quarterly risk monitoring to its Executive Committee by the end of 2023.

892. In paragraph 90 of its report, the Board recommended that UNODC update the risk register, as well as the risk response and treatment plan, which should also include specific and measurable risk treatment actions, to ensure that the results of the risk management process are accurately reflected and aligned in both documents.

Department responsible: Office of the Executive Director

Status: Closure requested

Priority: High

Target date: Not applicable

893. UNODC refers to its comments in paragraph 889 above relating to the recommendation in paragraph 72 of the Board's report. UNODC considers this recommendation to be implemented and requests its closure by the Board.

894. **In paragraph 100 of its report, the Board recommended that UNODC and its field offices define responsibilities and timelines with respect to the notification process of ex post facto procurement cases.**

Departments responsible: Division for Management and Division for Operations

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

895. The Procurement Unit of the United Nations Office at Vienna will conduct refresher knowledge-sharing sessions on ex post facto cases through coordination with other divisions within UNODC.

896. **In paragraph 101 of its report, the Board recommended that UNODC and its field offices evaluate their current mitigation measures and establish more specific actions to prevent the reoccurrence of ex post facto procurement cases.**

Departments responsible: Division for Management and Division for Operations

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

897. UNODC offices will review current mitigation measures with a view to identifying potential ways to enhance contract management locally so that ex post facto cases can be prevented.

898. **In paragraph 108 of its report, the Board recommended that UNODC, in liaison with its field offices, analyse the root causes of delays in the payments, and that concrete measures be established to improve the overall payment process in order to avoid reputational damage.**

Departments responsible: Division for Management and Division for Operations

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

899. Offices responsible at UNODC will conduct a thorough review of the invoice payment process at all regional offices, which will be intended to identify the causes of delays and develop measures to enhance payment efficiency.

900. **In paragraph 117 of its report, the Board recommended that UNODC implement further effective measures and timelines, such as those implemented in its field offices, to allow for the efficient management of grants with extended operational closing status.**

Departments responsible: Division for Management, Division for Operations, Division for Treaty Affairs and Division for Policy Analysis and Public Affairs

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

901. An interdivisional working group on grants monitoring and closure has been set up and tasked with reviewing the relevant processes and providing recommendations to maximize the utilization of funds and facilitate grants closure. Management will review the findings and recommendations for endorsement and action.

902. In paragraph 126 of its report, the Board recommended that UNODC ensure proper and timely use of the monitoring tool of the integrated planning, management and reporting solution by the programme managers in order to guarantee the prompt issuance of the annual project progress reports.

Department responsible: Division for Policy Analysis and Public Affairs

Status: Under implementation

Priority: Medium

Target date: First quarter of 2024

903. Guidance and instructions on monitoring and reporting within the integrated planning, management and reporting solution have been provided to project teams. Further training will be conducted to ensure continued understanding of the process and related requirements. A reminder on the processing of the 2023 annual project progress reports will be sent in the fourth quarter of 2023. The number of progress reports submitted by the deadline during the first quarter of 2024 and having input information into the monitoring tool should increase significantly.

904. In paragraph 136 of its report, the Board recommended that UNODC ensure that reporting obligations to be met by implementing partners are timely and properly delivered.

Department responsible: Division for Management

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2023

905. While awaiting overall guidance from United Nations Headquarters on harmonized reporting obligations for implementing partners of United Nations Secretariat entities such as UNODC, the External Party Engagement Unit of the Division for Management will advise programme managers to ensure that their partners report in a timely manner and regularly in accordance with the agreements entered into.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

906. In the annex to its report for the year ended 31 December 2022 (A/78/5/Add.10, chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the nine recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

907. Table 33 summarizes the overall situation as of August 2023.

Table 33

Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division for Management	1	–	–	1	1	–
Division for Policy Analysis and Public Affairs	1	–	–	1	1	–
Regional Office for the Middle East and North Africa	2	–	–	2	2	–
Multiple offices	5	–	–	5	5	–
Total	9	–	–	9	9	–

Report of the Board for the year ended 31 December 2018⁴⁴

908. **In paragraph 64 of its report, the Board recommended that UNODC strengthen its internal controls in order to ensure the segregation of duties in every project or, at the very least, implement a compensating control.**

Departments responsible: Division for Operations, Division for Policy Analysis and Public Affairs and Division for Treaty Affairs

Status: Under implementation

Priority: High

Original target date: Fourth quarter of 2019

Revised target date: First quarter of 2024

909. Guidance and instructions have been provided to project teams to work on monitoring and reporting in and outside the integrated planning, management and reporting solution, ensuring that there are three different roles involved in the approval of reports: the planner or drafter of the report; the monitoring approver in the integrated planning, management and reporting solution; and the reporting approver offline (evidenced by email attachment in the integrated planning, management and reporting system). The implementation of the 2023 annual project progress reports process should show evidence of this segregation of duties within

⁴⁴ A/74/5/Add.10, chap. II.

each project's monitoring application in the integrated planning, management and reporting system. UNODC will continue to provide guidance to staff on the process to ensure compliance. Delays by UNODC in the transition of projects from the programme and financial information management system to the integrated planning, management and reporting solution resulted in project managers not being ready to insert data into the integrated planning, management and reporting monitoring application and to issue the annual project progress reports on time.

Report of the Board for the year ended 31 December 2019⁴⁵

910. In paragraph 104 of its report, the Board recommended that UNODC make efforts, in liaison with the United Nations Secretariat, to update the administrative instruction on the official status file as well as trying to find ways to link Umoja and Inspira to the Unite Docs website.

<i>Departments responsible:</i>	Division for Management and Department of Management Strategy, Policy and Compliance
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2023

911. The forthcoming issuance of the administrative instruction on official status files is being handled by the Office of Human Resources in the Department of Management Strategy, Policy and Compliance, following the required process for consultation, approvals and promulgation.

912. In paragraph 115 of its report, the Board recommended that UNODC make a review of the UNOV/UNODC information technology services disaster recovery plan and add all the missing elements that the current United Nations disaster recovery plan technical procedures require.

<i>Department responsible:</i>	Division for Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2023

913. The disaster recovery plan reflects needs and requirements expressed in the business continuity plan, to enable the United Nations Office at Vienna/UNODC to sustain critical processes in various business scenarios. As an increasing number of technologies are globalized and centralized in the United Nations, and data and processes move to the cloud, local requirements for disaster recovery are also expected to evolve. To ensure that disaster recovery procedures are aligned with the business continuity plan, UNODC believes that said procedures need to be included as an annex to the business continuity plan and reviewed and updated together. This will not only address the important risks, but also eliminate the overlaps that the disaster recovery technical procedure has with requirements met through the business

⁴⁵ A/75/5/Add.10, chap. II.

continuity plan. This integration will make the total process less onerous. Consequently, UNODC will include an annex to the United Nations Office at Vienna/UNODC business continuity plan detailing the related disaster recovery procedures for the systems in scope. This is planned for completion by the end of 2023. This will not be a new process but rather a formalization of what has been done, given that true disaster recovery exercises of a different nature were already executed in 2021 and 2022, designed to follow requirements expressed in the United Nations Office at Vienna/UNODC business continuity plan.

Report of the Board for the year ended 31 December 2020⁴⁶

914. In paragraph 73 of its report, the Board recommended that the UNODC Regional Office for the Middle East and North Africa carry out, in a timely manner, the mandatory project progress reports as required under the current Programme and Operations Manual.

<i>Department responsible:</i>	Regional Office for the Middle East and North Africa
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2021
<i>Revised target date:</i>	Second quarter of 2024

915. In May 2023, the UNODC Regional Office for the Middle East and North Africa finalized the 2022 annual project progress reports in the integrated planning, management and reporting solution for most of its projects. The progress reports for 2023 will be finalized by the second quarter of 2024. The delay in the implementation is due mainly to the migration to the new integrated planning, management and reporting system, which commenced in 2020. This process was lengthy, with a sharp learning curve. The Regional Office has 13 ongoing projects, almost all of which required a revision so that they could be extended in the integrated planning, management and reporting solution. During this time, the Regional Office was also heavily involved in developing its third regional framework for the Arab States, which was launched in March 2023. This entailed an extensive consultative process with various stakeholders, including with the League of Arab States, as well as its 18 member States, which took more than one year to complete. The new regional framework foresees six operational vehicles that are the new focus areas/pillars of the regional framework. The new operational vehicles will replace the 13 ongoing projects. This will facilitate the timely and efficient monitoring and reporting undertaken by the Regional Office.

916. In paragraph 74 of its report, the Board recommended that UNODC Regional Office for the Middle East and North Africa ensure that further segregation of duties be properly guaranteed in the preparation of a progress report for every project.

⁴⁶ A/76/5/Add.10, chap. II.

<i>Department responsible:</i>	Regional Office for the Middle East and North Africa
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2024

917. UNODC refers to its comments in paragraph 915 above relating to the recommendation in paragraph 73 of the Board's report for the year ended 31 December 2020.

Report of the Board for the year ended 31 December 2021⁴⁷

918. In paragraph 32 of its report, the Board recommended that UNODC Country Office in Peru, in coordination with UNODC headquarters, assess and adopt measures regarding those service contract holders recruited for a long period of time, in order to avoid an improper use of this contract modality.

<i>Departments responsible:</i>	UNODC country office in Peru, Division for Management and Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

919. The UNDP service contracts are undergoing a transition to a new modality. All service contract holders at the UNODC country office in Peru will undergo a transition to this new modality. The country office is waiting for UNDP to share details on the schedule for the completion of this transition, which is expected to occur by the end of 2023.

920. In paragraph 61 of its report, the Board recommended that UNODC assess the establishment of minimum procedures for regulating the recruitment process under the service contracts modality, while adopting the good practices already implemented by the UNODC Country Office in Colombia.

<i>Departments responsible:</i>	Division for Management and Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

921. The Division for Operations has shared with programme managers concerned the standard operating procedures implemented by the Regional Office for the Andean

⁴⁷ A/77/5/Add.10, chap. II.

Region and the Southern Cone on the recruitment, selection and hiring of service contract holders. The standard operating procedures outline requirements and workflow steps that comply with UNDP policy rules and processes. The document will be finalized after it has been reviewed by programme managers.

922. In paragraph 91 of its report, the Board recommended that UNODC country offices in Colombia and Peru ensure that project revisions are approved in a timely manner, following the current instructions in this regard.

Departments responsible: UNODC Regional Office for the Andean Region and the Southern Cone and UNODC country office in Peru

Status: Under implementation

Priority: High

Original target date: First quarter of 2023

Revised target date: Fourth quarter of 2023

923. The UNODC country offices in Colombia and Peru are working to ensure that upcoming project revisions are submitted and approved in a timely manner, in line with existing relevant instructions.

924. In paragraph 99 of its report, the Board recommended that UNODC review and update its management instructions and internal procedures related to programme and project management, while considering the incorporation and use of the integrated planning, management and reporting solution, as well as consolidate all of the new and relevant information within the programme and operations guidance map.

Department responsible: Division for Policy Analysis and Public Affairs

Status: Under implementation

Priority: High

Original target date: Fourth quarter of 2022

Revised target date: Fourth quarter of 2023

925. The revised management instruction outlining the role and responsibilities of the UNODC Programme Review Committee was adopted in March of 2023. Revision of the management instruction relating to direct approval of programmes is being finalized. This is the last management instruction on procedures relating to programme and project management that needs to be revised. Information is continuously updated and shared within the programme and operations guidance map. The UNODC integrated planning, management and reporting solution project management guide is also regularly updated to reflect any changes in management instructions and internal procedures pertaining to programme and project management.

XIV. United Nations Office for Project Services

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022⁴⁸

926. Table 34 summarizes the status of implementation of the main recommendations of the Board as of August 2023.

Table 34

Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Finance Group	3	–	–	3	3	–
Internal Audit and Investigations Group	1	–	–	1	1	–
Legal Group	1	–	–	1	1	–
Total	5	–	–	5	5	–

927. Table 35 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 35

Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Digital transformation programme	1	–	–	1	1	–
Finance Group	11	–	–	11	11	–
Infrastructure and Project Management Group	3	–	–	3	3	–
Internal Audit and Investigations Group	2	–	–	2	2	–
Legal Group	1	–	–	1	1	–
Procurement Group	1	–	–	1	1	–
Total	19	–	–	19	19	–

928. **In paragraph 26 of its report, the Board recommended that UNOPS review its budget- and price-setting practices and take measures to ensure that the cost-recovery/fee-setting algorithm is based on the needs of UNOPS in order to fund its management expenses for the budget period.**

<i>Department responsible:</i>	Finance Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2023

⁴⁸ A/78/5/Add.11, chap. II.

929. In line with the recommendation, UNOPS has submitted to the Executive Board the new fee-setting algorithm to cover expenses through the budget estimates for the biennium 2024–2025 (DP/OPS/2023/7), and the Executive Board’s decision is expected by the end of 2023.

930. In paragraph 35 of its report, the Board recommended that UNOPS conduct a thorough review of its revenue and make reasonable revenue forecasts to ensure the integrity of revenue estimates in the budget preparation process in accordance with its financial regulations and rules.

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2025

931. In line with the recommendation, UNOPS has, through the budget estimates for the biennium 2024–2025, committed itself to presenting an approach that will integrate its net finance income into its planning processes for the next budget estimates. Management will seek to identify a solution at the earliest opportunity.

932. In paragraph 47 of its report, the Board recommended that UNOPS adhere to the provisions of IPSAS 24 and assess the appropriateness of including write-offs and provisions in the budget to ensure budgeting accuracy and reliability.

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

933. In line with the recommendation, UNOPS has submitted the budget estimates for the biennium 2024–2025 to the Executive Board, excluding a budget line for “provisions, liabilities and contingencies”, and the Executive Board’s decision is expected by the end of 2023.

934. In paragraph 58 of its report, the Board recommended that UNOPS conduct a comprehensive assessment of the causes behind delays in internal investment projects and take measures to improve the budget performance.

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

935. In line with the recommendation, the UNOPS Internal Investment Committee has conducted the review of the root causes and has taken the necessary action on the basis of the results of the review. The impact of the actions is expected to be reflected in the results for 2023.

936. **In paragraph 68 of its report, the Board recommended that UNOPS take all measures necessary within its remit to recover the funds associated with Sustainable Investments in Infrastructure and Innovation investment losses.**

Department responsible: Legal Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2025

937. UNOPS is working with the Office of Legal Affairs to recover funds relating to the Sustainable Investments in Infrastructure and Innovation (S3i) investments.

938. **In paragraph 80 of its report, the Board recommended that UNOPS conduct a review to identify the root causes of the overrecovery of locally managed direct costs and regional managed direct costs at the project level and to integrate any learnings into its shared services management processes.**

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

939. UNOPS is committed to ensuring the adequate recovery of costs. This should address causes for overrecovery and underrecovery. UNOPS will commence a comprehensive review as suggested by the Board. Given that the Board, in its recommendation, asked for a root cause analysis and the implementation of a revised management approach to address any identified root causes, this will be a long-term process, with expected completion by the end of 2024.

940. **In paragraph 81 of its report, the Board also recommended that UNOPS establish a global budgeting and recovery approach of locally managed direct costs for client projects to keep the recovery at a reasonable level.**

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

941. UNOPS is committed to ensuring the adequate recovery of costs to address causes for overrecovery and underrecovery. In 2022, UNOPS embarked on a consultative process to further break down the locally managed services into smaller parts and to see how variances between the budgeted and actual amounts could be reduced. With the other challenges encountered in 2022 and 2023, this work was put on hold. UNOPS will thus restart the work in this direction. Given that such an approach needs to cater to all UNOPS partners, this will require sufficient time to ensure compliance with partner requirements. The expected completion date is by the end of 2024.

942. **In paragraph 93 of its report, the Board recommended that UNOPS conduct a thorough identification and assessment of the potential risks of the portfolio to ensure that risks are mitigated.**

Department responsible: Finance Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

943. UNOPS, with the support of its external asset managers and under the guidance of the Investment Advisory Committee, will review all portfolio risks over the coming periods to ensure that potential portfolio risks are mitigated.

944. **In paragraph 104 of its report, the Board recommended that the UNOPS include a detailed reference to the treatment of interest collected on prepayments made by partners and a clear reference to UNOPS investment principles in all legal agreements with partners, to ensure that partners are fully informed of the use by UNOPS of prepayments for investment.**

Department responsible: Finance Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

945. UNOPS has begun to review its standard legal agreement templates, as recommended by the Board.

946. **In paragraph 115 of its report, the Board recommended that UNOPS assess the procurement procedures of asset manager selection process to ensure a robust management structure with clear reporting lines and a sufficient division of procurement duties.**

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

947. UNOPS, with the support and guidance of the Investment Advisory Committee, will develop a new process specific to the selection of external asset managers.

948. **In paragraph 126 of its report, the board recommended that UNOPS conduct a comprehensive review and analysis of the consolidated purchase of medicines and medical supplies, with a focus on identifying the causes of early termination, to improve project management.**

Department responsible: Internal Audit and Investigations Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

949. Following its 2023 annual workplan, the Internal Audit and Investigations Group initiated engagement IAIG/13104 (Review of early termination of PharmaMX project) in late May 2023. The engagement's objective was, in collaboration with all stakeholders, to identify the potential causes of the project's early termination as lessons learned and for consideration in future and similar engagements by UNOPS. The review fieldwork has been completed and the engagement is at the reporting stage. The report is expected to be issued by the end of 2023.

950. In paragraph 136 of its report, the Board recommended that UNOPS establish a centralized management mechanism for grant projects, including a digital system, to conduct effective monitoring at the organizational level.

<i>Department responsible:</i>	Infrastructure and Project Management Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2025

951. As of July 2023, UNOPS had established a task force to map and document grants processes and is developing a model for a digital grants management system. This model includes grantee selection, the award process and the execution of project budgets, reporting and other related processes. UNOPS is at the contract negotiation stage to join the United Nations Partner Portal, which will be part of the broader grants management system and will enable the sharing of implementing partner/grantee information among United Nations entities. The timeline for the development and roll-out of the grant management system will be aligned with the UNOPS corporate digital transformation programme.

952. In paragraph 145 of its report, the Board recommended that UNOPS develop guidelines to improve the timeliness, completeness and accuracy of grantee reporting and integrate it with the upcoming digitization system for more effective grantee reporting management.

<i>Department responsible:</i>	Infrastructure and Project Management Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2024

953. As of July 2023, UNOPS had released a series of internal policies and requirements to strengthen grants management, including invitations for proposals, submissions/applications management, and implementing partner/grantee capacity assessments (including financial and reporting capacity). UNOPS will release policies, requirements and templates on grants financial management and reporting, grants monitoring and evaluation and implementing partner/grantee asset management. These policies will also provide the foundation for the requirements in the digital grants management system. Training UNOPS personnel and partners on these policies and requirements is ongoing.

954. In paragraph 150 of its report, the Board recommended that UNOPS conduct a detailed analysis of the reasons for the write-offs and produce a report with recommendations as part of its continuous improvement and lessons learned management.

Department responsible: Infrastructure and Project Management Group
Status: Under implementation
Priority: Medium
Target date: First quarter of 2024

955. A detailed analysis of the reasons for the write-offs will be coordinated with the Finance Group and regional teams. Lessons learned will be developed through the collection and analysis of recent records and targeted stakeholder interviews. Results from the analysis will form part of a continuous improvement process.

956. In paragraph 157 of its report, the Board recommended that UNOPS take effective measures to appropriately record all financial reports to clients in the UNOPS financial reporting monitoring dashboard to ensure effective and timely internal oversight.

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2024

957. UNOPS has included the key measure recording all financial reports in its results framework and has informed all personnel responsible to provide adequate information. UNOPS expects that, by end of the second quarter of 2024, the overall data set will have been completed.

958. In paragraph 163 of its report, the Board recommended that UNOPS meet all the needs of the close-out to ensure all financial closure activities are implemented in a timely manner.

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

959. UNOPS will further improve its processes to ensure the timely closure of its projects.

960. In paragraph 171 of its report, the Board recommended that UNOPS prepare an overarching plan for the digital transformation programme, including a robust forecast of costs and a timetable.

Department responsible: Digital transformation programme
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

961. UNOPS has engaged an external consultancy firm to support the detailed costing and timeline and the relevant digital systems, leveraging existing United Nations experience and best-of-breed tools.

962. In paragraph 181 of its report, the Board recommended that UNOPS strengthen the approval process of pre-selection requests from United Nations funding sources and assess the feasibility of obtaining endorsement from their headquarters office so as to better implement the principle of mutual recognition of best practices in the United Nations development system.

<i>Department responsible:</i>	Procurement Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2024

963. UNOPS will: (a) review the current process and engage relevant stakeholders involved in the pre-selection process, including departments, units and funding sources; (b) gain their insights and perspectives; and (c) develop comprehensive guidelines, amend policy documents and include specific details about the involvement of United Nations funding sources and their headquarters offices.

964. In paragraph 187 of its report, the Board recommended that UNOPS continuously improve the functioning of the Internal Audit and Investigation Group and ensure its independence for improved risk management.

<i>Department responsible:</i>	Internal Audit and Investigations Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

965. UNOPS has taken action to improve the functioning of the Internal Audit and Investigations Group and to ensure the independence of the Group, including the revision of Group's Charter and the roll-out of a revised Group structure to execute its mandate in full. With the support of the Executive Board and the UNOPS Executive Office, the Group will continue to ensure the full independence of its activities and will report to the Executive Board in a timely manner on any issue that impairs its independence.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

966. In the annex to its report for the year ended 31 December 2022 ([A/78/5/Add.11](#), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 12 recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

967. Table 36 summarizes the overall situation as of August 2023.

Table 36
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Finance Group	3	–	–	3	3	–
Helsinki office	2	–	1	1	1	–
Partnership and Liaison Group	1	–	–	1	1	–
Peace and Security Cluster	3	–	2	1	1	–
People and Culture Group	1	–	–	1	1	–
Procurement Group	1	–	–	1	1	–
Risk Group	1	–	1	–	–	–
Total	12	–	4	8	8	–

Report of the Board for the year ended 31 December 2018⁴⁹

968. **In paragraph 23 of its report, the Board recommended that UNOPS take steps to generate the financial statements from the oneUNOPS enterprise resource planning system so as to minimize the need for manual adjustments and interventions.**

Department responsible: Finance Group
Status: Under implementation
Priority: High
Original target date: Fourth quarter of 2020
Revised target date: Fourth quarter of 2023

969. UNOPS is working towards full automation to generate financial statements from the oneUNOPS enterprise resource planning system. Good progress has been made in this regard and phase one of the automation has been completed. UNOPS is working on phase two of the automation to further enhance the completeness of the statements generated from the system.

970. **In paragraph 174 of its report, the Board recommended that UNOPS automate the preparation of financial statements to ensure the credibility of financial information. UNOPS should also prioritize the implementation of treasury management and inventory valuation and management in oneUNOPS.**

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2020
Revised target date: Fourth quarter of 2023

⁴⁹ A/74/5/Add.11, chap. II.

971. UNOPS refers to its comments in paragraph 969 above relating to the recommendation in paragraph 23 of the Board's report for the year ended 31 December 2018.

Report of the Board for the year ended 31 December 2019⁵⁰

972. In paragraph 123 of its report, the Board recommended that UNOPS assess its approach to the inclusion of the provision of liquidated damages, in particular for high-value contracts, in order to mitigate the risk of potential late performance leading to financial loss to UNOPS and its partners.

<i>Department responsible:</i>	Procurement Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2023

973. Management assessed its approach to the inclusion of the provision of liquidated damages and confirmed that the current approach remained valid. Therefore, it was agreed to formulate an operational guidance on the application and use of liquidated damages in solicitation and contract documents to supplement the UNOPS procurement manual (revision 7). For this purpose, UNOPS established a global task force led by the Procurement Group, the Infrastructure and Project Management Group and the Integrated Practice Advice and Support Team, with procurement specialist and project manager representatives from all regional offices as members. The global task force expects to finalize the guidance document, followed by a global training webinar, by the fourth quarter of 2023.

Report of the Board for the year ended 31 December 2020⁵¹

974. In paragraph 47 of its report, the Board recommended that UNOPS establish the necessary procedures to strengthen the risk assessment and ongoing monitoring over its S3i initiative investments to ensure the safety of the investments.

<i>Department responsible:</i>	Helsinki office
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2025

975. Since May 2022, the recovery efforts of the defaulted S3i portfolio have been coordinated with the Office of Legal Affairs. In January 2023, UNOPS successfully exited its equity investment in a solar farm in Rajasthan, India, in line with the Executive Board request to work towards completely phasing out the S3i initiative. UNOPS management arranged for two independent third-party reviews: on UNOPS oversight mechanisms that existed for S3i investments; and on UNOPS internal

⁵⁰ A/75/5/Add.11, chap. II.

⁵¹ A/76/5/Add.11, chap. II.

control systems, risk management and overall governance structures. The final reports of these two reviews were issued on 28 November 2022, and the comprehensive response plan put in place to address the recommendations of these reviews was presented to the Executive Board on 30 November 2022. UNOPS has been providing monthly updates on the progress on the comprehensive response plan to the Executive Board.

976. In paragraph 73 of its report, the Board recommended that UNOPS update its guidelines to complement the necessary documentation on justification for the risk increment calculation as part of the management fee and devise an appropriate review mechanism on such justification to provide assurance with respect to the applicability of the pricing model during the engagement acceptance process.

<i>Department responsible:</i>	Finance Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2023

977. UNOPS took note of the Board's assessment and will include an update on the calculation of the risk increment in its release of a revised management fee setting by the fourth quarter of 2023.

Report of the Board for the year ended 31 December 2021⁵²

978. In paragraph 72 of its report, the Board recommended that UNOPS conduct a comprehensive, in-depth and adequate evaluation or review of the decision-making, management and internal control of the We Are the Oceans and Ocean Generation projects, and establish a compliance and accountability mechanism to avoid the recurrence of such issues.

<i>Department responsible:</i>	Helsinki office
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Not applicable

979. UNOPS management arranged for an independent third-party review to be carried out on the decision-making, management and internal control of the We Are The Oceans and Ocean Generation grants. This review was run in conjunction with two other reviews, namely, on the UNOPS oversight mechanisms that existed for S3i investments and the UNOPS internal control systems, risk management and overall governance structures. The final report of the decision-making, management and internal control of the We Are The Oceans and Ocean Generation grants was issued on 17 February 2023. The establishment of compliance and accountability mechanisms to avoid future recurrences of such issues is a part of the comprehensive responsive plan put in place by UNOPS in response to the independent third-party

⁵² [A/77/5/Add.11](#), chap. II.

reviews. UNOPS has been providing monthly updates on the progress on comprehensive response plan to the Executive Board. UNOPS considers this recommendation to be implemented and requests its closure by the Board.

980. In paragraph 99 of its report, the Board recommended that UNOPS take measures to finalize the key controls to ensure that quarterly reporting is conducted on the effectiveness of internal control.

Department responsible: Risk Group
Status: Closure requested
Priority: Medium
Original target date: Fourth quarter of 2022
Revised target date: Not applicable

981. UNOPS has identified its key controls, rolled out a control testing protocol and established periodic monitoring meetings with policy units and reporting to management. UNOPS considers this recommendation to be implemented and requests its closure by the Board.

982. In paragraph 115 of its report, the Board recommended that UNOPS review its human resources services it provides to United Nations partners and try its best to align its services involving individual contractors with partners' applicable rules on the management of individual contractors.

Department responsible: Partnership and Liaison Group
Status: Under implementation
Priority: Medium
Original target date: Second quarter of 2023
Revised target date: Fourth quarter of 2023

983. The negotiations between UNOPS and United Nations Secretariat are continuing with a sense of urgency, with the expectation of the conclusion of the new memorandum of understanding by the end of 2023. UNOPS expects that the new memorandum will state that personnel engaged by UNOPS to deliver projects on behalf of the United Nations Secretariat are under the responsibility of UNOPS and are hence governed by UNOPS human resources policies.

984. In paragraph 128 of its report, the Board recommended that UNOPS review the Mine Action Service project asset data in oneUNOPS and WASP and establish a mechanism to check the consistency between the Mine Action Service project assets and their records in oneUNOPS.

Department responsible: Peace and Security Cluster
Status: Closure requested
Priority: Medium
Original target date: Second quarter of 2023
Revised target date: Not applicable

985. UNOPS has revised its standard operating procedure and has established a mechanism to check the data consistency between WASP and oneUNOPS project asset records. UNOPS considers this recommendation to be implemented and requests its closure by the Board.

986. In paragraph 141 of its report, the Board recommended that UNOPS expedite the negotiation with the United Nations Secretariat to resolve the long-standing project asset management issue, in order to avoid any off-balance sheet items and associated risks.

Department responsible: Peace and Security Cluster

Status: Under implementation

Priority: High

Original target date: Second quarter of 2023

Revised target date: Fourth quarter of 2023

987. UNOPS is collaborating with its counterparts in the United Nations Secretariat to expedite negotiations aimed at establishing a new memorandum of understanding. Taking into consideration the progress made to date and the complexity of the memorandum, every effort is being made to conclude negotiations and to have the final memorandum by the end of 2023.

988. In paragraph 147 of its report, the Board recommended that UNOPS strengthen the physical verification on Mine Action Service project assets.

Department responsible: Peace and Security Cluster

Status: Closure requested

Priority: Medium

Original target date: Second quarter of 2023

Revised target date: Not applicable

989. UNOPS has revised its standard operating procedure, amended its internal asset reporting and verification template and introduced a joint UNOPS/Mine Action Service monthly asset meeting. Training for all mine action offices has been conducted and the processes are implemented in full. UNOPS considers this recommendation to be implemented and requests its closure by the Board.

990. In paragraph 206 of its report, the Board recommended that UNOPS list clearly in its rules the positions that entail “inherently United Nations activities” and must be filled by staff members to ensure that staff members remain the core human resources of the organization.

Department responsible: People and Culture Group

Status: Under implementation

Priority: High

Original target date: Fourth quarter of 2022

Revised target date: Fourth quarter of 2024

991. UNOPS is actively engaged in a review of its use of the various contractual modalities, with regular updates being provided to the Executive Board. A first phase of the review will be completed by 31 December 2023. A second phase will start in 2024. As this work yields results, UNOPS will update the Board and the Executive Board. Equally important, a Joint Inspection Unit report on the use of non-staff contracts is expected by the end of 2023 and will be an important reference point to design and implement the referred second phase.

XV. United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women)

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022⁵³

992. Table 37 summarizes the status of implementation of the main recommendations of the Board as of August 2023.

Table 37

Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Strategy, Planning, Resources and Effectiveness Division	3	–	–	3	3	–
Policy, Programme and Intergovernmental Division	2	–	–	2	2	–
Strategic Partnerships Division	3	–	–	3	3	–
Total	8	–	–	8	8	–

993. Table 38 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 38

Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Strategy, Planning, Resources and Effectiveness Division	3	–	–	3	3	–
Policy, Programme and Intergovernmental Division	6	–	–	6	6	–
Management and Administration Division	3	–	2	1	1	–
Strategic Partnerships Division	3	–	–	3	3	–
Multiple offices	3	–	–	3	3	–
Total	18	–	2	16	16	–

⁵³ A/78/5/Add.12, chap. II.

994. **In paragraph 36 of its report, the Board recommended that UN-Women strengthen its procedures on traceability of funds used in the Sustainable Development Goals in order to have an objective process that allows for the monitoring of results over the years.**

<i>Department responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2024

995. The United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) acknowledges the importance of strengthening its procedures to enable the improved traceability of funds used towards achieving the Sustainable Development Goals. It is committed to improving these in line with other United Nations partners' practices under the overall harmonization efforts across the United Nations system. As of August 2023, UN-Women had finalized a mapping between the its strategic plan's integrated results and resources framework for the period 2022-2025 and the Goals. The mapping allows UN-Women to report its yearly financial contribution to the Goals against overall expenditure to CEB through the United Nations data cube. To further address the Board's recommendation, UN-Women will:

(a) Ensure that the upcoming procedure on planning, monitoring and reporting of the strategic plan better enables tracking contributions towards achieving the Sustainable Development Goals. UN-Women will ensure that the procedure aligns with the Development Coordination Office's current efforts to harmonize United Nations agencies' monitoring and reporting towards achieving the Goals. As part of the midterm review of the strategic plan, these considerations will be appraised to assess any needed modifications to the strategic plan integrated results and resources framework and relevant guidance;

(b) Strengthen how projects support tracking contributions towards achieving the Goals through the forthcoming planning, monitoring and reporting policy, ensuring that projects implement planned results in the strategic notes linked to relevant Goals;

(c) Continue to enhance its results management system, ensuring links with Quantum, to enable a more robust monitoring and objective oversight of UN-Women's contributions to the Goals and Goal indicators. Building on existing enhancements, such as the indicator tagging function in the system for country offices, will help to identify contributions of strategic notes to the indicators.

996. **In paragraph 37 of its report, the Board recommended that UN-Women align the results obtained at the project level with all processes carried out in the Entity's strategic notes and strategic plan in order to have access to accurate information about the use of its limited resources.**

<i>Department responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2024

997. UN-Women is committed to optimizing its resources, ensuring that projects align in full with strategic notes and the UN-Women strategic plan. To address the Board's recommendation, UN-Women will:

(a) Promulgate the new planning, monitoring and reporting policy stipulating the results architecture set to support a coherent alignment of results through projects, strategic notes and the strategic plan and to harmonize the monitoring efforts, streamline reporting and optimize the use of resources;

(b) Develop the procedures for country-level, regional level and headquarters-level planning, monitoring and reporting (following the planning, monitoring and reporting policy promulgation) to support adherence to the policy's results architecture;

(c) Ensure that the forthcoming project-level guidance and procedure align with the planning, monitoring and reporting policy through cross-functional content analysis;

(d) Ensure that relevant results management system and Quantum system requirements in line with the planning, monitoring and reporting policy are integrated in full into the medium-term and long-term systems enhancement work of UN-Women.

998. In paragraph 38 of its report, the Board recommended that UN-Women enhance its planning, monitoring and reporting processes related to its strategic plan in order to have accurate and timely information on all business units, thus strengthening accountability and achievements related to compliance and advances of the strategic plan.

Department responsible: Strategy, Planning, Resources and Effectiveness Division

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

999. UN-Women is committed to continuously improving robust planning, monitoring and reporting processes. In this regard, UN-Women will address the Board's recommendation by:

(a) Developing the first procedure for developing, monitoring and reporting on the strategic plan in line with the forthcoming planning, monitoring and reporting policy, outlining pertinent roles and responsibilities to support timely compliance and adherence to the policy;

(b) Building on lessons learned to continuously improve existing annual reporting processes and guidance, including promoting adherence to corporate reporting cycle deadlines. Lessons learned will also inform the development of the above strategic plan procedure;

(c) Ensuring that the revised procedures for planning, monitoring and reporting for field offices and headquarters further strengthen accountability mechanisms within UN-Women so that each business unit takes responsibility for its contributions to implementing the strategic plan. This will involve setting clear performance expectations, monitoring progress and promoting a culture of transparency and ownership across the organization;

(d) Building on the recently launched country office strategic notes pilot procedure. The new procedure being piloted aligns with the upcoming planning, monitoring and reporting policy. It provides an entry point for UN-Women country offices to advance the UN-Women strategic plan results and mandate within the United Nations Sustainable Development Cooperation Framework.

1000. In paragraph 47 of its report, the Board recommended that UN-Women expedite the promulgation of an organization-wide policy to guide environmental initiatives in the programme area with the purpose of involving all the stakeholders related to the execution of programmes to accomplish environmental standards.

Department responsible: Policy, Programme and Intergovernmental Division

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2023

1001. UN-Women is in the final stages of promulgating its social and environmental sustainability policy and its social and environmental standards procedure, which will clearly and comprehensively address internal operational and external programmatic aspects.

1002. The UN-Women policy and procedures will align in full with the relevant United Nations frameworks, such as the CEB strategy for sustainability management in the United Nations system and the United Nations model approach to environmental and social standards.

1003. In paragraph 48 of its report, the Board recommended that UN-Women provide support that enables its offices to implement concrete actions that contribute to the improvement of environmental indicators in the strategic plan.

Department responsible: Policy, Programme and Intergovernmental Division

Status: Under implementation

Priority: High

Target date: First quarter of 2024

1004. Capacity-building activities will follow, once the UN-Women social environmental sustainability policy and social and environmental standards procedure have been promulgated. The new strategic notes to be developed by UN-Women field offices will be used as guidance to incorporate concrete action that improves environmental indicators of the strategic plan.

1005. In paragraph 60 of its report, the Board recommended that UN-Women strengthen the monitoring process and oversight of the existence and validity of the partner capacity assessments in order to have updated capacity information about programme partners who receive funds from UN-Women.

<i>Department responsible:</i>	Policy, Programme and Intergovernmental Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2024

1006. UN-Women has modified the procedure for the selection of programme partners, requiring the completion of a new risk-based capacity assessment if the validity of the existing risk-based capacity assessment ends during a partner agreement implementation. The revised procedure is at the final stages towards promulgation. The recently modified partner and grant agreement management system now auto-generates notifications to the project manager before the validity of a risk-based capacity assessment ends while the corresponding partner agreement is in force so that a new capacity assessment is completed. The risk-based capacity assessment has been made mandatory during the creation of the partner agreement as an integral attachment to ensure that the project managers upload the documented assessment used as part of the partner selection exercise.

1007. In paragraph 68 of its report, the Board recommended that UN-Women articulate at all levels of governance the roles and responsibilities of staff involved in the programme cycle in order to ensure effective oversight of its phases, and encourage the use of the capabilities that the partners and grants management system provides in real time to reporting and global tracking.

<i>Department responsible:</i>	Policy, Programme and Intergovernmental Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2024

1008. UN-Women has taken action on the second line of defence at the corporate level to provide relevant real-time tools, reports and related personnel training to facilitate effective monitoring and oversight at all governance levels of the organizations. UN-Women is extensively promoting the use of the partner and grant agreement management system dashboard to educate and elevate awareness among staff on the usefulness of the status of action reflected in the dashboard for effective oversight.

1009. In paragraph 69 of its report, the Board recommended that UN-Women define a formal and precise deadline to conduct the performance evaluation of the programme partners.

<i>Department responsible:</i>	Policy, Programme and Intergovernmental Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

1010. UN-Women has updated the draft procedures to include a formal and precise deadline to conduct performance and evaluation in selecting programme partners. The procedures are at the final review stage before promulgation.

1011. In paragraph 78 of its report, the Board recommended that all governance levels of UN-Women provide regular training to project managers to ensure that they request submission of funding authorization and certificate of expenditure forms in a timely manner, as the forms provide evidence of the completion of activities, which allows for the recognition of project expenses.

Departments responsible: Policy, Programme and Intergovernmental Division and Management and Administration Division

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

1012. UN-Women's Policy, Programme and Intergovernmental Division, jointly with the Management and Administration Division, will prepare updated training materials by March 2024 and conduct joint training to project personnel in all regional and field offices and at headquarters by the end of 2024.

1013. In paragraph 79 of its report, the Board recommended that all governance levels of UN-Women provide regular training to and strengthen the capacity of programme partners regarding the correct and timely use of funding authorization and certificate of expenditure forms.

Departments responsible: Policy, Programme and Intergovernmental Division and Management and Administration Division

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

1014. UN-Women's Policy, Programme and Intergovernmental Division and Management and Administration Division will jointly update training materials that field personnel can use to train programme partners. They will finalize a training plan and conduct joint training for field personnel.

1015. In paragraph 93 of its report, the Board recommended that UN-Women perform awareness activities for all personnel from the different governance levels to highlight the relevance of having accurate and rigorous information that will be considered as a base of the risk-informed decision-making process to establish partnerships with the private sector.

Department responsible: Strategic Partnerships Division

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2023

1016. A series of training webinars on private sector engagement, due diligence and risk management will be conducted across the organization, to include at least one global webinar to build capacity and awareness on: (a) private sector engagement; (b) risk management and mitigation; and (c) the roles and responsibilities involved at various governance levels in the private sector engagement procedure. These training webinars are contingent on promulgating the new private sector engagement policy and procedure expected by the end of 2023.

1017. In paragraph 94 of its report, the Board recommended that UN-Women establish a clear interconnection between the documents that are the inputs for up-to-date company-level risk categorization, which informs decision-making based on risk for the partnership with the private sector.

Department responsible: Strategic Partnerships Division
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

1018. UN-Women is finalizing the new private sector engagement policy and procedure, which will supersede the current due diligence policy and procedure. The new policy clarifies specific definitions and parameters to enable an improved assessment flow of prospective private sector entities. The procedure improves the use of templates and tools to strengthen private sector entities' risk categorization to allow for an objective and transparent review and decision-making process. Following submission to the Business Review Committee for consultation, the private sector engagement policy and procedure will undergo the usual quality assurance review process.

1019. In paragraph 95 of its report, the Board recommended that UN-Women strengthen the process for assessing private sector partners, by clearly defining decision-making aspects and their actions to be followed, key concepts and the frequency in which an event could occur and may impact the Entity, aiming to enable a more efficient and refined company risk categorization.

Department responsible: Strategic Partnerships Division
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

1020. UN-Women is finalizing the new private sector engagement policy and procedure, which will supersede the current due diligence policy and procedure. The new policy and procedure have revised the business process for prospecting, assessing and designing engagements with the private sector with a risk-informed approach that strengthens the objectivity and clarity of the risk categorization of private sector entities. The roles and responsibilities in decision-making are clarified regarding the design and establishment of engagements with a private sector entity.

1021. The new policy and procedure build on the current role of the Business Review Committee, co-chaired by the Assistant Secretary-Generals/Deputy Executive Directors and with senior representation from five headquarters divisions, two regional offices and technical experts from independent offices in UN-Women, to act as a high-level review body for prospective high-risk private sector partnerships.

1022. **In paragraph 105 of its report, the Board recommended that UN-Women review its procurement guidelines and procedures to determine inconsistencies and harmonize the provisions included therein, such as the mandatory amount for the creation of a purchase order.**

Department responsible: Management and Administration Division
Status: Closure requested
Priority: Medium
Target date: Not applicable

1023. UN-Women has revised the relevant procedures and guidelines and mandated the use of purchase orders for all procurement activities. Users must now utilize Oracle SmartForm, an automated system that generates touchless purchase orders for all procurement transactions ranging from \$0 to \$5,000. This development eliminates the risk of not using a purchase order for qualified activities. UN-Women considers this recommendation to be implemented and requests its closure by the Board.

1024. **In paragraph 106 of its report, the Board recommended that UN-Women carry out an assessment regarding the use and needs of purchase orders presented by the offices and, on that basis, develop a training plan that promotes the use of this procurement control mechanism.**

Department responsible: Management and Administration Division
Status: Closure requested
Priority: Medium
Target date: Not applicable

1025. UN-Women makes it mandatory for all users to utilize purchase orders for all types of procurement activities, regardless of value. The organization has introduced Oracle SmartForm, an automated system that seamlessly generates touchless purchase orders for procurement transactions within the \$0 to \$5000 range to facilitate this process. This new development effectively mitigates non-compliance risks regarding using purchase orders for qualified activities. Accordingly, in addition to introducing the new SmartForm and updating the guidelines, UN-Women has ensured that all personnel have received comprehensive training on its use. UN-Women considers this recommendation to be implemented and requests its closure by the Board.

1026. **In paragraph 113 of its report, the Board recommended that the UN-Women East and Southern Africa Regional Office and the Kenya country office undertake processes for the award of long-term agreements for the recurrent local procurement of goods and services with the purpose of increasing the efficiency and effectiveness of the procurement process.**

Departments responsible: Eastern and Southern Africa Regional Office and Kenya country office
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

1027. The UN-Women East and Southern Africa Regional Office and the Kenya country office have begun the process to establish procurement long-term agreements for recurring needs with substantive procurement volumes. This has been done mainly through the United Nations common procurement mechanisms through which the offices benefit from improved negotiating power as one United Nations. Long-term agreements already established and in use include travel management for the Somalia Programme Presence Office, transportation services for the Somalia Programme Presence Office, leveraging a UNOPS long-term agreement, and hotel and conference services with multiple service providers within and outside Nairobi. In addition to the locally established long-term agreements, the offices now utilize global long-term agreements for vehicles and ICT equipment.

1028. Other services for which long-term agreements are in the process of establishment include editing, design and layout for communication and knowledge management products, office furniture and fittings and office stationery and consumables. The East and Southern Africa Regional Office and the Kenya country office will continue to capitalize on and benefit from feasible opportunities, including through the United Nations country team common back office, currently in the needs assessment stage.

1029. In paragraph 125 of its report, the Board recommended that UN-Women strengthen the information technology change management process by integrating that process using the platform available for the global intake, review and monitoring of all change requests and ensuring that it will be carried out in a timely manner.

<i>Department responsible:</i>	Management and Administration Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2024

1030. UN-Women maintains a robust change management process for all system-related modifications and enhancements. The procedure ensures that all changes are appropriately logged, reviewed and approved before implementation, providing a practical framework to maintaining the stability and integrity of the systems.

1031. Building on this, UN-Women is already integrating the change management process with the global service tracker platform. The platform will thus provide a global solution for the intake, review and monitoring of all information technology change requests. This integration will leverage the capabilities of the platform to enhance visibility, accountability and efficiency in the change management process.

1032. As part of a commitment to continuous improvement, UN-Women is actively socializing this mechanism with the end-users of UN-Women ICT systems. It is essential to capture all projects and changes in the system as soon as they are received. To facilitate this, the Information Systems and Telecommunications Section will also provide orientation sessions to relevant personnel to ensure that they are aware of the change management procedure and system.

1033. In paragraph 126 of its report, the Board recommended that UN-Women perform a cost-effectiveness analysis of the best available resource mobilization pipeline systems, including the Leads system, that allows the Entity to define the operational benefit of the selected system.

<i>Department responsible:</i>	Policy, Programme and Intergovernmental Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

1034. A plan for improvements in the Leads management system is complete. Implementation is pending a cost-benefit analysis between the Leads system and possible options for pipeline management, as well as any requirements for possible integration into the new enterprise resource planning system, Quantum.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

1035. In the annex to its report for the year ended 31 December 2022 (A/78/5/Add.12, chap II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the eight recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

1036. Table 39 summarizes the overall situation as of August 2023.

Table 39

Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Strategy, Planning, Resources and Effectiveness Division	1	–	–	1	1	–
Policy, Programme, Intergovernmental Division	2	–	–	2	2	–
Management and Administration Division	3	–	2	1	1	–
Human Resources Division	2	–	–	2	2	–
Total	8	–	2	6	6	–

Report of the Board for the year ended 31 December 2020⁵⁴

1037. **In paragraph 32 of its report, the Board recommended that UN-Women set and incorporate the risk tolerance levels to guide the process of risk assessment, in order to include the risk tolerance at the time of implementation of additional mitigation measures to reduce the risk rating or severity to an acceptable level.**

⁵⁴ A/76/5/Add.12, chap. II.

<i>Department responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

1038. UN-Women remains committed to implementing risk tolerance boundaries, which is linked closely to the quarterly business review process. The risk tolerance boundaries will guide management on the degree of risk acceptable to UN-Women to achieve its objectives while operating within the broad risk appetite. Furthermore, this will be used to flag risk tolerance breaches to risk owners to ensure that, where required, this triggers the need for changes to mitigating action to reduce the likelihood or impact of identified risks. This process will occur during the risk identification and evaluation phase and through the risk monitoring phase. In addition, a risk appetite and tolerance guidance note will be finalized and shared with all risk owners and risk focal points to provide further support.

Report of the Board for the year ended 31 December 2021⁵⁵

1039. **In paragraph 41 of its report, the Board recommended that UN-Women address the partners' audit financial findings in a timely manner, with the aim to generate certainty regarding the proper use of the resources transferred to the partners.**

<i>Department responsible:</i>	Policy, Programme, Intergovernmental Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

1040. UN-Women has gained traction and steadily resolved partners' audit financial findings, reaching a 43 per cent closure rate of the outstanding financial findings for 2021 as of June 2023. UN-Women continues to work closely with the offices to address the identified root causes of the findings by reviewing the partners' audit reports, considering the findings and recommendations, and tailoring corrective action accordingly for the closure of the remaining financial findings.

1041. **In paragraph 42 of its report, the Board recommended that UN-Women resolve the long-standing partners' audit financial findings in a swift manner, in order to clarify the use of the funds transferred to partners in the prior years.**

⁵⁵ A/77/5/Add.12, chap. II.

<i>Department responsible:</i>	Policy, Programme, Intergovernmental Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

1042. UN-Women has resolved all the outstanding financial findings during the period 2012–2017 through the one-time conclusive assessment. With regard to the 2018–2020 period, UN-Women has resolved 71 per cent of the financial findings mentioned in the Board’s report and is working closely with the country offices to close the remaining 29 per cent.

1043. **In paragraph 74 of its report, the Board recommended that UN-Women coordinate with business owners and the future users of the new enterprise resource planning system “Quantum”, in the procurement process, to raise system requirements in order to generate standard, timely and useful reports for users, which capture global data for all stages of the procure-to-pay cycle.**

<i>Department responsible:</i>	Management and Administration Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2023

1044. UN-Women has disseminated the procurement dashboard requirements among affiliated agencies implementing Quantum. In addition, outside of Quantum, UN-Women has also created a proprietary monitoring and oversight procurement dashboard. UN-Women remains dedicated to ensuring the completion of the Quantum dashboard by the fourth quarter of 2023. Acknowledging the vital role of a robust dashboard, UN-Women pledges its commitment to its successful deployment to enhance effective oversight.

1045. **In paragraph 89 of its report, the Board recommended that UN-Women include all regular resources and other resources contribution agreements in its enterprise resource planning system, to automatically convert these resources in foreign currencies into United States dollars.**

<i>Department responsible:</i>	Management and Administration Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	Not applicable

1046. UN-Women demonstrated to the Board that it had amended its procedures to ensure that all regular resources funded through contribution agreements were entered into the now obsolete Atlas system. UN-Women also showed that the automated Atlas statement of contributions report was updated with the regular resources donor

agreements before UN-Women completed its financial statements for the year ended 31 December 2021.

1047. The same procedures are adopted and implemented in the new enterprise resource planning system, Quantum, for regular resource contributions. The setup and transactions are ready to be demonstrated to the Board in Quantum. UN-Women considers this recommendation to be implemented and requests its closure by the Board.

1048. In paragraph 109 of its report, the Board recommended that UN-Women implement a workplan in order to correct the lack of compliance with the mandatory training courses.

Department responsible: Human Resources Division

Status: Under implementation

Priority: Medium

Original target date: Second quarter of 2023

Revised target date: Second quarter of 2024

1049. UN-Women has progressed in 2023 in its action to implement an organization-wide mandatory training course completion month. It is finalizing the appropriate timing in harmony with other planned organizational initiatives and the phased approach to implementing required technical improvements to the Quantum learning management system.

1050. In paragraph 110 of its report, the Board recommended that UN-Women redesign the monitoring control related to mandatory training courses in order to mitigate risks of non-compliance, encouraging the engagement of all governance levels with these personnel obligations in a preventive manner.

Department responsible: Human Resources Division

Status: Under implementation

Priority: Medium

Original target date: Second quarter of 2023

Revised target date: Second quarter of 2024

1051. UN-Women continues to work to improve the Quantum learning management system course monitoring features to enable course completion, tracking and notification/reminder functioning in line with UN Women's business requirements. Planned management action is ongoing in line with the phased approach to addressing pending gaps and improvements for Quantum.

1052. In paragraph 125 of its report, the Board recommended that UN-Women update and document the activities related to information security, with timely monitoring, in order to mitigate the risks regarding information security at all governance levels (global, regional and country).

<i>Department responsible:</i>	Management and Administration Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	Not applicable

1053. UN-Women continues to update the field office minimum security baseline on the basis of input from the cybersecurity minimum baseline standard adopted by all agencies under the High-level Committee on Management's Digital and Technology Network. This process represents a continuous journey towards improving the organization's information security maturity level.

1054. The publication of baseline main key performance indicators in the business quarterly report has effectively highlighted the information security across all country offices. This has resulted in a significantly improved understanding of the importance of information security at all levels within the organization, signifying its integral role in operations.

1055. In addition, the Information Systems and Telecommunications Section has been organizing quarterly ICT network meetings, represented by field office operations managers and ICT focal points for each country office. These meetings serve as a valuable platform for sharing key information technology-related updates, including cybersecurity news. This proactive approach represents a significant stride towards gaining insight into the specific needs of field offices and fostering discussions on how to approach standard solutions.

1056. By incorporating information security into the agenda of each country office and facilitating regular information technology meetings, UN-Women is taking significant steps towards cultivating a comprehensive understanding of information security across the organization. These efforts are instrumental in building a robust information security culture and ensuring that all personnel are well informed of the risks and the measures necessary to safeguard sensitive information and systems. Engaging with field offices through collaborative discussions further strengthens the organization's ability to address its unique requirements and effectively address potential challenges in information technology and cybersecurity. These implemented measures sufficiently address the above recommendation regarding information security. UN-Women considers this recommendation to be implemented and requests its closure by the Board.

XVI. International Residual Mechanism for Criminal Tribunals

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2022⁵⁶

1057. Table 40 summarizes the status of implementation of the main recommendations of the Board as of August 2023.

⁵⁶ A/78/5/Add.15, chap. II.

Table 40
Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Registry	2	–	2	–	–	–
Total	2	–	2	–	–	–

1058. Table 41 summarizes the status of implementation of all recommendations of the Board as of August 2023.

Table 41
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Registry	4	–	2	2	2	–
Total	4	–	2	2	2	–

1059. **In paragraph 31 of its report, the Board recommended that the Mechanism take action to initiate the disposal processes of the assets with the status “equipment not found”, in accordance with the instructions in force.**

Department responsible: Registry
Status: Closure requested
Priority: High
Target date: Not applicable

1060. The Safety and Security Section of the International Residual Mechanism for Criminal Tribunals conducted a thorough investigation of the lost property and reported its findings in a report dated 14 June 2023. The report has been forwarded to the Local Property Survey Board and the disposal process has been initiated. The Mechanism considers this recommendation to be implemented and requests its closure by the Board.

1061. **In paragraph 32 of its report, the Board recommended that the Mechanism carry out the process to assign responsibilities, in order to determine eventual obligations and root causes for the loss of assets, in a timely and effective manner.**

Department responsible: Registry
Status: Closure requested
Priority: High
Target date: Not applicable

1062. The Mechanism refers to its comments in paragraph 1060 above relating to the recommendation in paragraph 31 of the Board's report.

1063. In paragraph 38 of its report, the Board recommended that the Mechanism keep an updated annual record of the training expenses and the training given to staff members, including their objectives, participants, location, costs and learning outcomes.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

1064. The Mechanism has appointed a dedicated Training and Career Development Assistant, who will manage and track all relevant data relating to training, including expenses, objectives, participants, locations, costs and outcomes.

1065. In paragraph 48 of its report, the Board recommended that the Mechanism carry out an assessment of the temporary appointment positions that are recurrent and necessary for the operation of the Mechanism in order to evaluate the use of other forms of appointments for them, when appropriate, in consideration of the Mechanism's downsizing process, temporary mandate and annual budget cycles.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2023

1066. The Human Resources Section is working on a comparative review process for staff retention in 2024, as well as preparing to implement the 2024 staffing table, during which process all temporary appointments will be reviewed and recruitments for fixed-term appointments initiated, where mandated.

B. Implementation of the recommendations contained in the report of the Board of Auditors for prior financial periods

1067. In the annex to its report for the year ended 31 December 2022 (A/78/5/Add.15, chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 19 recommendations that were assessed by the Board to be either under implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

1068. Table 42 summarizes the overall situation as of August 2023.

Table 42
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Registry	19	–	6	13	13	–
Total	19	–	6	13	13	–

Report of the Board for the year ended 31 December 2017⁵⁷

1069. In paragraph 20 of its report, the Board recommended that the Mechanism supervise the architectural firm tasked with reviewing the control system for air quality, temperature and relative humidity of the archive repositories in the Lakilaki facility and modifying the system to ensure that it meets standard requirements.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Fourth quarter of 2023

1070. The remediation of heating, ventilation and air conditioning systems is at the solicitation stage. The request for proposals was launched, and market responses were received by 31 May 2023. The bids are undergoing a technical evaluation. According to the timeline, the project is expected to be completed, tested and commissioned by the end of 2023.

Report of the Board for the year ended 31 December 2018⁵⁸

1071. In paragraph 20 of its report, the Board recommended that the Mechanism conduct a systematic fraud risk assessment following the provisions of the Anti-Fraud and Anti-Corruption Framework.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2019
<i>Revised target date:</i>	Fourth quarter of 2023

1072. Although the Mechanism falls under the umbrella of the United Nations Secretariat's fraud risk assessment, the Mechanism will undertake this exercise

⁵⁷ A/73/5/Add.15, chap. II.

⁵⁸ A/74/5/Add.15, chap. II.

simultaneously while implementing the recommendation in paragraph 41 of the Board's report for year ended 31 December 2021 (see para. 1098 below).

Report of the Board for the year ended 31 December 2019⁵⁹

1073. In paragraph 45 of its report, the Board recommended that the Mechanism improve its procedures of physical verification for the inventory of all capitalized assets, adjusting this information in the Umoja records, to ensure the integrity of the data maintained in the system.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Not applicable

1074. During the past two cycles (2021 and 2022), the Mechanism conducted the physical verification exercises and met the required physical verification target of 100 per cent as part of instructions for preparation of the financial statements. The Mechanism will continue to maintain this standard of compliance in conducting the physical verification exercises going forward. The Mechanism considers this recommendation to be implemented and requests its closure by the Board.

1075. In paragraph 84 of its report, the Board recommended that the Mechanism reinforce its policy regarding the importance of requesting and approving annual and home leave in Umoja prior to the use of these entitlements, communicating such matters to its staff.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Not applicable

1076. The Board took note of the Mechanism's efforts to reinforce the policy on requesting annual and home leave, and improved compliance. However, given that there will structurally be some rare instances of post facto approvals of leave, full compliance with the principle is not possible. The Mechanism considers this recommendation to be implemented and requests its closure by the Board.

1077. In paragraph 104 of its report, the Board recommended that the Mechanism improve its procedures for the planning of training to be conducted for staff, aimed at the proper execution of a training plan and its relevant budget, by drafting a document that identifies the corresponding staff in charge, dates, training topics, units, number of staff to be trained, and budget planned and expended per activity, among other possible issues.

⁵⁹ A/75/5/Add.15, chap. II.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2023

1078. As noted in the Mechanism's comments in paragraph 1064 above relating to the recommendation in paragraph 38 of the Board's report for the year ended 31 December 2022, the Mechanism has appointed a dedicated Training and Career Development Assistant, who will manage and track all relevant data related to training, including expenses, objectives, participants, locations, costs and outcomes. A training plan for the rest of 2023 and for 2024 is in development.

1079. In paragraph 109 of its report, the Board recommended that the Mechanism take action leading to registering in Umoja all the absences corresponding to the travel days.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Fourth quarter of 2023

1080. The Mechanism notes that, in several cases, travel days are structurally reported in the system after the fact. When taking home leave, for example, travel days are converted only after staff provide a completed expense report to the Human Resources Section, given that the number of travel days provided depends on the actual length of travel.

1081. In paragraph 122 of its report, the Board recommended that the Mechanism have supporting documentation regarding the selection of the most economical offer, in order to ensure that this requirement is met at the time of purchasing the tickets.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Fourth quarter of 2023

1082. While the Mechanism has always been committed to obtaining the most economical air tickets possible, documenting this fact is challenging, given the dynamism of airline reservation systems. The Mechanism looks forward to working with the Board in devising an appropriate means of demonstrating this requirement.

1083. In paragraph 138 of its report, the Board recommended that the Mechanism perform and keep a record of the disaster recovery exercise at least

annually, incorporating the disaster recovery planning document and the lessons learned after the testing, and ensuring that this exercise includes the key employees involved in the recovery process, as established in the information and communications technical procedure on disaster recovery planning (SEC.08. PROC).

Department responsible: Registry
Status: Under implementation
Priority: Medium
Original target date: First quarter of 2021
Revised target date: Fourth quarter of 2023

1084. The Mechanism conducted and documented a partial disaster recovery exercise in 2022 and has updated its planning document accordingly. The Mechanism will continue to implement the disaster recovery exercise on an annual basis.

Report of the Board for the year ended 31 December 2020⁶⁰

1085. **In paragraph 44 of its report, the Board recommended that the Mechanism regularly remind programme managers and supervisors of the performance evaluation deadlines (e-performance or form P.333) to ensure that all staff members have a performance evaluation for each cycle or appointment.**

Department responsible: Registry
Status: Closure requested
Priority: Medium
Original target date: Not applicable
Revised target date: Not applicable

1086. The Human Resources Section regularly reminds programme managers of the performance evaluation deadlines. The Mechanism considers this recommendation to be implemented and requests its closure by the Board.

1087. **In paragraph 45 of its report, the Board recommended that the Mechanism's Human Resources Section reinforce its regular monitoring of the personnel files with the aim of verifying that the educational certificates related to the functions for which the staff members were appointed are included.**

Department responsible: Registry
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2021
Revised target date: First quarter of 2024

⁶⁰ [A/76/5/Add.15](#), chap. II.

1088. As part of the Mechanism's downsizing, the Human Resources Section has begun to receive staff administration services from the United Nations Office at Nairobi. Electronic official status files will be transferred to the Office and contents, including educational certificates, will be reviewed as part of the transfer.

1089. In paragraph 59 of its report, the Board recommended that the Mechanism evaluate the future use of the letters of appointment module in Umoja and, if not viable, define a control measure for the updating and harmonization of the information contained in the current staff's letters of appointment in a centralized and accessible manner.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2021
Revised target date: First quarter of 2024

1090. As noted in paragraph 1088 above, as part of the Mechanism's downsizing the Human Resources Section has begun to receive staff administration services from the United Nations Office at Nairobi. Going forward, the Office will be creating the letters of appointment and the Mechanism will work with the Office to ensure that the letters of appointment are available in a centralized and accessible manner.

1091. In paragraph 69 of its report, the Board recommended that the Mechanism take measures to improve the compliance of its staff with the policy guidance on alternate working arrangements and flexible working arrangements in the context of the COVID-19 pandemic, in order to reflect the working days of the staff, and keep this information updated in Umoja on a weekly basis.

Department responsible: Registry
Status: Closure requested
Priority: High
Original target date: Fourth quarter of 2021
Revised target date: Not applicable

1092. Given that the worldwide health emergency relating to the COVID-19 pandemic has passed, the Mechanism has reverted to its pre-pandemic policies on flexible working arrangements. The Mechanism considers this recommendation to be overtaken by events and requests its closure by the Board.

1093. In paragraph 89 of its report, the Board recommended that the Mechanism streamline the process to fill the Chief Procurement Manager position in the short term.

Department responsible: Registry
Status: Closure requested
Priority: High
Original target date: Fourth quarter of 2021
Revised target date: Not applicable

1094. Owing to downsizing pressures, the post of Chief Procurement Manager was abolished from the staffing table of the Mechanism as at 1 January 2023. The Mechanism considers this recommendation to be overtaken by events and requests its closure by the Board.

Report of the Board for the year ended 31 December 2021⁶¹

1095. **In paragraph 32 of its report, the Board recommended that the Mechanism develop a long-term organizational strategy, including key issues such as premises, equipment and personnel, involving the three organs that compose the Mechanism.**

<i>Department responsible:</i>	Registry
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	Not applicable

1096. The Mechanism's current overall strategic planning exercise, originally premised on the scenario-based workforce planning, has now been expanded by the Security Council to include the possible transfer of mandated functions to other entities, and therefore may involve a major shift in the need for staffing, facilities and resources. Until such high-level planning has been completed or significantly advanced, it is too early to develop planning for premises, equipment and personnel. While the concept of planning for these elements remains important, the information available upon which to base such planning does not currently exist. The Mechanism suggests that this recommendation be closed, with consideration given to establishing an equivalent one that will recognize the link between the final determination of the Mechanism's mandate and the ability to engage in meaningful and detailed facilities and resource planning. The Mechanism considers this recommendation to be overtaken by events and requests its closure by the Board.

1097. **In paragraph 41 of its report, the Board recommended that the Mechanism complete the risk control matrices, in order to fully perform the risk assessment procedures required by the Department of Management Strategy, Policy and Compliance regarding the statement on internal control.**

<i>Department responsible:</i>	Registry
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2023

1098. The Mechanism completed the 2020, 2021 and 2022 annual risk self-assessment questionnaires and will be finalizing the final risk control matrices in the third and fourth quarters of 2023.

⁶¹ [A/77/5/Add.15](#), chap. II.

1099. **In paragraph 51 of its report, the Board recommended that the Mechanism maintain complete and updated information regarding the status of the vacant positions.**

Department responsible: Registry
Status: Under implementation
Priority: High
Original target date: Not applicable
Revised target date: Second quarter of 2024

1100. The Mechanism's Human Resource Section is maintaining complete and updated information on all vacant positions on a monthly basis. This information will be provided to the Board for its review.

1101. **In paragraph 67 of its report, the Board recommended that the Mechanism conduct a review of the acquisition plan on a quarterly basis, in order to make the necessary adjustments regarding the actual needs of the requisitioning units, as indicated in the Procurement Manual.**

Department responsible: Registry
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2022
Revised target date: Fourth quarter of 2023

1102. The Mechanism's Procurement Section is in regular contact with requisitioners to review the annual acquisition plan and complies with the terms of the Procurement Manual as regards planning the actual needs of requisitioning units. The Mechanism will work with the Board to determine what kind of documentation is required to demonstrate compliance.

1103. **In paragraph 86 of its report, the Board recommended that the Mechanism improve its planning and documentation of the information technology equipment needs, requirements and implementation, with the aim of using these assets in the short term and thus obtaining the full use of their capabilities within the total allocated useful life.**

Department responsible: Registry
Status: Under implementation
Priority: High
Original target date: Second quarter of 2023
Revised target date: Fourth quarter of 2023

1104. The Mechanism notes that, of the 18 assets referred to in the Board's most recent assessment, 1 is a "hot spare" meant to be available in the event that operational equipment fails and the other 16 were being held until there was a recess in the Kabuga trial, given they were assets intended for in-court usage. The Mechanism also

notes that “useful life” is a term used in accounting for the purpose of determining the value of assets on hand and is not a guideline on how long to actually use an asset. The Mechanism regularly uses assets past their actuarial “useful life”.

1105. In paragraph 96 of its report, the Board recommended that the Mechanism develop and approve an information and communications technology strategy aligned with its overall strategic planning and the general information and communications technology strategic initiatives of the United Nations, defining short- and middle-term objectives within the Mechanism’s downsizing context and including the lessons learned from the COVID-19 pandemic.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	Second quarter of 2024

1106. The ICT strategy has been drafted and is under internal review to determine its alignment with both the United Nations Secretariat’s overall strategy and the Mechanism’s long-term strategic priorities.
