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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 2020

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 its paragraphs 3 to 5, 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 [75/242 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.

4. With regard to prioritization, it is noted that the Board categorizes the most important recommendations as “main” recommendations. While all accepted recommendations of the Board will be implemented in a timely manner, the main recommendations will be considered to be of the highest 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 2020¹

5. Table 1 summarizes the status of implementation of the main recommendations of the Board concerning the International Trade Centre (ITC) as of August 2021.

¹ [A/76/5 \(Vol. III\)](#), chap. II.

Table 1
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 Programme Support	3	–	–	3	3	–
Senior Management Committee	1	–	–	1	1	–
Total	4	–	–	4	4	–

6. Table 2 summarizes the status of implementation of all recommendations of the Board as of August 2021.

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	8	–	–	8	8	–
Senior Management Committee	1	–	–	1	1	–
Total	9	–	–	9	9	–

7. **In paragraph 18 of its report, the Board recommended that ITC issue a guideline on procedures for collection of outstanding receivables, so that responsibilities can be established and certifying officers can provide a clear proof of collection efforts.**

Department responsible: Division of Programme Support

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

8. ITC will issue the recommended guidelines by the fourth quarter of 2021.

9. **In paragraph 23 of its report, the Board recommended that ITC strengthen the management of write-offs by issuing a formal subdelegation of authority on write-offs.**

Department responsible: Division of Programme Support

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

10. ITC will issue the recommended formal sub-delegation of authority by the fourth quarter of 2021.

11. **In paragraph 29 of its report, the Board recommended that ITC specify the programme support cost rate and the appendix D rate separately in donor agreements.**

Department responsible: Division of Programme Support

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

12. ITC agreed that the programme support cost rate and the appendix D rate would be specified separately in donor agreements in accordance with the recommendation.

13. **In paragraph 36 of its report, the Board recommended that that ITC update the oversight policy to document the revised mechanism as agreed by the World Trade Organization (WTO) and the United Nations Conference on Trade and Development (UNCTAD).**

Department responsible: Division of Programme Support

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

14. ITC is updating the oversight policy as recommended and is expecting to complete it by the fourth quarter of 2021.

15. **In paragraph 41 of its report, the Board recommended that ITC establish a monitoring procedure to avoid consultants working simultaneously and full time on separate contracts.**

Department responsible: Division of Programme Support

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

16. ITC accepted the recommendation and the Human Resources office will continue to monitor the durations of contracts of consultants.

17. **In paragraph 46 of its report, the Board recommended that ITC revise its policy with regard to the rate range structure to cover the actual payment.**

Department responsible: Division of Programme Support

Status: Under implementation

Priority: High

Target date: First quarter of 2022

18. ITC is updating the policy in accordance with the recommendation and will complete the update by the first quarter of 2022.

19. **In paragraph 52 of its report, the Board recommended that ITC carry out interim evaluations for those contracts with periods longer than six months.**

Department responsible: Division of Programme Support
Status: Under implementation
Priority: High
Target date: First quarter of 2022

20. The Human Resources office is in the process of implementing a system of checks in coordination with the programme managers, which is expected to be completed by the end of the first quarter of 2022.

21. **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.**

Department responsible: Senior Management Committee
Status: Under implementation
Priority: High
Target date: First quarter of 2022

22. The Senior Management Committee has implemented tight control measures and has put in place clear accountability mechanisms at all levels to ensure improved compliance with the advance ticket purchase policy.

23. **In paragraph 65 of its report, the Board recommended that ITC make accounting adjustments to ensure the accuracy of property, plant and equipment and depreciation presentation in the financial statements.**

Department responsible: Division of Programme Support
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

24. ITC will take the appropriate action in Umoja to make the accounting adjustment as recommended. The adjustment is expected to be completed by the fourth quarter of 2021.

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

25. In the annex to its report for the year ended 31 December 2020 ([A/76/5 \(Vol. III\)](#), chap. II), the Board provided a summary of the status of implementation of recommendations for prior financial periods. Information is provided below on the 12 recommendations that were determined 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.

26. Table 3 summarizes the overall situation as of August 2021.

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	2	–	–	2	2	–
Division of Programme Support	4	–	–	4	4	–
Senior Management Committee	4	–	–	4	4	–
Strategic Planning, Performance and Governance Section	2	–	–	2	2	–
Total	12	–	–	12	12	–

Report of the Board for the year ended 31 December 2016²

27. **In paragraph 83 of its report, the Board recommended that ITC adhere to the 16-day clause for advance travel planning to reduce travel expenditure and avoid frequent rescheduling and cancellation of tickets.**

Department responsible: Senior Management Committee

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

28. The Senior Management Committee has implemented tight control measures and has put in place clear accountability mechanisms at all levels to ensure improved compliance with the advance ticket purchase policy.

Report of the Board for the year ended 31 December 2018³

29. **In paragraph 24 of its report, the Board reiterated its recommendation that ITC select consultants through a competitive process, ensure that consultants are not engaged for work of a generic or routine nature and clearly define the tangible outputs for each assignment in the terms of reference and maintain proper documentation in case of exceptions.**

Department responsible: Senior Management Committee

Status: Under implementation

Priority: High

Target date: First quarter of 2022

30. The Senior Management Committee has implemented tight control measures and has recognized a need for greater oversight and an improved process in the appointment of consultants. ITC accepted the recommendation and is implementing the action points.

² A/72/5 (Vol. III), chap. II.

³ A/74/5 (Vol. III), chap. II.

31. **In paragraph 40 of its report, the Board reiterated its previous recommendation that ITC track reasons for non-compliance with the 21-day window for travel in ITC and monitor closely to ensure better compliance.**

Department responsible: Senior Management Committee

Status: Under implementation

Priority: High

Target date: First quarter of 2022

32. The Senior Management Committee has implemented tight control measures and has put in place clear accountability mechanisms at all levels to ensure improved compliance with the advance ticket purchase policy.

33. **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

Target date: First quarter of 2022

34. ITC adopted the grant memorandum of understanding template submitted by its legal team. In the most recent template version updated in March 2021, changes were made to the text on conditionality for payment so as to ensure that grantees provide training participant information before requesting the final payment for grants involving delivery of training. Furthermore, ITC is drafting a final payment checklist, which will be completed by certifying officers as well as project managers in order to confirm that all conditions for the final payment have been met.

35. **In paragraph 63 of its report, the Board recommended that ITC consider assessing the long-term sustainability of the results achieved under various projects.**

Department responsible: Strategic Planning, Performance and Governance Section

Status: Under implementation

Priority: High

Target date: First quarter of 2022

36. The ITC Independent Evaluation Unit developed an impact assessment methodology and piloted the methodology in 2020. The Board did not close the recommendation in order to assess the results of the next batch of impact assessments. The Independent Evaluation Unit also undertook a systematic assessment of the sustainability of the results for projects that ended three or four years ago. ITC plans

to repeat such assessments on an annual basis, with regular budget resources dedicated to evaluations.

Report of the Board for the year ended 31 December 2019⁴

37. 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 Programme Support
Status: Under implementation
Priority: High
Target date: First quarter of 2022

38. The business continuity plan is being updated as recommended and will be completed by the first quarter of 2022.

39. In paragraph 35 of its report, the Board reiterated its previous audit recommendation regarding the selection of consultants and individual contractors through a competitive process and further recommended that ITC establish a more rigorous formal selection process for consultants and individual contractors with annual consultancy fees exceeding a suitable threshold, along with an ex-post review of contracts annually in all cases by ITC management.

Department responsible: Division of Programme Support
Status: Under implementation
Priority: High
Target date: First quarter of 2022

40. The Human Resources office has procedures in place to monitor the implementation of this recommendation and has developed a proposal for selecting consultants above an agreed monetary threshold, which was presented to the Senior Management Committee on 23 February 2021.

41. In paragraph 45 of its report, the Board recommended that ITC clearly include a provision for completing mandatory training for consultants, individual contractors and implementing partners in their contracts and monitor implementation by hiring managers or programme managers.

Department responsible: Division of Programme Support
Status: Under implementation
Priority: High
Target date: First quarter of 2022

42. The ITC mandatory training programme policy is being updated. ITC accepted the recommendation and stated that managers would ensure that mandatory training was completed by a date to be agreed upon by senior management.

⁴ A/75/5 (Vol. III), chap. II.

43. **In paragraph 54 of its report, the Board recommended that ITC consider putting in place clear accountability mechanisms at all levels to ensure improved compliance with the advance ticket purchase policy.**

Department responsible: Senior Management Committee

Status: Under implementation

Priority: High

Target date: First quarter of 2022

44. The Senior Management Committee has implemented tight control measures and has put in place clear accountability mechanisms at all levels to ensure improved compliance with the advance ticket purchase policy.

45. **In paragraph 59 of its report, the Board recommended that ITC consider establishing standard operating procedures for a formal ex-post review by Central Support Services to oversee compliance with organizational rules governing low-value acquisitions and to take follow-up action. As part of the ex-post review, it should be considered whether services procured for fulfilling mandates were cost-effective.**

Department responsible: Division of Programme Support

Status: Under implementation

Priority: High

Target date: First quarter of 2022

46. In the first quarter of 2020, ITC established a standard operating procedure for a formal ex-post review by Central Support Services to oversee compliance by certifying officers and took follow-up actions. The Board did not wish to close this recommendation, given that it wished to assess the impact of the ex-post-facto review after an additional year.

47. **In paragraph 66 of its report, the Board recommended that ITC enforce accountability at all levels for the completion of high-quality project completion reports within the prescribed period of three months, as well as timely implementation of the recommendations in the annual evaluation synthesis report in accordance with agreed timelines reflected in the management response.**

Department responsible: Strategic Planning, Performance and Governance Section

Status: Under implementation

Priority: High

Target date: First quarter of 2022

48. Owing to the extension of the submission of project completion reports from three to six months, for alignment with external stakeholder reporting deadlines, the Board will review the full implementation of this recommendation in the coming year. ITC has changed the timeline for the submission of project completion reports in the new project portal. For projects ending before 7 July 2020, the project completion

report should be submitted within three months after the project end date and for projects ending after 7 July 2020, it should be submitted within six months. ITC held two training sessions in 2020 to stress that rule. In addition, the 2020 synthesis review report on project completion reports was drafted in 2020 and finalized in 2021.

49. **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.**

<i>Department responsible:</i>	Division of Country Programmes
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2022

50. ITC is implementing a checklist that certifying officers will be required to complete before making final payment to grantees in order to ensure that the required review of deliverables has been undertaken and that the necessary documentation has been provided.

III. United Nations University

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2020⁵

51. Table 4 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

Table 4
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>
Administration	2	–	–	2	2	–
Campus Computing Centre	1	–	1	–	–	–
Total	3	–	1	2	2	–

52. Table 5 summarizes the status of implementation of all recommendations of the Board as of August 2021.

⁵ A/76/5 (Vol. IV), chap. II.

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>
Administration	2	–	–	2	2	–
Campus Computing Centre	1	–	1	–	–	–
United Nations University Institute for Integrated Management of Material Fluxes and of Resources (UNU-FLORES)	1	–	–	1	1	–
United Nations University World Institute for Development Economics Research (UNU-WIDER)	3	–	2	1	1	–
Total	7	–	3	4	4	–

53. In paragraph 30 of its report, the Board recommended that the United Nations University (UNU) revise the investment restrictions in the policy and procedures of the UNU Endowment Fund to include the United Nations position on controversial industries.

Department responsible: Administration
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

54. UNU management discussed the audit recommendation at the UNU Council meeting of June 2021. It has also received preliminary input from the investment management company and is working with the Office of Investment Management on a recommendation to be made to the Council at its meeting in November 2021 for consideration.

55. In paragraph 31 of its report, the Board recommended that UNU make arrangements to incorporate customized strategic benchmarks into its investment management agreements, specifically on the eligible assets, to be aligned with the different United Nations initiatives.

Department responsible: Administration
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

56. The investment management agreements and the UNU investment policy will be amended in line with the outcome of the discussions at the next meeting of the UNU Council, in November 2021, at which the Council will consider the recommendations contained in paragraphs 30 and 31 of the Board's report.

57. In paragraph 42 of its report, the Board recommended that UNU perform the disaster recovery exercise at least once a year, in alignment with the

provisions included in the United Nations Secretariat information and communications technology technical procedure on disaster recovery planning.

Department responsible: Campus Computing Centre

Status: Closure requested

Priority: High

Target date: Not applicable

58. The disaster recovery exercise was skipped in 2020 to prioritize the information and communications technology resources required to respond to the coronavirus disease (COVID-19) pandemic. UNU resumed the exercise in April 2021 and will maintain this annual practice. UNU considers this recommendation to have been implemented and requests its closure by the Board.

59. In paragraph 51 of its report, the Board recommended that UNU formalize the donated right-to-use arrangement related to the office space of the United Nations University Institute for Integrated Management of Material Fluxes and Resources, in order to ensure that it is aligned with the United Nations corporate guidelines, specifically those related to the International Public Sector Accounting Standards (IPSAS), on leases and donated right-to-use arrangements.

Department responsible: Institute for Integrated Management of Material Fluxes and of Resources

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

60. The UNU Institute for Integrated Management of Material Fluxes and of Resources (UNU-FLORES) is working with the donor to formalize the extension of the lease agreement for its office space, which is reported as a donated right-to-use arrangement under IPSAS.

61. In paragraph 60 of its report, the Board recommended that the UNU World Institute for Development Economics Research (UNU-WIDER) formalize the amendments in force that are not signed by the consultants and UNU.

Department responsible: World Institute for Development Economics Research

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

62. The UNU World Institute for Development Economics Research (UNU-WIDER) is working on formalizing the active contracts with amendments by the end of 2021.

63. In paragraph 61 of its report, the Board recommended that UNU-WIDER formalize every amendment, modification or changes in every occasion they occur, in a timely manner and in alignment with the personnel policy of UNU.

<i>Department responsible:</i>	World Institute for Development Economics Research
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

64. UNU-WIDER has aligned its consultancy workflow with that of UNU Centre in order to ensure compliance with the UNU personnel policy. The revision of the workflow was raised and agreed upon in the UNU-WIDER human resources team meeting in July 2021. UNU considers this recommendation to have been implemented and requests its closure by the Board.

65. In paragraph 71 of its report, the Board recommended that UNU-WIDER reinforce the role of project managers regarding their responsibilities indicated in the project management guidelines, especially in periodically monitoring the results of the project and the implementation of corrective measures, when applicable.

<i>Department responsible:</i>	World Institute for Development Economics Research
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

66. Although UNU-WIDER did not accept the recommendation, the Institute clarified and reinforced the role of project managers at its personnel meeting in June 2021. UNU-WIDER is also in the process of strengthening project monitoring and evaluation through its new monitoring, evaluation and learning strategy, which includes the hiring of an Associate Monitoring, Evaluation and Learning Officer (P-2) at the beginning of the 2022–2023 biennium. UNU considers this recommendation to have been implemented and requests its closure by the Board.

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

67. In the annex to its report for the year ended 31 December 2020 (*A/76/5 (Vol. IV)*, chap. II), the Board provided a summary of the status of implementation of recommendations for prior financial periods. Information is provided below on the four recommendations that were determined 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.

68. Table 6 summarizes the overall situation as of August 2021.

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	1	–	–	1	1	–
Campus Computing Centre	1	–	–	1	1	–
United Nations University Institute for the Advanced Study of Sustainability (UNU-IAS)	1	–	1	–	–	–
Multiple offices	1	–	–	1	1	–
Total	4	–	1	3	3	–

Report of the Board for the year ended 31 December 2016⁶

69. **In paragraph 97 of its report, the Board recommended that the UNU Institute for Environment and Human Security (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: Institute for Environment and Human Security and Vice-Rectorate in Europe

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

70. The priority of the Information and Communications Technology Unit in 2020–2021 is to provide support to the emergency requirements of the COVID-19 pandemic. This recommendation will be addressed once normal operations have been re-established, with delivery aimed for the second quarter of 2022. In the meantime, external support has been contracted to assist in facilitating documentation.

Report of the Board for the year ended 31 December 2017⁷

71. **In paragraph 118 of its report, the Board recommended that UNU assess the sensitivity of data it receives from and sends to third parties in accordance with the classification principles stipulated in [ST/SGB/2007/6](#) and make sure that sensitive information is appropriately protected.**

Department responsible: Campus Computing Centre

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

⁶ A/72/5 (Vol. IV), chap. II.

⁷ A/73/5 (Vol. IV), chap. II.

72. UNU adopted its new data classification guidelines in June 2019 and established its implementation plan in the fourth quarter of 2019. The progress in 2020 was delayed owing to the impact of the COVID-19 pandemic on information and communications technology requirements and priorities. The completion of the implementation of this recommendation is targeted for the fourth quarter of 2021.

73. In paragraph 175 of its report, the Board recommended that the UNU Institute for the Advanced Study of Sustainability (UNU-IAS) ensure that travellers report their travel completion within one month after the travel end date.

Department responsible: Institute for the Advanced Study of Sustainability

Status: Closure requested

Priority: Medium

Target date: Not applicable

74. The UNU Institute for the Advanced Study of Sustainability (UNU-IAS) has revised its travel workflow since 2018 to adhere to this recommendation. Since then, the number of late submissions of travel completion has decreased. In 2020, out of the four cases of non-compliance, three concerned travellers who had to change their travel itinerary at the last minute owing to the COVID-19 pandemic and were unable to submit the required documentation on time. UNU-IAS requests the closure of this recommendation given that the submission of travel completion is closely monitored by a designated travel focal point. UNU considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2019⁸

75. In paragraph 67 of its report, the Board recommended that the administration set a deadline for the full implementation of the Atlas travel and expense module by all UNU institutes.

Department responsible: Administration

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

76. The travel module will be implemented across UNU in January 2022 as part of the roll-out of the new cloud enterprise resource planning system.

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 2020⁹

77. Table 7 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

⁸ A/75/5 (Vol. IV), chap. II.

⁹ A/76/5/Add.1, chap. II.

Table 7
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>
Regional bureaux	1	–	–	1	1	–
Office of Financial Resources Management	4	–	–	4	4	–
Office of Human Resources	1	–	–	1	1	–
Global Shared Services Unit	1	–	–	1	1	–
Procurement Services Unit	2	–	–	2	2	–
Office of Information Management and Technology	1	–	–	1	1	–
Multiple offices	8	–	–	8	8	–
Total	18	–	–	18	18	–

78. Table 8 summarizes the status of implementation of all recommendations of the Board as of August 2021.

Table 8
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>
Regional bureaux	1	–	–	1	1	–
Office of Financial Resources Management	7	–	–	7	7	–
Office of Sourcing and Operations	1	–	–	1	1	–
Global Shared Services Unit	4	–	–	4	4	–
Procurement Services Unit	5	–	–	5	5	–
Regional Bureau for Arab States	4	–	–	4	4	–
Office of Information Management and Technology	4	–	–	4	4	–
Office of Human Resources	2	–	–	2	2	–
Multiple offices	15	–	–	15	15	–
Total	43	–	–	43	43	–

79. In paragraph 56 of its report, the Board recommended that UNDP increase awareness among country offices and headquarters units to ensure timely submission of documents relevant for revenue recognition of voluntary contributions and continue to monitor the late submission of such documents to determine whether additional guidance is needed.

Departments responsible: Office of Financial Resources Management,
Global Shared Services Unit and regional bureaux

Status: Under implementation

Priority: High

Target date: First quarter of 2022

80. UNDP agreed with the recommendation.

81. In paragraph 57 of its report, the Board recommended that UNDP ensure that all submitting units define clear responsibility and accountability for submitting documents relevant for non-exchange revenue recognition to the Global Shared Services Unit.

Departments responsible: Regional and central bureaux and Office of
Financial Resources Management

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

82. UNDP agreed with the recommendation.

83. In paragraph 58 of its report, the Board recommended that UNDP consider holding heads of office accountable when documents relevant for non-exchange revenue recognition were not submitted to the Global Shared Services Unit on time, while the head of office nevertheless confirmed related compliance during the annual assertion exercise.

Departments responsible: Regional bureaux and Office of Financial
Resources Management

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2022

84. UNDP agreed with the recommendation.

85. In paragraph 74 of its report, the Board recommended that UNDP take into account the changes in respect of eligible persons for the full period from 1 January to 31 December when making the necessary estimation for its decision on a roll forward or a full validation of the benefit obligation for after-service health insurance.

Department responsible: Office of Financial Resources Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2022

86. UNDP agreed with the recommendation.

87. **In paragraph 78 of its report, the Board recommended that UNDP ensure that disposal notes for vehicles include a transparent explanation which refers to the individual circumstances under which the vehicle was disposed of to confirm that the disposal was the best option for UNDP.**

Department responsible: Office of Sourcing and Operations

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

88. UNDP agreed with the recommendation.

89. **In paragraph 83 of its report, the Board recommended that UNDP assess measures to mitigate the risk of erroneous asset or expense recognition resulting from the use of an incorrect catalogue code upon the initial purchase.**

Departments responsible: General Operations Unit and Global Shared Services Unit

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2022

90. UNDP agreed with the recommendation.

91. **In paragraph 89 of its report, the Board recommended that UNDP record revenue from exchange transactions in the period in which services were rendered and assess how the enterprise resource planning system could support this accounting approach to ensure an appropriate process and follow-up and complete recovery of revenue from exchange transactions.**

Departments responsible: Regional bureaux and Office of Financial Resources Management

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

92. UNDP agreed with the recommendation.

93. **In paragraph 108 of its report, the Board recommended that UNDP liaise with the Secretariat to assess the feasibility of a reimbursement process for UNDP resident representatives also serving temporarily as resident coordinators to recover costs.**

Departments responsible: Executive Office and Office of Human Resources

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

94. UNDP agreed with the recommendation.

95. In paragraph 118 of its report, the Board recommended that UNDP further automate preventive controls with respect to assigning staff functions to non-staff and include all minimum control functions that must be held by staff.

Departments responsible: Office of Information Management and Technology and Office of Financial Resources Management

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

96. UNDP agreed with the recommendation.

97. In paragraph 119 of its report, the Board recommended that UNDP review cases of non-compliance and analyse why country offices did not fully comply with the corporate internal control framework but still confirmed compliance during the annual assertion exercise.

Department responsible: Office of Financial Resources Management

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2022

98. UNDP agreed with the recommendation.

99. In paragraph 129 of its report, the Board recommended that UNDP streamline in what detail and how country offices' internal control procedures need to be documented and inform heads of office accordingly.

Department responsible: Office of Financial Resources Management

Status: Under implementation

Priority: High

Target date: First quarter of 2022

100. UNDP agreed with the recommendation.

101. In paragraph 141 of its report, the Board recommended that UNDP remind heads of office to use the template for the delegation of authority that complies with the formal requirements of the respective policy.

Department responsible: Office of Financial Resources Management
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

102. UNDP agreed with the recommendation.

103. In paragraph 142 of its report, the Board recommended that that UNDP explore possibilities for integration of the delegation of authority process, which is currently paper-based, into its enterprise resource planning system.

Department responsible: Office of Financial Resources Management
Status: Under implementation
Priority: High
Target date: Third quarter of 2022

104. UNDP agreed with the recommendation.

105. In paragraph 148 of its report, the Board recommended that UNDP explore whether an automated control could be implemented in the enterprise resource planning system to prevent users from approving payments for themselves.

Departments responsible: Office of Information Management and Technology and Office of Financial Resources Management
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

106. UNDP agreed with the recommendation.

107. In paragraph 166 of its report, the Board recommended that UNDP ensure that country offices record project-related risks for all of their projects and that risk entries are complete.

Departments responsible: Regional bureaux
Status: Under implementation
Priority: High
Target date: First quarter of 2022

108. UNDP agreed with the recommendation.

109. In paragraph 167 of its report, the Board recommended that UNDP ensure that directors of bureaux fulfil their responsibilities with regard to enterprise risk management and ensure that offices under their supervision keep their risk registers up to date.

Departments responsible: Regional and central bureaux

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

110. UNDP agreed with the recommendation.

111. In paragraph 189 of its report, the Board recommended that UNDP analyse possibilities for implementing a threshold above which regional bureaux review microassessments and assurance activities carried out for individual partners.

Department responsible: Office of Financial Resources Management

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

112. UNDP agreed with the recommendation.

113. In paragraph 190 of its report, the Board recommended that UNDP include documentation of harmonized approach to cash transfers (HACT) implementation in the new cloud-based enterprise resource planning system and that UNDP include functional controls within the system to ensure compliance with HACT policies.

Department responsible: Office of Financial Resources Management

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2022

114. UNDP agreed with the recommendation.

115. In paragraph 205 of its report, the Board recommended that UNDP enhance the monitoring of annual leave taken and annual leave balances of its staff to ensure that staff use annual leave for necessary recreation as well as to prevent expiration of annual leave.

Departments responsible: Global Shared Services Unit and Office of Human Resources

Status: Under implementation

Priority: High

Target date: Third quarter of 2022

116. UNDP agreed with the recommendation.

117. In paragraph 206 of its report, the Board recommended that UNDP strengthen awareness of all supervising managers to ensure that staff plan in advance a minimum of contiguous annual leave.

Departments responsible: Regional and central bureaux
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

118. UNDP agreed with the recommendation.

119. In paragraph 207 of its report, the Board recommended that UNDP develop an overall strategy to reduce high annual leave balances to an appropriate level within a foreseeable period.

Department responsible: Office of Human Resources
Status: Under implementation
Priority: High
Target date: First quarter of 2022

120. UNDP agreed with the recommendation.

121. In paragraph 220 of its report, the Board recommended that UNDP review the home leave process, including regulations, to clearly determine the obligations of entitled staff, implement an effective reminder with deadlines and consequences and implement an effective recovery process.

Department responsible: Global Shared Services Unit
Status: Under implementation
Priority: High
Target date: First quarter of 2022

122. UNDP agreed with the recommendation.

123. In paragraph 221 of its report, the Board recommended that UNDP implement effective and regular controls of home leave travel to ensure that staff members fully comply with the applicable policy and procedures.

Department responsible: Global Shared Services Unit
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

124. UNDP agreed with the recommendation.

125. In paragraph 227 of its report, the Board recommended that UNDP review and adjust the current home leave policy to ensure that the required length of stay, excluding travel time, is clearly defined.

Department responsible: Office of Human Resources
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

126. UNDP agreed with the recommendation.

127. In paragraph 236 of its report, the Board recommended that UNDP regularly monitor all advance lump-sum payments granted for home leave to avoid overpayments for longer periods.

Department responsible: Global Shared Services Unit
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

128. UNDP agreed with the recommendation.

129. In paragraph 237 of its report, the Board recommended that UNDP ensure that the reimbursement of the lump sum paid in advance is checked whenever home leave travel is cancelled or postponed by staff members.

Department responsible: Global Shared Services Unit
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

130. UNDP agreed with the recommendation.

131. In paragraph 252 of its report, the Board recommended that UNDP further refine the criteria for granting advance salary payments for emergency situations and that UNDP document the applicable reasons in all cases.

Departments responsible: Office of Financial Resources Management and Office of Human Resources
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

132. UNDP agreed with the recommendation.

133. In paragraph 253 of its report, the Board recommended that UNDP document the provision of evidence, in all applications for salary advances, that the attempt to secure emergency financing from local lending institutions or the United Nations Federal Credit Union was unsuccessful.

Departments responsible: Office of Financial Resources Management and Office of Human Resources

Status: Under implementation

Priority: High

Target date: First quarter of 2022

134. UNDP agreed with the recommendation.

135. In paragraph 254 of its report, the Board recommended that UNDP enhance compliance with the policy regarding the frequency of salary advances for emergencies or special conditions.

Departments responsible: Office of Financial Resources Management and Office of Human Resources

Status: Under implementation

Priority: High

Target date: First quarter of 2022

136. UNDP agreed with the recommendation.

137. In paragraph 273 of its report, the Board recommended that UNDP continue to remind staff that only current and duly filled out vendor forms are provided in the vendor creation process.

Department responsible: Procurement Services Unit

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

138. UNDP agreed with the recommendation.

139. In paragraph 280 of its report, the Board recommended that UNDP enhance its efforts to regularly review its vendor databases so as to exclude ineligible vendors debarred by UNDP itself.

Department responsible: Procurement Services Unit

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

140. UNDP agreed with the recommendation.

141. In paragraph 290 of its report, the Board recommended that UNDP explore possibilities for robust data input controls and regular data maintenance mechanisms in the new supplier portal which ensure accurate, complete and reliable vendor master data.

Department responsible: Procurement Services Unit
Status: Under implementation
Priority: High
Target date: First quarter of 2022

142. UNDP agreed with the recommendation.

143. In paragraph 308 of its report, the Board recommended that UNDP strengthen procurement planning for all projects in the country office in Iraq and consolidate procurement plans in the corporate procurement management platform.

Departments responsible: Procurement Services Unit and Regional Bureau for Arab States
Status: Under implementation
Priority: High
Target date: Second quarter of 2022

144. UNDP agreed with the recommendation.

145. In paragraph 309 of its report, the Board recommended that the country office in Iraq monitor procurement requests in order to identify opportunities for consolidation.

Department responsible: Regional Bureau for Arab States
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

146. UNDP agreed with the recommendation.

147. In paragraph 319 of its report, the Board recommended that the country office in Iraq expedite the evaluation process in order to finalize contracts within the stipulated bid validity periods and monitor expiry of the quotations received.

Department responsible: Regional Bureau for Arab States
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

148. UNDP agreed with the recommendation.

149. In paragraph 320 of its report, the Board recommended that the country office in Iraq adjust the length of the bid validity period to reflect the complexity of civil works.

Department responsible: Regional Bureau for Arab States
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

150. UNDP agreed with the recommendation.

151. In paragraph 333 of its report, the Board recommended that UNDP amend the construction works guidance note to clarify that the advantages and disadvantages of obligatory participation in a site visit must be weighed against the potential risk of collusion.

Department responsible: Procurement Services Unit
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

152. UNDP agreed with the recommendation.

153. In paragraph 334 of its report, the Board recommended that UNDP avoid publishing contact details from staff members and consultants in advertisements and solicitation documents.

Department responsible: Procurement Services Unit
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

154. UNDP agreed with the recommendation.

155. In paragraph 340 of its report, the Board recommended that the country office in Iraq sign a certificate of substantial completion when the whole works have been satisfactorily completed and avoid any time gaps between the substantial completion and the actual handover to the end user.

Department responsible: Regional Bureau for Arab States
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

156. UNDP agreed with the recommendation.

157. In paragraph 355 of its report, the Board recommended that UNDP incorporate relocation of data to the cloud and the associated changes for backups and disaster recovery more clearly in the ICT Disaster Recovery Standards for UNDP Offices guideline.

Department responsible: Office of Information Management and Technology

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

158. UNDP agreed with the recommendation.

159. In paragraph 356 of its report, the Board recommended that UNDP provide encouragement and guidance to country offices in revising disaster recovery plans and business continuity plans and in adapting these plans to the changes in order to reflect the current backup procedure and to resume business operations in case there is no connection to the cloud.

Department responsible: Office of Information Management and Technology

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

160. UNDP agreed with the recommendation.

161. In paragraph 369 of its report, the Board recommended that UNDP include the mandatory use of long-term agreements and mandatory specifications for purchases in the UNDP Standards for IT Infrastructure and Services guideline.

Department responsible: Office of Information Management and Technology

Status: Under implementation

Priority: High

Target date: First quarter of 2022

162. UNDP agreed with the recommendation.

163. In paragraph 374 of its report, the Board recommended that the UNDP Standards for IT Infrastructure and Services contain mandatory wiping procedures in order to force the standardization process.

Department responsible: Office of Information Management and Technology

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

164. UNDP agreed with the recommendation.

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

165. In the annex to its report for the year ended 31 December 2020 (A/76/5/Add.1, chap. II), the Board provided a summary of the status of implementation of recommendations for prior financial periods. Information is provided below on the 14 recommendations that were determined 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.

166. Table 9 summarizes the overall situation as of August 2021.

Table 9

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>
Directorate	1	–	–	1	1	–
Office of Financial Resources Management	1	–	–	1	1	–
Procurement Services Unit	2	–	–	2	2	–
Regional bureaux	1	–	–	1	1	–
Multiple offices	9	–	–	9	9	–
Total	14	–	–	14	14	–

Report of the Board for the year ended 31 December 2018¹⁰

167. **In paragraph 49 of its report, the Board recommended that UNDP ensure that country offices provide on-the-job training so that personnel have the sustainable awareness required to accurately record exchange transactions in accordance with UNDP policies and instructions.**

Departments responsible: Office of Financial Resources Management and regional bureaux

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

168. The Board considered this recommendation not to have been implemented owing to weaknesses identified in this area during the 2020 audit. The Office of Financial Resources Management is looking to design a more targeted webinar for staff in the field who are responsible for the recording of exchange revenue so that they can be better acquainted with the requirements and procedures.

169. **In paragraph 85 of its report, the Board recommended that UNDP assess whether and what internal financial control procedures could be introduced by UNDP to enhance data quality and limit risks of errors by means of having standardized control procedures and appropriate documentation to evidence that control procedures have been performed.**

¹⁰ A/74/5/Add.1, chap. II.

<i>Departments responsible:</i>	Office of Financial Resources Management and regional bureaux
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

170. UNDP has introduced a clustered Compliance and Quality Assurance Unit, which will address the issue of standardized control procedures in future periods.

171. In paragraph 129 of its report, the Board recommended that UNDP strengthen oversight and monitoring functions for the harmonized approach to cash transfers framework.

<i>Departments responsible:</i>	Regional bureaux
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

172. UNDP has engaged a consultant to perform detailed reviews of compliance by country offices with the harmonized approach to cash transfers framework. This work is ongoing.

Report of the Board for the year ended 31 December 2019¹¹

173. In paragraph 77 of its report, the Board recommended that UNDP enhance the awareness of country offices and other units on how to conduct fraud risk assessments in an integrated manner, for example by presenting good practices at regional or annual retreats for its managers.

<i>Departments responsible:</i>	Directorate, Office of Financial Resources Management and central and regional bureaux
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

174. UNDP is developing guidance and will deliver training sessions to raise the awareness of country offices on how to conduct fraud risk assessments.

175. In paragraph 99 of its report, the Board recommended that UNDP continue to implement its fraud risk management framework action plan and provide regular updates on its status to the Risk Committee that should be documented in the meeting minutes.

¹¹ [A/75/5/Add.1](#), chap. II.

Department responsible: Directorate
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

176. UNDP is continuing to provide regular updates to the Risk Committee on the status of the fraud risk management framework action plan.

177. In paragraph 101 of its report, the Board recommended that UNDP enhance the awareness of country offices and other units on how to document fraud risk treatment actions in the corporate risk management tools available, for example by presenting good practices at regional or annual retreats for its managers.

Departments responsible: Directorate and regional and central bureaux
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

178. UNDP is developing guidance and will conduct training sessions to raise the awareness of country offices on fraud risk documentation.

179. In paragraph 115 of its report, the Board recommended that UNDP further enhance its efforts and continue to raise fraud awareness internally.

Departments responsible: Bureau for Management Services, Directorate, Office of Financial Resources Management and central and regional bureaux
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

180. The fraud risk management framework action plan is being implemented with a view to enhancing internal fraud awareness.

181. In paragraph 124 of its report, the Board recommended that UNDP further enhance its continuous efforts to raise fraud awareness with external partners.

Departments responsible: Procurement Services Unit and Bureau for External Relations and Advocacy
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

182. The fraud risk management framework action plan is being implemented with a view to enhancing external fraud awareness.

183. In paragraph 136 of its report, the Board reiterated its recommendation that UNDP, on the basis of the above analysis, further refine its internal control

framework and further recommended that UNDP streamline its internal control framework documentation in the operational guide to strengthen its implementation.

Department responsible: Office of Financial Resources Management
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

184. The internal control framework has been updated to incorporate the issues noted and further action is being conducted to strengthen its implementation.

185. In paragraph 148 of its report, the Board recommended that UNDP assess the application of good practices such as rotation of tasks among personnel in contexts where a higher risk of fraudulent acts had been identified.

Departments responsible: Procurement Services Unit, Office of Human Resources and Global Shared Services Unit
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

186. The Global Shared Services Unit has already started offering staff the opportunity to rotate within its sections for capacity-building. This process will be systematized to ensure that staff have a maximum time spent in a position, thus reducing the risk of fraud while allowing staff to have an end-to-end view of all finance processes. A rotation guideline has also been developed.

187. In paragraph 154 of its report, the Board recommended that UNDP enhance awareness of the importance of fully complying with requirements in place to physically verify the existence and completeness of vehicles in country offices where matters of non-compliance were identified.

Departments responsible: Office of Sourcing and Operations and regional bureaux
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

188. UNDP has provided guidance to country offices on the physical verification matters noted by the Board. UNDP will further enhance awareness of the importance of fully complying with the requirements in place to physically verify the existence and completeness of vehicles in country offices.

189. In paragraph 159 of its report, the Board recommended that UNDP establish a detective control at the Global Shared Services Unit level to ensure that information entered by country offices into the enterprise resource planning system is correct and accurate.

<i>Departments responsible:</i>	Global Shared Services Unit and Office of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

190. As part of the clustering of the implementation of human resources services, the human resources administration of local personnel is expected to be completely centralized in the Global Shared Services Unit. This will prevent country offices from making any data entry in Atlas, and the Global Shared Services Unit will be responsible for setting up a proper verification process. The standard operating procedures that will be implemented as part of the roll-out of the local benefits and entitlements services will include additional verification procedures following a similar approach to that currently being taken for international staff by the Global Shared Services Unit in Copenhagen. The centralization of human resources administration for local personnel will be completed by the fourth quarter of 2021.

191. In paragraph 175 of its report, the Board recommended that UNDP periodically inform all business units about new suspensions or entities and individuals sanctioned on the recommendation of the UNDP vendor review committee.

<i>Department responsible:</i>	Procurement Services Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

192. UNDP takes this recommendation seriously and the Procurement Services Unit is working to ensure that it is implemented so that there is no inclusion of ineligible vendors.

193. In paragraph 180 of its report, the Board recommended that UNDP expedite the clearing of the backlog of vendor cases to be reviewed by the vendor review committee.

<i>Department responsible:</i>	Procurement Services Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

194. UNDP continues to clear the backlog of cases, with an overall closure rate of 72.9 per cent since 2014. The vendor review committee has put in place specific measures to address the backlog of cases, including prioritizing the review of long-outstanding cases and cases in which there may be a financial loss.

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 2020¹²

195. Table 10 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

Table 10
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>
Directorate and Office of Finance and Management Services	4	–	–	4	4	–
Office of Finance and Management Services	1	–	–	1	1	–
Total	5	–	–	5	5	–

196. Table 11 summarizes the status of implementation of all recommendations of the Board as of August 2021.

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>
Directorate and Office of Finance and Management Services	8	–	–	8	8	–
Office of Finance and Management Services	1	–	–	1	1	–
Total	9	–	–	9	9	–

197. **In paragraph 30 of its report, the Board recommended that that the United Nations Capital Development Fund (UNCDF) initiate a review of its internal control framework to ensure that it is updated and meets the organization's needs.**

Departments responsible: Directorate and Office of Finance and Management Services

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

¹² A/76/5/Add.2, chap. II.

198. UNCDF agreed with the recommendation and is in the process of reviewing and updating the internal control framework.

199. In paragraph 35 of its report, the Board recommended that UNCDF analyse the current rights and authorities within its internal control framework in order to enhance the safeguards of internal controls.

Departments responsible: Directorate and Office of Finance and Management Services

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2022

200. UNCDF agreed with the recommendation and is in the process of reviewing and updating the internal control framework.

201. In paragraph 40 of its report, the Board recommended that UNCDF further refine its internal control framework to strengthen its implementation and implement an appropriate monitoring system to establish that its internal control system is functioning.

Departments responsible: Directorate and Office of Finance and Management Services

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

202. UNCDF agreed with the recommendation and is in the process of reviewing and updating the internal control framework.

203. In paragraph 49 of its report, the Board recommended that UNCDF further enhance the management of delegations of authority in accordance with the applicable guiding principles that govern the policies and procedures for the delegation of authority.

Departments responsible: Directorate and Office of Finance and Management Services

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

204. UNCDF agreed with the recommendation and is in the process of reviewing and updating the delegation of authority.

205. In paragraph 51 of its report, the Board recommended that UNCDF monitor delegations of authority on a regular basis to enhance compliance with the applicable policies and procedures.

Departments responsible: Directorate and Office of Finance and Management Services

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2022

206. UNCDF agreed with the recommendation and is in the process of reviewing and updating the delegation of authority.

207. In paragraph 65 of its report, the Board recommended that UNCDF enhance current guidance on conducting fraud risk assessments and on identifying potential inherent fraud risks covering processes that are particularly vulnerable to the risk of fraudulent acts.

Departments responsible: Directorate and Office of Finance and Management Services

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

208. UNCDF agreed with the recommendation and is in the process of engaging external experts to update the guidance on fraud risk assessment.

209. In paragraph 67 of its report, the Board recommended that UNCDF enhance compliance with the provisions related to fraud risk assessment set out in the UNDP anti-fraud policy and remind managers of their respective responsibilities.

Departments responsible: Directorate and Office of Finance and Management Services

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2022

210. UNCDF agreed with the recommendation and is in the process of engaging external experts to update the guidance on fraud risk assessment.

211. In paragraph 76 of its report, the Board recommended that UNCDF implement specific anti-fraud controls, such as rotation, and practical measures, such as mandatory annual leave, to reduce the risk of fraudulent acts.

Departments responsible: Directorate and Office of Finance and Management Services

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2022

212. UNCDF agreed with the recommendation and is in the process of implementing controls such as mandatory annual leave, etc.

213. **In paragraph 84 of its report, the Board recommended that UNCDF implement continuous due diligence procedures to regularly review its vendor master file for the inclusion of ineligible vendors and the detection of fraud risk red flags.**

<i>Department responsible:</i>	Office of Finance and Management Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2022

214. UNCDF agreed with the recommendation and is in the process of implementing continuous due diligence procedures.

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

215. In the annex to its report for the year ended 31 December 2020 ([A/76/5/Add.2](#), chap. II), the Board provided a summary of the status of implementation of recommendations for the prior financial period. As confirmed in the assessment by the Board, UNCDF had implemented all nine of the recommendations from the prior 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 2020¹³

216. Table 12 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

Table 12
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 Data, Analytics, Planning and Monitoring	1	–	–	1	1	–
Office of Emergency Programmes	2	–	–	2	2	–
Supply Division	1	–	–	1	1	–
West and Central Africa Regional Office	2	–	–	2	2	–
Multiple offices	5	–	–	5	5	–
Total	11	–	–	11	11	–

¹³ [A/76/5/Add.3](#), chap. II.

217. Table 13 summarizes the status of implementation of all recommendations of the Board as of August 2021.

Table 13
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 Data, Analytics, Planning and Monitoring	1	–	–	1	1	–
Division of Financial and Administrative Management	3	–	–	3	3	–
Information and Communications Technology Division	1	–	–	1	1	–
Office of Emergency Programmes	2	–	–	2	2	–
Supply Division	2	–	–	2	2	–
West and Central Africa Regional Office	2	–	–	2	2	–
Multiple offices	11	1	–	10	10	–
Total	22	1	–	21	21	–

218. **In paragraph 25 of its report, the Board recommended that the United Nations Children’s Fund (UNICEF) update its policy on revenue recognition with regard to accounting for joint programmes and define the point at which it controls the non-exchange assets related to trust fund or joint programme arrangements.**

Departments responsible: Division of Financial and Administrative Management and Global Shared Service Centre

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

219. UNICEF is updating its revenue recognition policy to correctly reflect the nature of joint programming arrangements, clarify the proper accounting for such arrangements and ensure its consistent application.

220. **In paragraph 26 of its report, the Board recommended that UNICEF disclose the agreements for joint programming in which asset recognition criteria have not been met as contingent assets in the financial statements.**

Departments responsible: Division of Financial and Administrative Management and Global Shared Service Centre

Status: Under implementation

Priority: High

Target date: Second quarter of 2021

221. UNICEF agreed with the recommendation and will disclose the agreements for joint programming in which asset recognition criteria have not been met as contingent assets in the financial statements.

222. In paragraph 27 of its report, the Board recommended that UNICEF develop a solution to track the submission of signed agreements and enhance the monitoring of their timely registration.

Departments responsible: Public Partnerships Division, Global Shared Service Centre and Division of Financial and Administrative Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

223. UNICEF is progressing with an extension of the Service Gateway tool for offices to load signed agreements for processing. This solution will support timely tracking and reporting on the registration of agreements.

224. In paragraph 42 of its report, the Board recommended that UNICEF establish a clear time frame for initiating and finalizing the different assurance activities in order to ensure their timely execution, using as a reference when expenses are posted in the system after the funding authorization and certification of expenditure form has been approved.

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

Status: Under implementation

Priority: High

Target date: First quarter of 2022

225. UNICEF will issue instructions with a well-defined time frame for initiating, executing and finalizing assurance activities to all offices and will review and update the procedure on the harmonized approach to cash transfers to improve the timely execution of financial assurance activities.

226. In paragraph 43 of its report, the Board recommended that UNICEF develop a workplan with the aim of ensuring that the expenses reported by implementing partners are reviewed in a timely manner and that the required financial assurance is completed no later than the first quarter of the following year after the expenses have been reported to UNICEF.

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

Status: Under implementation

Priority: High

Target date: First quarter of 2022

227. UNICEF agreed with the recommendation and will institute a review and reporting process to ensure that financial assurance is completed no later than the first quarter of the following year after the reporting of the expenses by implementing partners.

228. In paragraph 57 of its report, the Board recommended that the West and Central Africa Regional Office identify the reasons for delays in the closure of overdue action points resulting from the harmonized approach to cash transfer financial assurance activities and take corrective actions, along with the country offices, in order to ensure the closure in 2021 of the 290 high-priority open items identified.

Department responsible: West and Central Africa Regional Office
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

229. The West and Central Africa Regional Office, in collaboration with the Deputy Representatives of the affected country offices, will define an ongoing solution to resolve action points resulting from the harmonized approach to cash transfer financial assurance activities. The identification of the reasons for delays, the resolution of most of the overdue action points and the establishment of an escalation process have resulted in only a small percentage of the identified 290 overdue high-priority action points remaining open, and follow-ups are being intensified to ensure that they are resolved.

230. In paragraph 58 of its report, the Board recommended that the West and Central Africa Regional Office take preventive measures in order to ensure that the high-priority action points that are related to implementing partnership management are closed within a year of their creation.

Department responsible: West and Central Africa Regional Office
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

231. The West and Central Africa Regional Office, with the support of the Division of Data, Analytics, Planning and Monitoring, prepared a guidance note to advise country offices on the type of actions to be recorded in eTools and the basic criteria to determine the level of prioritization. The Regional Office will further ensure, with country offices, frequent monitoring and reporting on high-priority action points, bilateral follow-up and a fixed agenda item in the quarterly implementing partnership management webinars.

232. In paragraph 59 of its report, the Board recommended that the Division of Data, Analytics, Planning and Monitoring, together with regional offices, develop a methodology for the efficient oversight of high-priority findings emerging from the closure of the harmonized approach to cash transfer framework assurance activities and enhance the eTools platform in order to support the effective closure of overdue action points by country offices.

<i>Department responsible:</i>	Division of Data, Analytics, Planning and Monitoring
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

233. UNICEF will develop a dashboard to assist in the follow-up of high-priority financial findings. The dashboard will facilitate the oversight of outstanding high-priority items by the regional office. Further, the Division of Data, Analytics, Planning and Monitoring will establish a process for monitoring overdue action points by regional offices and headquarters.

234. In paragraph 68 of its report, the Board recommended that UNICEF finalize regulatory procedures for cash transfers directly to beneficiaries, taking into consideration the three modalities of cash transfer delivery that UNICEF uses, that is, cash transfers through a financial service provider or an implementing partner, or direct implementation, to ensure that clear instructions are in place for accurate financial reporting of cash transfer programmes.

<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 2021

235. UNICEF is finalizing a procedure on cash transfers to beneficiaries, which will be mandatory for offices. The procedure clarifies the various modalities of cash transfers to beneficiaries (cash transfer through a service provider, implementing partner or direct implementation), in addition to their related assurance activities and accounting processes.

236. In paragraph 82 of its report, the Board recommended that the UNICEF Supply Division strengthen, in coordination with country and regional offices, the forecasting procedure and consider adjusting the forecasts in a timely manner in order to reflect the significant variances that may occur.

<i>Department responsible:</i>	Supply Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2022

237. The UNICEF Supply Division agrees to strengthen the forecasting procedure, in coordination with country and regional offices. This will include evaluating the adjustment of forecasts on the basis of timely communication between the Division and offices.

238. In paragraph 93 of its report, the Board recommended that UNICEF headquarters formalize new emergency procedures, which must include regulations for level 1 emergencies, in order to strengthen the governance of the

emergency system, providing clear orientation on activation steps, criteria for deactivation, responsibilities, accountability and decision-making.

Department responsible: Office of Emergency Programmes
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

239. UNICEF agreed with the recommendation and has commenced its implementation. New emergency procedures are being developed to include a definition of level 1, level 2 and level 3 emergencies; their applicable regulations; a description of activation steps; and criteria for deactivation and responsibilities and accountabilities.

240. In paragraph 94 of its report, the Board recommended that UNICEF establish a formal repository or list with level 1 emergencies in order to facilitate access to information on those emergencies for all levels at UNICEF.

Department responsible: Office of Emergency Programmes
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

241. The Office of Emergency Programmes, in coordination with the Information and Communications Technology Division and the Global Shared Service Centre, will establish a formal repository of level 1 emergencies, managed through the Virtual Integrated System of Information (VISION), that will allow the identification of country offices under level 1, level 2 or level 3 and will be available to all entity levels.

242. In paragraph 106 of its report, the Board recommended that UNICEF headquarters take measures to strengthen the process of technical closure of financially closed grants and provide training, as required, to offices to develop a better understanding of the information systems and applications.

Department responsible: Division of Financial and Administrative Management
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

243. The review of grants for technical closure has been updated from an annual to a quarterly basis, which will result in grants being technically closed quicker with closer follow-up of long-outstanding cases. New guidelines covering operational steps for the financial and technical closure of grants are being developed. Management will also provide training and awareness through webinars and broadcast messages, highlighting the available tools and systems controls.

244. In paragraph 122 of its report, the Board recommended that the UNICEF Supply Division, in coordination with the Division of Financial and

Administrative Management, evaluate successive budget formulations to improve the methodology for the estimation of post and non-post costs and take the action necessary to make them as accurate as possible, with a view to achieving efficiencies in the budget management process.

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

245. UNICEF did not accept the recommendation, which was issued during the audit of the Supply Division, on the basis of the underlying variances identified. First, the variance in non-post costs was a result of a Supply Division project that could not take place owing to the COVID-19 pandemic and was deferred to 2021. In 2020, the utilization level of the non-post component of the institutional budget was 99.8 per cent after adjusting for the deferred project. Second, and more importantly, the difference in post costs is not managed locally. UNICEF determines the standard cost for each position centrally according to the level and duty station and then applies the standard cost to all positions across the Fund. Variances are normally expected for valid operational reasons (for example, vacancies, applicability of cost components on the basis of individual staff entitlements, status and eligibility, etc.) and while they may be visible at the individual division or office level, they are largely netted off globally, where they are managed.

246. In paragraph 133 of its report, the Board recommended that the UNICEF Global Shared Service Centre, in coordination with the Division of Human Resources, review the feasibility of including the essential documentation of personnel files to be maintained in the electronic official status file, in line with recent automation and simplification of processes in human resources.

<i>Departments responsible:</i>	Global Shared Service Centre and Division of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

247. The Global Shared Service Centre, in coordination with the Division of Human Resources, is conducting a thorough review of the current list of essential personnel file documents, in line with the recent automation and simplification of processes, to determine the final list of essential documents and maintain them in the appropriate system.

248. In paragraph 134 of its report, the Board recommended that the UNICEF Global Shared Service Centre, in coordination with the Division of Human Resources, evaluate, complete and update the policy regulating the content and source of information of the documentation that must be included into the electronic official status file.

<i>Departments responsible:</i>	Global Shared Service Centre and Division of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

249. UNICEF will evaluate and update the policy reflecting the final list of essential documents and the systems in which they need to be maintained.

250. In paragraph 144 of its report, the Board recommended that the UNICEF Supply Division undertake the efforts necessary to ensure that all staff members complete the mandatory courses on ethics and integrity and on anti-fraud awareness in a timely manner.

<i>Department responsible:</i>	Supply Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

251. The Supply Division will make the completion of mandatory courses a recurring agenda item at the advisory group meeting in 2021. Cases of non-compliance will be highlighted in the staff member's performance evaluation review.

252. In paragraph 159 of its report, the Board recommended that UNICEF evaluate the impact caused by the use of the new Property Survey Board workflow tool and update the related Global Shared Service Centre standard operating procedure, especially with regard to the mandatory documentation that must be uploaded.

<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 2021

253. UNICEF has confirmed that the Property Survey Board workflow tool has been rolled out. The tool automates case creation for the disposal of assets by the Global Shared Service Centre. UNICEF has evaluated the impact of the tool as positive and the related Global Shared Service Centre work instructions are under final revision.

254. In paragraph 160 of its report, the Board recommended that UNICEF establish and formalize the functions of the Global Shared Service Centre and the Division of Financial and Administrative Management in processing disposals.

<i>Departments responsible:</i>	Global Shared Service Centre and Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

255. A letter of delegation of authority related to the asset disposal processes has been formalized and is pending final approval. It will clarify the responsibilities to be undertaken by both the Global Shared Service Centre and the Division of Financial and Administrative Management in this area.

256. In paragraph 171 of its report, the Board recommended that UNICEF ensure that the procedure for revoking accesses to VISION and all information and communications technology (ICT) resources by all separated staff is done in a timely manner.

<i>Departments responsible:</i>	Global Shared Service Centre and Information and Communications Technology Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

257. UNICEF is working on a project that will automatically revoke access to VISION in accordance with the end of staff contracts in the master record. For other systems, the automation will ensure automatic and timely deactivation of access in accordance with the established policy and procedure.

258. In paragraph 172 of its report, the Board recommended that UNICEF detail the guidelines for monitoring the clean-up procedure for VISION user accounts, ensuring that it is constantly updated in order to reflect the circumstances of its enforcement.

<i>Departments responsible:</i>	Global Shared Service Centre and Information and Communications Technology Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

259. UNICEF will ensure that the policy and procedure are updated and are aligned with the automated process that will result from the project referred to in the response to the recommendation contained in paragraph 171 of the Board's report (see para. 257 above).

260. In paragraph 173 of its report, the Board recommended that UNICEF generate evidence concerning the results of the monitoring, as well as the measures taken in that regard, and undertake regular reviews and maintenance of VISION accounts.

<i>Department responsible:</i>	Information and Communications Technology Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

261. UNICEF agreed with the recommendation and will generate reports to provide evidence that actions have been appropriately taken in accordance with the automated process resulting from the project referred to in the response to the recommendation contained in paragraph 171 of the Board's report (see para. 257 above).

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

262. In the annex to its report for the year ended 31 December 2020 (A/76/5/Add.3, chap. II), the Board provided a summary of the status of implementation of recommendations for prior financial periods. Information is provided below on the 22 recommendations that were determined 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.

263. Table 14 summarizes the overall situation as of August 2021.

Table 14

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 Financial and Administrative Management	5	1	1	3	3	–
Division of Human Resources	1	–	–	1	1	–
Information and Communications Technology Division	6	–	–	6	6	–
Latin America and the Caribbean Regional Office	1	–	1	–	–	–
Lebanon country office	1	–	1	–	–	–
Office of Emergency Programmes	1	–	–	1	1	–
Private Fundraising and Partnerships Division	1	–	1	–	–	–
Supply Division	4	–	1	3	3	–
Multiple offices	2	–	2	–	–	–
Total	22	1	7	14	14	–

Report of the Board for the year ended 31 December 2016¹⁴

264. **In paragraph 111 of its report, the Board recommended that UNICEF ensure the formulation of risk tolerance and risk appetite at appropriate operational levels.**

<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 2021

265. UNICEF has formulated a risk tolerance and risk appetite statement at the organizational level as part of the updated enterprise risk management policy. The Senior Management Risk Committee is currently reviewing the document.

Report of the Board for the year ended 31 December 2017¹⁵

266. **In paragraph 55 of its report, the Board recommended that UNICEF get a verification of compatibility and customization process of VISION, including the travel management functionality, done.**

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

267. UNICEF has implemented this recommendation by resolving the elements listed in the audit findings related to the travel process. In 2020, UNICEF introduced a travel simplification process that no longer requires trip certification. The traveller has 30 days after returning from their trip to file a claim if their trip was “not as planned”. If a trip was completed “as planned”, the travel authorization closes automatically. Travel information is reported through various reports, the travel dashboard and the financial reporting line. Management considers this recommendation to have been implemented on the basis of the various enhancements and simplification implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2018¹⁶

268. **In paragraph 79 of its report, the Board recommended that the Middle East and North Africa Regional Office and the Latin America and the Caribbean Regional Office continue to close the gaps in the assurance activities related to the harmonized approach to cash transfers and ensure their timely implementation to achieve the minimum required targets in all the country offices. The Board also recommended that UNICEF review the status of**

¹⁴ A/72/5/Add.3, chap. II.

¹⁵ A/73/5/Add.3, chap. II.

¹⁶ A/74/5/Add.3, chap. II.

assurance in other country and regional offices and, if required, take the measures necessary to fill the gaps.

<i>Departments responsible:</i>	Middle East and North Africa Regional Office and Latin America and the Caribbean Regional Office
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

269. UNICEF considers this recommendation to have been implemented on the basis of the strong progress achieved in 2019 and 2020 despite the impact of the COVID-19 pandemic. In 2019, the overall Middle East and North Africa Regional Office achieved 198 per cent of the programmatic assurance visits, with all offices reaching this harmonized approach to cash transfers key performance indicator target. The total achievement was 93 per cent for financial assurance activities, which was slightly below the minimum of 95 per cent target and was due in part to the impact of natural disasters and escalation of conflicts. In 2020, the overall Middle East and North Africa Regional Office completed 403 per cent of the minimum required programmatic visits and 73 per cent of the minimum required spot checks. A total of 93 per cent of country offices in the region met their programmatic visit indicator targets and exceeded the minimum required targets and 87 per cent of offices met their financial assurance key performance indicator target.

270. In 2019, the Latin America and the Caribbean Regional Office continued investing and strengthening quality assurance activities relating to the harmonized approach to cash transfers across country offices, reaching 104 per cent in programmatic visits and 94 per cent in spot checks. With regard to spot checks, 19 country offices met the minimum requirements, with only four country offices, which are situated in the context of a humanitarian response, still lagging, compared with five country offices not having reached the targets in 2018. In 2020, the Latin America and the Caribbean Regional Office sustained its guidance to country offices with respect to meeting the requirements relating to assurance activities, resulting in an overall completion in 2020 of 113 per cent of the minimum required programmatic visits and 74 per cent of the minimum required spot checks.

271. UNICEF reiterates that perfect closure of gaps is unrealistic given that there are conditions outside its control. For example, in 2020, performance was strongly affected by the COVID-19 pandemic, which required an adjustment of the minimum requirements to 65 per cent. The offices continue to work towards the re-establishment of regular levels, especially in the most vulnerable Middle East and North Africa Regional Office and Latin America and the Caribbean Regional Office countries. UNICEF has requested that the Board close this recommendation given the efforts that have been successfully implemented since 2018.

272. Management reiterates that the second part of this recommendation, as noted by UNICEF in 2018 and 2019, was not raised during the global audit visits, in the respective management letters or in the Board's draft report. Without a clear basis for it, UNICEF is not in a position to agree with the recommendation or to respond to it in a meaningful way and has therefore requested its closure by the Board.

273. In paragraph 140 of its report, the Board recommended that UNICEF constructively engage with the National Committees to have a reserve policy that is aligned with the maintenance of benchmark requirements for reserve levels.

<i>Department responsible:</i>	Private Fundraising and Partnerships Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

274. UNICEF engaged with all the National Committees that had reserve policies due for a review, and all National Committees now have a reserve policy that is aligned with the benchmark requirements. In addition, the UNICEF guidance on the reserve policy was revised in 2017 and became effective in 2018. One of the changes introduced was the extension of the frequency of reviews from one year to four years, given that one year was considered too short and unreasonable. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

275. In paragraph 169 of its report, the Board recommended that UNICEF prescribe the maximum time allowed for delivery of the items for each emergency type, enforce it strictly and take corrective action towards reducing the lead times to ensure a prompt supply response in emergencies.

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

276. UNICEF has reviewed and elected to maintain the maximum delivery time commitments, as noted in Supply Division procedure 010 on the management of emergency orders. The Supply Division developed a report and integrated it in the system to monitor the timeliness of orders. By the end of the first quarter of 2020, the timeliness of the delivery of emergency orders increased to 85.9 per cent, up from 74.5 per cent at the end of 2019. The delivery of orders entails aspects that are beyond the control of UNICEF. While management strives to achieve the highest level of timeliness in the delivery of emergency orders, it is important to highlight that, considering the challenging contexts in which UNICEF operates, in areas such as Nigeria, Somalia and Yemen, among others, this will remain an area requiring ongoing operational effort. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

277. In paragraph 204 of its report, the Board recommended that specific dates on which the final delivery of services was made be properly documented.

<i>Department responsible:</i>	Latin America and the Caribbean Regional Office
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

278. The Latin America and the Caribbean Regional Office has implemented monthly monitoring reports for all country offices in the region in order for them to ensure good management of contracts, including tracking final delivery and the closure of expired contracts. Examples of the report were shared with the audit team. In addition, exchanges were held on a monthly basis for every office to adequately monitor its

contracts. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

279. In paragraph 211 of its report, the Board recommended that investigation in the fraud case be completed in a timely manner and that necessary remedial action be taken.

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

280. UNICEF reiterates that the fraud case was handled in accordance with UNICEF policies and procedures relating to investigations. As a result of the investigation findings and in accordance with UNICEF anti-fraud strategy, UNICEF took the necessary remedial action to block the vendor for ethical reasons and followed up with the contractor and local authorities and confirmed that all works due from the contractor had been satisfactorily completed and delivered. The Fund also established a detailed step-by-step procedure to treat the underlying root cause, which included an independent third-party verification. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2019¹⁷

281. In paragraph 16 of its report, the Board recommended that UNICEF consider classifying the long-term components of the after-service health insurance investment portfolio as non-current investments.

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

282. UNICEF maintained its non-acceptance of this recommendation as discussed with the Board during the 2019 audit fieldwork and in the Fund's response to the Board's report for 2019. While funds are set aside to meet future liabilities and are disclosed as notes to the financial statements, the instruments in the UNICEF after-service health insurance investment portfolio are intended to be traded to maximize returns to the Fund. Sales proceeds in 2019 represented 44 per cent of the value of the investments, reflecting a high turnover of instruments held. Management further disagreed with the interpretation that the objective of the portfolio (generating returns to meet long-term liability) determines the classification in substance or in form. The classification proposed in the recommendation would give the impression that the instruments are held for long periods of time/to maturity, which is not always the case at UNICEF.

283. In paragraph 52 of its report, the Board recommended that UNICEF identify key data elements that validate the eligibility of participants for end-of-service/post-employment benefits and incorporate the validation controls

¹⁷ A/75/5/Add.3, chap. II.

necessary to ensure the mandatory capturing of these key data elements in the system.

<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 2021

284. UNICEF has reviewed and determined the key data fields that affect the after-service health insurance actuarial valuation for UNICEF-supplied data. A note for record regarding the maintenance of those fields has been prepared and is currently under review for approval.

285. In paragraph 72 of its report, the Board recommended that UNICEF adopt a mission-mode approach to ensure the successful and expedited implementation of the budget formulation tool.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

286. UNICEF developed and rolled out the new budget formulation tool to all UNICEF offices effective mid-2019. Following regular use of the tool post go-live, system performance slowed down; however, enhancements are currently under way to ensure acceptable performance speeds. In 2020, UNICEF developed a plan to address the performance issues and is devoting the time necessary to review the existing budget-planning processes with the goal that the new tool will support a light and simple process.

287. In paragraph 122 of its report, the Board recommended that UNICEF ensure the effective utilization of the emergency preparedness platform for risk analysis and planning for preparedness for emergency response in all the regional and country offices, as envisaged in the procedure.

<i>Department responsible:</i>	Office of Emergency Programmes
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

288. Following the roll-out of the emergency preparedness platform at the end of 2020, the platform now reflects a preparedness score (linked to achievement of the minimum preparedness standards benchmark) and a compliance score (linked to process). The average preparedness score is currently 92 per cent (almost met or met) and the average compliance score is 69 per cent (considerable progress). The Risk Analysis and Preparedness Section estimates that by 31 December 2021, both scores will be within the “almost met or met” range, which would reflect the effective

utilization of the updated version of the platform. The country offices' progress or compliance is led by the regional offices, with the support of the Risk Analysis and Preparedness Section, by providing guidance and resources for the effective use of the emergency preparedness platform, including through webinars and the development of an emergency preparedness platform help site, technical assistance and monitoring.

289. In paragraph 156 of its report, the Board recommended that UNICEF clarify the provisions of the Supply Manual and related procedure documents regarding the processes and steps required for issuance of local procurement authorizations for different products, especially in the case of ready-to-use therapeutic food and medicines.

Department responsible: Supply Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

290. UNICEF will finalize its ongoing revision of the Supply Manual and the relevant Supply Division procedure to further clarify the local procurement authorization processes/steps required, especially in respect of the local procurement authorizations for ready-to-use therapeutic food and medicines.

291. In paragraph 181 of its report, the Board recommended that UNICEF facilitate the improved monitoring and understanding of direct order long-term agreements with country offices in order to identify reasons for delays in direct order purchase orders and that UNICEF take the remedial measures necessary to improve the timeliness of deliveries.

Department responsible: Supply Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

292. UNICEF is undertaking various remedial measures to facilitate and improve the monitoring of direct order purchase orders by country offices and the timeliness of the related delivery. The Supply Division will provide guidance, training and/or awareness sessions on the importance of updating entries in VISION for the direct order purchase orders, among other measures.

293. In paragraph 183 of its report, the Board recommended that UNICEF ensure that applicable contractual remedies are applied consistently in the cases of delays in deliveries and, in particular, record the basis for the decision whether to apply the contractual remedies for each case of delay by all the suppliers.

Department responsible: Supply Division
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

294. At UNICEF, contractual remedies are consistently considered whenever there is a record of delay in delivery. Liquidated damages are applied on a case-by-case basis when there is a clear purpose for such application. In accordance with Supply Division procedures, procurement centres record: (a) cases in which liquidated damages have been imposed; and (b) cases of delay in which it has been determined that the supplier is at fault and liquidated damages have not been imposed (including proper justification). Management further notes that the application of liquidated damage remedies for simple delays (rather than non-conforming goods) are rarely in the best interest of the mission of UNICEF. It may lead to situations such as extended delays or unavailability of substitutes. The Supply Division will update procedures to enable the recording of the application of the alternative contractual remedies included in the general terms and conditions of UNICEF contracts.

295. 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>Target date:</i>	First quarter of 2022

296. UNICEF is developing a data warehouse strategy that will feed into future options for enhancing and potentially modernizing the existing data warehouse capabilities. Owing to uncertainty in the current global financial landscape, UNICEF is prioritizing the development and implementation of the strategy; thereafter, a business case will be developed and submitted to the Information and Communications Technology Board for approval and subsequent budget allocation.

297. In paragraph 204 of its report, the Board recommended that UNICEF take steps to get an appropriate level of penetration testing done on the critical applications and networks through which these applications are accessed, which would help to identify the security vulnerabilities and result in urgent action to patch.

<i>Department responsible:</i>	Information and Communications Technology Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2022

298. UNICEF conducted an internal vulnerability test as part of its information security programme to inform a decision on running a penetration test on the VISION ecosystem. On the basis of the results, it was concluded that owing to the current remote working arrangement, which requires the engagement of technical staff towards ensuring service continuity during the pandemic, and owing to the determination that the risk of compromise was lower than the potential of harming global UNICEF operations, it was decided not to conduct penetration testing until it was possible to have technical staff working in close physical proximity.

299. **In paragraph 210 of its report, the Board recommended that UNICEF take steps to ensure automatic data synchronization between human resources master data and VISION user ID credentials by instituting the mandatory input of account number/personnel number while creating the ID. The Board also recommended that account/personnel numbers be updated in all such cases in the database.**

Department responsible: Information and Communications Technology Division

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

300. UNICEF is currently working on the full automation of human resources master data and VISION user credentials. The automation will ensure automatic synchronization between the master records in SAP, ensuring that unique key is present as a link between the master record and the SAP and active directory accounts.

301. UNICEF reiterates that the second part of the recommendation was not raised during the global audit visits, in the respective management letters or the Board's draft report. UNICEF is therefore unable to agree and respond to it in a meaningful way. UNICEF disagrees with the recommendation given that personnel numbers are maintained, as necessary, in the applicable databases and therefore requests the removal/closure of this part of the recommendation by the Board.

302. **In paragraph 215 of its report, the Board recommended that UNICEF consider deactivating and locking all older user IDs in lieu of which new user IDs were issued to the same user.**

Department responsible: Information and Communications Technology Division

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

303. UNICEF is currently working on the full automation of this process.

304. **In paragraph 230 of its report, the Board recommended that UNICEF explore the creation of a mechanism to prevent the creation of multiple payment requests for the same payment under the same grant and take steps to complete the process of data cleaning through necessary action on pending unverified payment requests as a priority.**

Departments responsible: Division of Financial and Administrative Management and Information and Communications Technology Division

Status: Closure requested

Priority: Medium

Target date: Not applicable

305. UNICEF has identified and put in place, in eZHACT, a mechanism to eliminate the risk that implementing partners could be overpaid. As recommended, a clean-up of unverified payment requests was carried out in 2020. UNICEF considers this recommendation to have been implemented and requests for closure by the Board.

306. In paragraph 244 of its report, the Board recommended that UNICEF ensure that comprehensive testing of the headquarters business continuity plan and the Information and Communications Technology Division disaster recovery plan, including necessary simulation exercises, is carried out regularly, at defined intervals.

Department responsible: Information and Communications Technology Division

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

307. UNICEF will perform comprehensive testing of the business continuity plan and the disaster recovery plan, including simulation exercises to maintain a posture of preparedness. However, the remote working arrangement and the extended engagement of technical staff towards service continuity during the pandemic have been prioritized. The considered response in the middle of the pandemic does not envision running a virtual simulation. The simulations will be executed as part of the transition resilience plan, expected in the fourth quarter of 2021.

308. In paragraph 253 of its report, the Board recommended that UNICEF consider ensuring a safe distance between the headquarters primary data centre and the disaster recovery data centre without significantly affecting productivity and access to real-time data.

Department responsible: Information and Communications Technology Division

Status: Under implementation

Priority: High

Target date: Third quarter of 2022

309. UNICEF agreed with the recommendation and is in the process of implementing the proposed action as part of the transformation project of the Information and Communications Technology Division.

310. In paragraph 309 of its report, the Board recommended that UNICEF explore ways to improve the utilization of the pre-assessed talent group for its recruitment, which is also the preferred sourcing method in accordance with the administrative instruction.

Department responsible: Division of Human Resources

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

311. UNICEF is currently updating the new staff selection policy, including the shift to a modified approach, which is anticipated to result in improved utilization of talent groups in recruitment. The Division of Human Resources, in partnership with offices, will closely monitor the results to strengthen their use.

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 2020¹⁸

312. Table 15 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

Table 15
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>
Central Support Services Division	1	–	1	–	–	–
Department of Human Resources	2	–	–	2	2	–
Department of Information Management and Technology	1	–	–	1	1	–
Department of Microfinance	1	–	–	1	1	–
Department of Relief and Social Services	1	–	–	1	1	–
External Relations Department	1	–	1	–	–	–
Total	7	–	2	5	5	–

313. Table 16 summarizes the status of implementation of all recommendations of the Board as of August 2021.

Table 16
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>
Central Support Services Division	3	–	2	1	1	–
Department of Finance	1	–	–	1	1	–
Department of Health	4	–	–	4	4	–
Department of Human Resources	5	–	–	5	5	–
Department of Information Management and Technology	6	–	2	4	4	–
Department of Microfinance	3	–	–	3	3	–
Department of Planning	2	–	–	2	2	–
Department of Relief and Social Services	4	–	–	4	3	1

¹⁸ A/76/5/Add.4, chap. II.

<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>
Ethics Office	1	–	1	–	–	–
External Relations Department	1	–	1	–	–	–
Lebanon field office	1	–	–	1	1	–
Total	31	–	6	25	24	1

314. **In paragraph 29 of its report, the Board recommended that the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) analyse the historical data and push forward the clearance of outstanding balances of provision in compliance with its financial technical instructions.**

Department responsible: Department of Human Resources

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

315. The review of the outstanding balance is currently under way for write-off purposes.

316. **In paragraph 35 of its report, the Board recommended that UNRWA pay close attention to the key indicators in the resource mobilization strategy monitoring framework and make further efforts to meet the yearly targets set by the Agency.**

Department responsible: External Relations Department

Status: Closure requested

Priority: High

Target date: Not applicable

317. UNRWA provided the monitoring steps taken to the Board. The Agency considers this recommendation to have been implemented and requests its closure by the Board.

318. **In paragraph 41 of its report, the Board recommended that UNRWA develop and maintain a registry of lessons learned in accordance with the UNRWA project procedures manual and expedite the establishment of the unit that will be in charge of it.**

Department responsible: Department of Planning

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

319. The recruitment of the person who will maintain the registry and monitor the processes is currently under way. The process is expected to be completed by the end of 2021.

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

Department responsible: Department of Planning
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2022

321. The Agency is in the process of mobilizing additional capacity through the United Nations Volunteers to support the development of the emergency response handbook. On the basis of a preliminary timeline, the handbook is expected to be ready by the third quarter of 2022.

322. In paragraph 53 of its report, the Board recommended that UNRWA prepare a multi-year plan for the progressive deployment of the e-tendering platform in the field offices.

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

323. The requested plans were submitted to the Board. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

324. In paragraph 59 of its report, the Board recommended that UNRWA set a timetable for the renewal of the procurement instructions and update those instructions in a timely manner so as to better guide procurement activities.

Department responsible: Central Support Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

325. The procurement instructions have been updated and will be released by the fourth quarter of 2021.

326. In paragraph 65 of its report, the Board recommended that UNRWA prepare an annual master procurement plan for the major procurement activities.

<i>Department responsible:</i>	Central Support Services Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

327. The requested plans were submitted to the Board. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

328. In paragraph 72 of its report, the Board recommended that UNRWA review the procedure of asset classification and strengthen its controls to avoid improper classification and thus ensure accurate calculation of depreciation.

<i>Department responsible:</i>	Department of Finance
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

329. The relevant departments have been provided with guidance regarding the appropriate selection of the material items that they should follow when creating purchase requisitions in the future, thereby strengthening the classification selection process.

330. In paragraph 79 of its report, the Board recommended that UNRWA develop Agency-wide plans and procedures to ensure that the selection process is completed within the maximum time period.

<i>Department responsible:</i>	Department of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

331. The Agency is working to improve its recruitment time periods by taking a number of measures specific to each field office.

332. In paragraph 86 of its report, the Board recommended that UNRWA ensure compliance in performance evaluations for non-teaching and teaching staff members at the headquarters and field office levels, respectively, and link the e-performance system with a reward system to ensure the achievement of the set goals.

<i>Department responsible:</i>	Department of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2022

333. The Agency is working to improve its compliance with the requirements for e-performance evaluations by taking measures specific to each field office.

334. **In paragraph 93 of its report, the Board recommended that UNRWA further decrease the discrepancy rate of REACH and the Education Management Information System and develop integration between the two systems to ensure the consistency of all information system data related to human resources.**

Department responsible: Department of Human Resources
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

335. The Agency has worked hard to decrease the discrepancy rate, which has been reduced to less than 2 per cent from approximately 25 per cent. The Agency will submit the relevant supporting documentation to the Board during its next audit for consideration to close the recommendation.

336. **In paragraph 100 of its report, the Board recommended that UNRWA verify and add the missing staff in the e-performance system in a timely manner and further integrate REACH with the e-performance system.**

Department responsible: Department of Human Resources
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

337. The REACH and the e-performance systems are fully integrated. The functionality to automatically generate e-performance forms for staff joining in the middle of the year will be explored. Currently, all system changes have been put on hold pending the completion of the e-performance simplification project scheduled for deployment in the fourth quarter of 2021.

338. **In paragraph 106 of its report, the Board recommended that UNRWA appoint the prevention of sexual exploitation and abuse focal points on the basis of gender equality so as to comply with the Agency's rules and procedures.**

Department responsible: Ethics Office
Status: Closure requested
Priority: Medium
Target date: Fourth quarter of 2021

339. Effective from the second quarter of 2021, all field offices have both male and female focal points for the prevention of sexual exploitation and abuse. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

340. **In paragraph 112 of its report, the Board recommended that the Lebanon field office work together with headquarters to assess the possible impact of the absence of the management compact and issue the management compact in 2021.**

Department responsible: Lebanon field office
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

341. While the compact letter was not issued in 2020, the Director of UNRWA Affairs in Lebanon remained accountable through the e-performance evaluation and regular supervision by the Deputy Commissioner-General and the Commissioner-General. The official compact letter will be issued by the fourth quarter of 2021.

342. In paragraph 118 of its report, the Board recommended that UNRWA update organization directive No. 26 and its information security policy in a timely manner to accommodate its current ICT environment.

Department responsible: Department of Information Management and Technology
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

343. The relevant documents are under development and the updated policies are expected to be issued by the end of 2021.

344. In paragraph 124 of its report, the Board recommended that UNRWA update the disaster recovery plans to comply with the latest organization structure and service, and periodically review the disaster recovery plans in order to make them responsive to the continuously evolving information technology environment.

Department responsible: Department of Information Management and Technology
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

345. The Agency has updated the disaster recovery plans and policy documents and will provide the documents to the Board during its next audit cycle for its review.

346. In paragraph 131 of its report, the Board recommended that UNRWA take concrete actions to perform a disaster recovery test for the REACH system as required by the disaster recovery policy.

Department responsible: Department of Information Management and Technology
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

347. The disaster recovery testing for the REACH system is expected to be conducted by the first quarter of 2022 and the site-to-site connectivity to the disaster recovery site will be implemented subsequently.

348. In paragraph 137 of its report, the Board recommended that UNRWA set the company code in the REACH production system to be productive to ensure data integrity and avoid accidental data loss.

Department responsible: Department of Information Management and Technology

Status: Closure requested

Priority: Medium

Target date: Not applicable

349. The company codes are now in the production system. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

350. In paragraph 143 of its report, the Board recommended that the Lebanon field office record backup operations in the annual backup log form, as required in Information Management Department technical instruction No. 6.

Department responsible: Department of Information Management and Technology

Status: Closure requested

Priority: Medium

Target date: Not applicable

351. The Lebanon field office backup was performed and documented. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

352. In paragraph 149 of its report, the Board recommended that the Lebanon field office conduct a backup restore test operation, with a proper record in the restore log, at the end of the second and fourth quarters of each year, in accordance with Information Management Department technical instruction No. 6.

Department responsible: Department of Information Management and Technology

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

353. The Agency will complete the performance of backup restore tests, with proper records in the restore log, by the end of the fourth quarter of 2021.

354. In paragraph 156 of its report, the Board recommended that UNRWA update the guidelines on procurement and delivery of supplies to health centres to reflect the current organizational structure and the changed information system environment.

Department responsible: Department of Health
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

355. The guidelines are currently under development and are expected to be completed by the fourth quarter of 2021.

356. In paragraph 163 of its report, the Board recommended that UNRWA take measures to integrate the hospitalization management function with REACH and e-Health.

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

357. The work is under way and the planned link of the hospitalization management system to e-Health and eventually to REACH is targeted for the end of 2023.

358. In paragraph 172 of its report, the Board recommended that the Jordan and Lebanon field offices assess the existing operational model for the hospitalization support programme and expedite the development of a field technical instruction in the current context.

Department responsible: Department of Health
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

359. The field offices will provide the relevant updated instructions by the end of 2021.

360. In paragraph 178 of its report, the Board recommended that the Jordan and Lebanon field offices conduct regular audits on medical referrals and process and analyse the audit result in a timely manner, to monitor the appropriateness of the referrals and the quality of medical care provided by the hospitals.

Department responsible: Department of Health
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

361. The field-specific technical instruction for medical audits will be implemented by the end of 2021 and the audit activity for medical referrals will take place by the second quarter of 2022.

362. In paragraph 186 of its report, the Board recommended that UNRWA take corrective action where appropriate to recover subsidies under the social safety net programme given to staff members, strengthen the verification of refugees' enrolment and exclude those who do not meet the required criteria to ensure that refugees in real need of assistance can be enrolled.

Department responsible: Department of Relief and Social Services
Status: Under implementation
Priority: High
Target date: Second quarter of 2022

363. All UNRWA employees identified for receipt of subsidies have been excluded from the social safety net programme since the first quarter of 2021, and consistent instructions have been given to the field offices to cease including UNRWA employees in the social safety net programme and to comply with the consolidated eligibility and registration instructions. Enhanced identity verification of beneficiaries, including through the introduction of iris scans, is under preparation.

364. In paragraph 195 of its report, the Board recommended that UNRWA update the refugee registration information system to identify and delete the abnormal registration data and ensure the accuracy, integrity and completeness of data in the system.

Department responsible: Department of Relief and Social Services
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

365. UNRWA will maintain the annual process of deactivating records of refugees over 100 years old. To improve the quality and accuracy of refugees' registration data, UNRWA is working on the modernization of the refugee registration information system. That includes an enhanced quality assurance framework to improve the accuracy, integrity and completeness of data; a secure online registration and verification platform; the issuance of individual service cards; and an integrated proof-of-life feature for identity verification.

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

Department responsible: Department of Relief and Social Services
Status: Under implementation
Priority: Medium
Target date: Ongoing

367. The Agency is assessing the situation and will formulate its position once the assessment is complete. At the present stage, the Agency cannot comment on what actions will be undertaken or the expected target dates for those actions.

368. **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.**

Department responsible: Department of Relief and Social Services
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2022

369. UNRWA agreed with this recommendation and will hire a consultant to review the programme.

370. **In paragraph 211 of its report, the Board recommended that UNRWA conduct a thorough eligibility analysis of loan applicants and guarantors and work on decreasing the portfolio at risk.**

Department responsible: Department of Microfinance
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

371. UNRWA agreed with this recommendation and will implement it by the end of 2021 by reducing its portfolio at risk.

372. **In paragraph 218 of its report, the Board recommended that UNRWA make more effort to increase its loan products among Palestine refugees.**

Department responsible: Department of Microfinance
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

373. The Agency agreed with this recommendation and will implement it by the end of 2021 by increasing its loan products.

374. **In paragraph 227 of its report, the Board recommended that UNRWA review the interest rates of its three loan products on a regular basis and work on the reduction of the interest rates.**

Department responsible: Department of Microfinance
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

375. The Agency agreed with this recommendation and will implement it by the end of 2021 by regularly reviewing the interest rates with a view to their reduction.

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

376. In the annex to its report for the year ended 31 December 2020 (A/76/5/Add.4, chap. II), the Board provided a summary of the status of implementation of recommendations for prior financial periods. Information is provided below on the 20 recommendations that were determined 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.

377. Table 17 summarizes the overall situation as of August 2021.

Table 17

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	5	–	–	5	5	–
Department of Finance	1	1	–	–	–	–
Department of Human Resources	4	–	–	4	4	–
Department of Information Management and Technology	4	–	–	4	4	–
Department of Microfinance	1	–	–	1	–	1
Department of Relief and Social Services	4	–	–	4	4	–
Department of Security and Risk Management	1	–	1	–	–	–
Total	20	1	1	18	17	1

Report of the Board for the year ended 31 December 2016¹⁹

378. 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

Target date: Fourth quarter of 2021

379. The barcode system is now available to all the field offices. The timeline for the labelling of items is defined by each field office, with only some offices still to implement this, taking into account the availability of local resources and delays relating to the COVID-19 pandemic.

¹⁹ A/72/5/Add.4, chap. II.

380. **In paragraph 123 of its report, the Board recommended that UNRWA expedite the process of developing business continuity plans for headquarters and field offices to improve continuity of service delivery and enhance the security and safety of the Agency resources during major incidents.**

Department responsible: Department of Security and Risk Management
Status: Closure requested
Priority: Medium
Target date: Not applicable

381. The Agency completed the development of the business continuity plans as recommended. The Agency considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2017²⁰

382. **In paragraph 49 of its report, the Board recommended that UNRWA (a) update the existing organizational structure and organizational directive No. 3 to reflect the additional departments and divisions; and (b) indicate the actual number of staff when requesting and accounting for advance grants received from United Nations Headquarters to finance international staff posts under the regular budget.**

Department responsible: Department of Human Resources
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

383. Organizational directive No. 3 is with the Executive Office for issuance. Part (b) of the recommendation has already been considered as implemented and closed by the Board.

384. **In paragraph 138 of the 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.**

Department responsible: Department of Relief and Social Services
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

²⁰ A/73/5/Add.4, chap. II.

385. The Agency agreed with the recommendation and has the following update: (a) despite the severe economic and financial situation, UNRWA staff are reaching out to beneficiaries to ask them to settle their accounts; (b) UNRWA will perform eligibility analysis once it starts issuing loans, as this is currently on hold until the programme is reviewed and the economic and financial situation in the country improves; and (c) the amended guidelines will be provided to the Board during the next audit for its review.

386. 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>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2022

387. The Microfinance Department was tasked with looking into the programme for evaluation and assessment. The first stage was completed. However, owing to the deterioration of the financial and economic situation in the country in addition to the COVID-19 pandemic, this was put on hold. UNRWA is waiting for an improvement in the conditions and the lifting of the restrictions on movement so that the other stages, including the introduction of new business models and management information systems, can be implemented.

Report of the Board for the year ended 31 December 2018²¹

388. In paragraph 74 of its report, the Board recommended that UNRWA establish unified criteria for the terms regarding the submission of claims for injuries, by reconciling the area staff rule and the personnel directive and maintaining the appropriate distinction between the shorter term needed for the initial notice and the longer term needed for the submission of claims for compensation.

<i>Department responsible:</i>	Department of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

389. There has been a delay in the implementation of this recommendation owing to the current environment. The staff rules and personnel directives are being aligned to avoid confusion. The implementation is expected to be completed by the fourth quarter of 2021.

390. In paragraph 84 of its report, the Board recommended that UNRWA take action to lower the percentage of annual and advance annual leaves starting prior to approval and to allow the situation to occur only in special cases, in order

²¹ A/74/5/Add.4, chap. II.

to comply with part I, article 1.1 of personnel directive No. 5/Rev.7, and to issue circulars and/or communications accordingly.

Department responsible: Department of Human Resources
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

391. The Agency submitted the supporting documentation relating to lower percentages of annual and advance annual leaves to the Board for its consideration. However, the Board would like to see a higher rate of compliance compared with the submission that was made. The Agency will provide another submission on the lower percentages of annual and advance annual leaves to the Board during its next audit visit.

392. In paragraph 104 of its report, the Board recommended that UNRWA review all administrative instructions and have them updated and aligned with the procurement manual.

Department responsible: Central Support Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

393. The revised manuals and standard operating procedures are under final review.

394. In paragraph 129 of its report, the Board recommended that UNRWA outline, in a manual or in instructions, the conditions, restrictions and requirements for when a given vendor is to be blocked and unblocked.

Department responsible: Central Support Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

395. The revised manuals and standard operating procedures are under final review.

396. In paragraph 182 of its report, the Board recommended that the UNRWA Microfinance Department set up and activate an independent system to confirm the loan instalment payments made, along with the remaining outstanding balances, directly with the borrowers. The system may be automated by having messages sent to borrowers on a regular basis, indicating the instalments paid and the loan balance as at the date of the message.

Department responsible: Department of Microfinance
Status: Under implementation
Priority: Medium
Target date: Ongoing

397. The implementation of this recommendation in Jordan is under way and is targeted to be completed by the end of 2021. However, the situation in the Syrian Arab Republic makes the implementation a little more complex. The Agency is assessing how to best address the recommendation in the Syrian context. Given the fluidity of the situation in the Syrian Arab Republic, the Agency is unable to provide a specific target date at the present time.

Report of the Board for the year ended 31 December 2019²²

398. In paragraph 37 of its report, the Board recommended that UNRWA take measures to improve the review of assets during the capitalization process, including instructions for requisition users and Procurement and Logistics Department personnel who process purchase requisitions and related purchase orders.

Department responsible: Central Support Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

399. The Agency will discuss the appropriate instructions that have been sent to the field with the Board during its next audit exercise.

400. In paragraph 47 of its report, the Board recommended that UNRWA perform a review of all users with the personnel action approval process role and adjust them in accordance with proper segregation of duties.

Department responsible: Department of Human Resources
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

401. Owing to the limitations of the remote audit, the Board was unable to confirm that the review of the segregation of access rights had been completed. The Agency will provide the relevant supporting documentation to the Board for its review during the next audit visit.

402. In paragraph 64 of its report, the Board recommended that UNRWA review the current roles in the refugee registration information system and evaluate if the present roles are clear and necessary for the entity and if they create functional segregation problems among the roles assigned to users.

Department responsible: Department of Relief and Social Services
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

²² A/75/5/Add.4, chap. II.

403. The review is currently under way and the results are expected to be ready soon. Any changes recommended on the basis of the review will be completed by the end of 2021.

404. In paragraph 65 of its report, the Board recommended that UNRWA develop a matrix of roles for the refugee registration information system based on employee positions or tasks, thus allowing the Agency to have control over the roles.

Department responsible: Department of Relief and Social Services
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

405. The review is currently under way and the results are expected to be ready soon. Any changes recommended on the basis of the review will be completed by the end of 2021.

406. In paragraph 126 of its report, the Board recommended that the UNRWA Jordan field office perform the necessary procedures to use updated information related to the current replacement cost of its inventories, in order to fully comply with the IPSAS framework.

Department responsible: Department of Finance
Status: Not accepted
Priority: Medium
Target date: Not applicable

407. The Agency did not accept the recommendation. The Board did not address the relevant department for appropriate information on the details during its initial audit. During its audit for the financial period ended 31 December 2020, the Board was provided with all current replacement costs. However, the Board did not comment or address the matter within its audit process. The Agency stands ready to further discuss this issue with the Board during its next audit visit.

408. In paragraph 136 of its report, the Board recommended that UNRWA improve its controls to ensure efficiency and traceability over the distribution process in order to ensure that older batches are distributed first and keep records of where batches are distributed.

Department responsible: Central Support Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

409. The central pharmacy has implemented controls on batch numbers for the majority of medicines to ensure the distribution of older batches first and has kept records for the distributed batches in the REACH system. The processing of the remaining items was interrupted by the COVID-19 pandemic.

410. **In paragraph 162 of its report, the Board recommended that UNRWA apply password parameters in accordance with what is stated in its access control policy for all users agency-wide.**

Department responsible: Department of Information Management and Technology
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

411. Project implementation is in progress and should be completed by the fourth quarter of 2021.

412. **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.**

Department responsible: Department of Information Management and Technology
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

413. The analysis of single roles is under way with a view to reaching a resolution by the target date.

414. **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.**

Department responsible: Department of Information Management and Technology
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

415. The final version of the information management life cycle policy is expected to be released by the end of 2021.

416. **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>Target date:</i>	Fourth quarter of 2021

417. The final version of the information management life cycle policy is expected to be released by the end of 2021.

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 2020²³

418. Table 18 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

Table 18
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 for Strategic Planning and Performance	6	–	3	3	3	–
Total	6	–	3	3	3	–

419. Table 19 summarizes the status of implementation of all recommendations of the Board as of August 2021.

Table 19
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	1	–	1	–	–	–
Division for Strategic Planning and Performance	7	–	3	4	4	–
Total	8	–	4	4	4	–

420. In paragraph 22 of its report, the Board recommended that the United Nations Institute for Training and Research (UNITAR) assign and use a unique identification number for each project in all its management systems to ensure traceability in all the tools and/or documents used in the entity.

²³ A/76/5/Add.5, chap. II.

<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

421. UNITAR management introduced a requirement to record project identification numbers in the tracking tool. The Institute considers this recommendation to have been implemented and requests its closure by the Board.

422. In paragraph 23 of its report, the Board recommended that UNITAR maintain a version history of the agreement documents in the tracking tool review, to ensure the tracking of changes and/or modifications that have been made during the review process by the Partnership and Resource Mobilization Unit, the Finance and Budget Unit and programme manager.

<i>Department responsible:</i>	Division for Strategic Planning and Performance
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2022

423. UNITAR management has discussed the changes that are needed in the tracking tool from an information technology perspective and will budget the costs for implementing those changes in the programme budget for the biennium 2022–2023.

424. In paragraph 32 of its report, the Board recommended that UNITAR establish a mechanism to ensure compliance with the reporting requirements of the operational agreement signed with the Defeat Non-Communicable Diseases Partnership.

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

425. A profile that will trigger automated email messages to the programme director on financial reporting requirements and to the governing body/executive committee has been created in the project tracking tool. The certified financial reports for the first and second quarters of 2021 were prepared in a timely manner (i.e. within 15 days from the completion of the quarter, in accordance with the operational agreement). UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

426. In paragraph 44 of its report, the Board recommended that UNITAR identify means of verification for the programme budget indicators and targets.

<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

427. The strategic budget tool for the biennium 2022–2023 has been amended and released, with the means of verification included as part of the planning exercise. The means of verification have also been included in the programme budget results frameworks. UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

428. In paragraph 45 of its report, the Board recommended that UNITAR take measures aimed at ensuring that those elements of the results-based management causal chain included in their workplans are adequately applied by every programme unit in accordance with the provisions of the UNITAR results-based management framework.

<i>Department responsible:</i>	Division for Strategic Planning and Performance
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

429. UNITAR management has discussed this recommendation and is developing a new monitoring policy, which will be presented for consideration at the meeting of the Board of Trustees in November 2021.

430. In paragraph 46 of its report, the Board recommended that UNITAR disclose timeliness for and the personnel in charge of delivering the outputs and activities specified in the annual workplans of its units and offices.

<i>Department responsible:</i>	Division for Strategic Planning and Performance
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

431. UNITAR management is reviewing the monitoring requirements and will issue a new “monitoring and managing for results” policy, in which the requirements of units and offices for annual workplans will be specified.

432. In paragraph 54 of its report, the Board recommended that UNITAR take measures to enhance the management of project information, aiming to avoid errors and to maintain coherence between the information contained in all the documents that are part of the project cycle.

<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 2022

433. UNITAR management has already taken various actions, including deleting some of the project registration functions of the project tracking tool that management considers unnecessary (for example, suppressing the United States dollar currency as the default currency, which had likely contributed to two project agreements being recorded as United States dollar agreements in lieu of euro agreements or suppressing the function to record the return of fund balances to the donor) given that the project tracking tool is not a compliance or reporting instrument, in order to decrease the likelihood of inconsistent project-related information between the project tracking tool and other sources. UNITAR management has also introduced the unique project reference identification and reporting date fields in the narrative project report templates. UNITAR management recognizes that some of the inconsistencies or errors observed by the Board may have been due to efforts to update information in the project tracking tool of a large number of projects in a very short period of time. Nevertheless, as reflected in the audit report, management maintains that the discrepancies observed by the Board are minor or immaterial given that the project tracking tool is an internal management tool and not a tool to inform financial or other reports. UNITAR management will continue to review the functionalities of the project tracking tool to see what information is needed to ensure that the tool serves its purpose.

434. In paragraph 61 of its report, the Board recommended that UNITAR comply with the requirements of the policy guidelines for agreements on the acceptance of contributions for specific purposes (“grants-in”) with regard to the formalization of project amendments.

<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

435. Subsequent to this audit recommendation, no agreements are being accepted for amendments through emails, and procedures are being followed strictly in accordance with the current policy guideline. UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

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

436. In the annex to its report for the year ended 31 December 2020 ([A/76/5/Add.5](#), chap. II), the Board provided a summary of the status of implementation of recommendations for prior financial periods. Information is provided below on the three recommendations that were determined 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.

437. Table 20 summarizes the overall situation as of August 2021.

Table 20

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	1	–	–	1	1	–
Division for Strategic Planning and Performance	1	–	–	1	1	–
Multiple offices	1	–	–	1	1	–
Total	3	–	–	3	3	–

Report of the Board for the year ended 31 December 2017²⁴

438. **In paragraph 44 of its report, the Board recommended that UNITAR establish a roster that links consultants' performance evaluations to their respective fields of expertise.**

<i>Department responsible:</i>	Division for Operations
<i>Status:</i>	Under Implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2022

439. UNITAR has contacted other United Nations organizations regarding the development of an appropriate e-recruitment system with a roster that links consultants' performance evaluations to their fields of expertise. The current procedure is technically complex given that only ratings are compiled by the Human Resources Unit using Microsoft Excel, while the evaluations are undertaken in paper format by the programme units. Further, considering confidentiality issues, a review of some workflow processes has to be undertaken to determine whether the evaluation itself can be integrated in the system or only the ratings can be published.

Report of the Board for the year ended 31 December 2019²⁵

440. **In paragraph 26 of its report, the Board recommended that UNITAR strengthen the criteria for the approval of exceptions to the standard full cost recovery and consider the analysis with the financial implications carried out by the Finance and Budget Unit prior to the signature of the agreements, in order to avoid future negative cost recovery gaps.**

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

²⁴ A/73/5/Add.5, chap. II.

²⁵ A/75/5/Add.5, chap. II.

441. The criteria for cost recovery exceptions are linked to the move to a new cost recovery model discussed with the Board of Trustees and the Finance Committee in November 2019 and 2020 that is aimed at responding to transparency and traceability needs. It is also linked to the work under way on the new enterprise resource planning system. A prototype tool that identifies unit costs, cost pools and cost drivers was developed by the Finance and Budget Unit and presented to the Finance Committee and the Board of Trustees. UNITAR management considered that owing to the uncertainties with the development of the new enterprise resource planning system and the changing business models after the COVID-19 pandemic, it was not the right time to modify a cost recovery model. UNITAR management agreed with the Board of Trustees that towards the end of 2022 would be a more appropriate time to implement this recommendation.

442. **In paragraph 70 of its report, the Board recommended that UNITAR ensure that all the documentation related to the projects is registered in the project tracking tool in a timely manner, in accordance with the policy guidelines for agreements with implementing partners and the policy guidelines for agreements on the acceptance of contributions for specific purposes.**

<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 2022

443. In its review of the implementation status, the Board noted that more time was needed for the controls to become embedded in the practices of the organization and its personnel and gain in efficacy, especially considering that they were put in place at the end of 2020. UNITAR management views the controls that were implemented towards the end of 2020 as sufficient and has observed positive developments in the timely registration of agreements and agreement-related information, although it recognizes that the large number of projects and the large volume of documents and reporting requirements render full compliance with timely registration of documents challenging, especially for a 100 per cent project-funded entity. Since the implementation of those actions, the COVID-19 pandemic has become another factor that has caused projects to experience delivery delays. Nevertheless, management will monitor the controls throughout the remainder of 2021 in preparation for the next audit exercise.

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 2020²⁶

444. Table 21 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

²⁶ A/76/5/Add.6, chap. II.

Table 21
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>
Business transformation programme	3	–	–	3	3	–
Division for Resilience and Solutions	2	–	–	2	2	–
Division of Financial and Administrative Management	5	–	–	5	5	–
Division of Human Resources	3	–	–	3	3	–
Division of Strategic Planning and Results	5	–	–	5	5	–
Transformation and Change Service	1	–	–	1	1	–
Total	19	–	–	19	19	–

445. Table 22 summarizes the status of implementation of all recommendations of the Board as of August 2021.

Table 22
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>
Business transformation programme	4	–	–	4	4	–
Division for Resilience and Solutions	4	–	–	4	4	–
Division of Emergency, Security and Supply	4	–	–	4	4	–
Division of Financial and Administrative Management	17	–	–	17	17	–
Division of Human Resources	6	–	–	6	6	–
Division of Strategic Planning and Results	8	–	–	8	8	–
Transformation and Change Service	1	–	–	1	1	–
Total	44	–	–	44	44	–

446. **In paragraph 63 of its report, the Board recommended that the Office of the United Nations High Commissioner for Refugees (UNHCR) further improve the concerted support that headquarters and regional bureaux provide to country operations with respect to the needs-based procurement and distribution of inventory items, in particular during emergency situations such as the COVID-19 pandemic.**

Department responsible: Division of Strategic Planning and Results

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2022

447. UNHCR headquarters and the regional bureaux will continue to improve the support extended to country operations. UNHCR has made available to country operations a global supply demand forecasting tool to support forecasting of procurement and distribution requirements. Furthermore, UNHCR is preparing a comprehensive operational guidance package on the end-to-end management of non-food items. The guidance will clarify the roles and responsibilities of each office within the organization with respect to establishing needs-based procurement plans, distribution plans and possibilities to be considered for consolidation and management of non-food item procurement. The guidance will also include templates and forms for non-food item distribution and reconciliation of stock. Furthermore, during the design phase, UNHCR will explore the opportunities offered by the upcoming new enterprise resource planning system to improve inventory tracking and accountability.

448. In paragraph 64 of its report, the Board recommended that UNHCR support country operations by establishing comprehensive distribution plans for items on stock.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

449. To support country operations in establishing comprehensive distribution plans for items on stock, UNHCR will prepare guidance on the end-to-end management of non-food items to instil the importance of maintaining systematic distribution plans on the basis of the overall yearly distribution plan. UNHCR will also conduct analysis, with the aim of contributing to the optimization of the level of stock held in warehouses and, in collaboration with the regional supply officers, flagging the surplus stock to operations, while taking into consideration emergency declarations and contingency stocks. At the same time, UNHCR will strengthen distribution planning through the use of the fourth-generation registration and case management system, proGres v4, which includes an assistance monitoring module that generates a distribution plan as a manifest for a subset of registered persons of concern.

450. In paragraph 74 of its report, the Board recommended that UNHCR prioritize and align the redefinition of roles and responsibilities at the regional bureaux and at headquarters entities and that it ensure that the roles of the redefined structures are reflected in the regulatory framework, as applicable.

<i>Department responsible:</i>	Transformation and Change Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

451. Informed by the updated three lines model, the revision of the roles, accountabilities and authorities originally issued in October 2019 will address the issue of the clarity of roles and responsibilities. The revision of the roles of country operations, regional bureaux and headquarters divisions has been largely completed and will inform the revision of the accountabilities and authorities. When applicable, specific information on roles will be included in future official guidance as required,

in a manner that does not fragment the overall concept of the roles, accountabilities and authorities.

452. 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>Target date:</i>	Fourth quarter of 2025

453. UNHCR will continue to examine its amended budget structure over the coming budget cycles with a view to reporting to the Executive Committee of the High Commissioner's Programme as required by the relevant decision contained in the report of the seventy-first session of the Executive Committee (A/AC.96/1209). Under section III B. entitled "Decision on a revision of the financial rules for voluntary funds administered by the High Commissioner for Refugees", it is stated in paragraph 13 inter alia that the Executive Committee endorses a review on the impact of these changes to budgetary structure and periods on management efficiencies and UNHCR's ability to deliver on its mandate, with a view to any revisions if needed, to be presented to the Executive Committee no later than 2025, with preliminary reviews as needed.

454. It is to be noted that a mock-up of the 2022 programme budget document including tables by new results areas was previewed by member States. The presentation highlighted that (a) the traditional presentations by cost type and by headquarters, field and global programme would be preserved; (b) a new presentation by population group would preserve the pillar focus by type of population assisted; (c) new tables by impact area and outcome and enabling area and by sustainable development group would significantly broaden the scope of the programme budget presentation. In terms of analysing the benefits proposed, UNHCR is already deriving lessons learned from the first preparation of a budget with the new budgeting tool adopted by the Office and the new results-based management framework.

455. In paragraph 97 of its report, the Board recommended that UNHCR present the same quality of information in the segment reporting for 2021 as in the reporting for 2020 and as long as the future results-based management structure is not yet finalized and fully operational.

<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 2022

456. UNHCR will continue to provide, at a minimum, the same segment information as in 2020 in its financial statements for 2021, until a new results-based management structure is formally adopted and fully operationalized.

457. **In paragraph 102 of its report, the Board recommended that UNHCR complement its internal preventive and detection controls to identify erroneous expense postings resulting from attempts to roll over budgetary funds to the following financial year, review the drivers of incorrect IPSAS accounting and address them accordingly, such as by improving communication and reporting requirements in UNHCR closing instructions and by reviewing expense postings on the basis of timing, materiality and descriptions.**

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

458. The year-end closing instructions already provide extensive information on reviewing the commitments and the purchase orders and recording the receipts. UNHCR will update the closing process for 2021, modifying it as appropriate to further improve the quality and integrity of the process with respect to the utilization of budgets reserved through purchase orders.

459. **In paragraph 107 of its report, the Board recommended that UNHCR perform an organizational variance analysis for both the statement of financial performance and the statement of financial position, complemented by inputs from the regional bureaux and relevant benchmarks for identified significant variances, where applicable.**

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: High

Target date: First quarter of 2022

460. UNHCR will perform the required variance analysis and seek input from the bureaux as applicable.

461. **In paragraph 116 of its report, the Board recommended that UNHCR enhance the property, plant and equipment information in the country financial reports to display such information, including by location as well as by ownership.**

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

462. UNHCR will enhance the country financial reports by adding a report showing the location of items of property, plant and equipment. This addition will complement

the information that already exists in the country financial report, where property, plant and equipment is presented by owner (cost centre).

463. In paragraph 117 of its report, the Board recommended that UNHCR continue to expand cash assistance information in the country financial reports and to develop other dashboards providing cash assistance-related information.

<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 2021

464. UNHCR will expand the cash assistance information in the country financial reports by making available additional reports and dashboards relating to cash-based interventions to facilitate the review of the plausibility of cash assistance expenses, to include data on direct expenses and expenses incurred through partners and to include, for example, key indicators relevant for monitoring.

465. In paragraph 132 of its report, the Board reiterated its recommendation that UNHCR implement additional measures to ensure the functioning of key controls in the inventory process (A/75/5/Add.6, chap. II, para. 56) and recommended that UNHCR consider the measures in the design of the new enterprise resource planning system.

<i>Department responsible:</i>	Division of Emergency, Security and Supply
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2021

466. UNHCR acknowledges that the current controls related to inventory accounting could be further improved and aims to achieve that by embedding enhanced key controls over inventory management from the early stages of the design of the upcoming new enterprise resource planning system. During the period of transition to the new system, UNHCR is using the mechanisms already in place to ensure that there are no material misstatements in the inventory process, in particular in relation to the year-end reporting.

467. In paragraph 137 of its report, the Board recommended that UNHCR monitor and capitalize significant quantities of pharmaceuticals and medical supplies at year-end.

<i>Department responsible:</i>	Division of Emergency, Security and Supply
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

468. UNHCR will continue to monitor and ensure that material quantities of medical supplies that are under its control at year-end will be capitalized as applicable.

469. **In paragraph 142 of its report, the Board recommended that UNHCR clean up and match open item balances and corresponding write-offs that currently show small rounding differences and derecognize open items that were approved for write-off.**

Department responsible: Division of Financial and Administrative Management
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

470. UNHCR will continue its ongoing efforts to match and clean up open item balances and to initiate write-off for balances when collection efforts are unlikely to bear fruit or cannot be justified in the light of the expected cost of collection efforts.

471. **In paragraph 143 of its report, the Board recommended that UNHCR summarize cases that qualify for write-offs and present the cases to the competent decision-making body on a regular basis.**

Department responsible: Division of Financial and Administrative Management
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

472. UNHCR will continue to enhance efforts to bring cases that qualify for write-offs to the competent authorities on a regular basis.

473. **In paragraph 154 of its report, the Board recommended that UNHCR design its new enterprise resource planning system and finance and supply chain management systems to simplify the recording of United Nations Office for Project Services (UNOPS) transactions, facilitate timely open item reconciliations and minimize the need for significant pre-financing of UNOPS agreements.**

Department responsible: Division of Financial and Administrative Management
Status: Under implementation
Priority: High
Target date: Second quarter of 2022

474. The processes related to affiliate workforce administration, including those executed through UNOPS agreements, will be reviewed and optimized in the context of the implementation of the new enterprise resource planning system. UNHCR is currently in discussion with UNOPS with respect to their global agreement. The full implementation of this recommendation is also dependent on the joint conclusions reached with UNOPS to achieve the most optimal approach to the expected level of pre-financing through advance payments, bearing in mind that UNOPS Financial

Rule 105.01(c) prescribes that it shall not engage in commitments under a project agreement prior to the receipt of project funds.

475. In paragraph 163 of its report, the Board recommended that UNHCR ensure that the cost components of intangible assets will be separately identifiable in the future to enable the separate capitalization of intangibles where required by IPSAS.

Department responsible: Division of Financial and Administrative Management
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

476. UNHCR will continue to assess whether the cost of intangible asset development activities can be reliably identified and should be recorded as separate intangible assets under the requirements of IPSAS.

477. 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.

Department responsible: Division of Financial and Administrative Management
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

478. UNHCR will develop an administrative instruction on fuel management, which will also include templates for standard operating procedures referring to storage practices and reconciliation requirements. With the purpose of informing the development of such instructions, UNHCR is currently conducting a survey on fuel management across 20 operations holding large fleets and numerous generators.

479. 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.

Department responsible: Division of Financial and Administrative Management
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2022

480. As indicated above, UNHCR will develop an administrative instruction on fuel management that will clarify roles and responsibilities regarding the monitoring of

fuel management at the local, regional and headquarters levels. The roles and responsibilities of the bureaux in that regard will be especially emphasized.

481. In paragraph 186 of its report, the Board recommended that UNHCR encourage vendors to register with the United Nations Global Marketplace and that the organization review the costs and benefits of an interface between the Global Marketplace and the new enterprise resource management system to enable synchronization of vendor master data.

Department responsible: Division of Emergency, Security and Supply
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

482. UNHCR already encourages vendors to register with the United Nations Global Marketplace platform through the invitations to bid issued by the Office and through the brochure on conducting business with UNHCR. The Office is also currently exploring, with a view to reaching a conclusion by the end of 2021, whether it would be feasible and cost-effective to establish an interface between the new enterprise resource planning system and the United Nations Global Marketplace.

483. In paragraph 187 of its report, the Board recommended that UNHCR review the current supplier data and the process for supplier registration and subsequent changes to the data in order to centralize at least the approval steps to improve the quality of activated supplier data in the systems.

Department responsible: Division of Emergency, Security and Supply
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2022

484. UNHCR is in the process of reviewing its current processes for vendor data management, assessing what service delivery model will produce a more efficient and better controlled process. As part of the implementation of the new enterprise resource planning system, UNHCR will also determine criteria for migrating valid vendors to the new system.

485. In paragraph 193 of its report, the Board recommended that UNHCR use unique identifiers in payment lists and improve the quality control of the underlying data of persons of concern to enhance the clarity of the lists and avoid duplication.

Department responsible: Division for Resilience and Solutions
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

486. To improve the internal quality control process for the data obtained from the external host governments and other partner registration databases, UNHCR will develop identity management guidance for operations and an additional feature in CashAssist to generate notifications to specific users or teams alerting them of

potential duplications detected by the system, noting that the UNHCR registration database already uses unique identifiers for individuals. UNHCR will also update the training package on CashAssist and will include further guidance on data verification.

487. In paragraph 195 of its report, the Board recommended that UNHCR include a clear reference to the need for verification and quality checks of the data of persons of concern collected by third parties (governments, implementing partners or others) in administrative instruction UNHCR/AI/2017/15.

Department responsible: Division for Resilience and Solutions
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

488. UNHCR will include a reference to UNHCR registration management in the forthcoming revision of the administrative instruction on cash-based interventions.

489. In paragraph 203 of its report, the Board recommended that UNHCR promote the use of the full spectrum of CashAssist functions in its further roll-out to reduce manual interventions and to use the automated workflows of CashAssist for the end-to-end processing of data.

Department responsible: Division for Resilience and Solutions
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

490. UNHCR will continue efforts to promote the use of CashAssist with its entire range of functionalities. The updated CashAssist training manual will include further guidance and flow charts that will help field operations to better understand and make good use of the functionalities available in CashAssist.

491. In paragraph 205 of its report, the Board recommended that UNHCR develop a technical support solution to improve connectivity between financial service providers and CashAssist and to ensure that significant systematic errors in the application programming interface for CashAssist can be detected earlier and fixed more easily.

Department responsible: Division of Financial and Administrative Management
Status: Under implementation
Priority: High
Target date: First quarter of 2022

492. The connectivity of the financial service providers with the UNHCR system for cash-based intervention payments (CashAssist) will be improved through the implementation of the digital connectivity hub for banking platform. UNHCR is currently developing the proof of concept for the connectivity platform and plans to start piloting its implementation before the 2021 year-end. The connectivity hub is a project in which UNHCR will develop a central connectivity platform that serves as

an interface with its internal financial ecosystem through an UNHCR integration platform to access the external financial service providers. Upon approval of the proof of concept, the full implementation of the connectivity hub will be aligned with the implementation of the new enterprise resource planning system.

493. In paragraph 207 of its report, the Board recommended that UNHCR introduce an identifier that makes payment reconciliation between the enterprise resource planning system and CashAssist feasible and that UNHCR establish a monthly interface reconciliation between CashAssist and the system.

<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 2022

494. UNHCR is in the process of collecting the specifications and requirements for a functionality that will enable the reconciliation required by this recommendation. It will then start developing the functionality in CashAssist.

495. In paragraph 212 of its report, the Board recommended that UNHCR issue guidelines for the calculation of cash transfer values that give operations flexibility to define the best approach to calculating the transfer value on the basis of their operational context and with the involvement of the regional bureaux.

<i>Department responsible:</i>	Division for Resilience and Solutions
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2022

496. UNHCR will draft guidance for the calculation of cash transfer values that would better address the organizational specifics of the Office and will clarify the responsibilities for the cash transfer value determination, while at the same time allowing operations to maintain flexibility on the basis of their unique operational context.

497. In paragraph 219 of its report, the Board recommended that UNHCR, as part of the review of administrative instruction UNHCR/AI/2017/15, update the instruction with regard to risk management, define that, in cases of amendments to mandatory annexes of standard operating procedures during programme implementation, the amendments must be cleared once again by headquarters and stipulate that all annexes be saved in protected format and uploaded with their version number, modification date and effective date.

<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 2022

498. UNHCR will include additional clarification on the requirements related to amendments to the standard operating procedures in the forthcoming revision of the administrative instruction on cash-based interventions (UNHCR/AI/2017/15).

499. 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.

Department responsible: Division of Strategic Planning and Results
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2022

500. The Division of Strategic Planning and Results plans to issue consolidated guidance material for the implementing partnership management processes by the end of 2022.

501. In paragraph 238 of its report, the Board recommended that UNHCR assign clear approval responsibility at the regional bureaux for granting extensions of the implementation/liquidation periods of implementing partnership agreements in the upcoming comprehensive guidance material on implementing partnership management.

Department responsible: Division of Strategic Planning and Results
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

502. The Division of Strategic Planning and Results will include, in the administrative instruction for the 2021 year-end accounts closure, provisions indicating a clear responsibility of the regional bureaux to approve extensions of the implementation/liquidation periods of implementing partnership agreements. Subsequently, the instructions will be reflected in the consolidated guidance material for the implementing partnership management processes referred to in the response to the recommendation contained in paragraph 231 of the Board's report (see para. 500 above).

503. In paragraph 248 of its report, the Board recommended that UNHCR provide further instructions and training to programme and project control staff on the mitigation of partner personnel-related financial risks in the upcoming comprehensive guidance material.

Department responsible: Division of Strategic Planning and Results
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2022

504. The Division of Strategic Planning and Results will address this recommendation through the issuance of the comprehensive guidance material on

implementing partnership management, as also mentioned in the response to the recommendation contained in paragraph 238 of the Board's report (see para. 502 above), as well as through the introduction of a new tool for dealing with partnership agreements called the Project Reporting, Oversight and Monitoring Solution. UNHCR will also work to update training materials accordingly.

505. In paragraph 256 of its report, the Board recommended that UNHCR revise its guidance and instructions on partner personnel contributions to address the shortcomings identified with regard to salary scales and to improve the mitigation of relevant risks.

Department responsible: Division of Strategic Planning and Results

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2022

506. The Division of Strategic Planning and Results is revising its guidance and instructions on partner personnel contributions to address the shortcomings identified regarding salary scales and to improve the mitigation of relevant risks.

507. In paragraph 260 of its report, the Board recommended that UNHCR consider open receivables against an implementing partner in the reselection process of a former partner and in the partner retention process as mandatory information for decision-making.

Department responsible: Division of Strategic Planning and Results

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

508. The Division of Strategic Planning and Results is revising the policy on the selection and retention of partners to include requirements regarding the treatment of outstanding receivables from a partner before a decision is made to reselect that partner.

509. 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.

Department responsible: Division of Human Resources

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

510. UNHCR is working on changing job titles for affiliates, where applicable, over time and in a gradual approach, acknowledging however that the application of standard job titles to 100 per cent of the affiliate workforce is not envisaged.

511. In paragraph 272 of its report, the Board recommended that UNHCR provide its operations with an organizational chart template generated from the

system in order to ensure accessible information on the UNHCR presence in an operation or region.

Department responsible: Division of Human Resources
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2022

512. UNHCR will be able to provide standardized organizational charts through a functionality that will be included in the forthcoming new human resources system.

513. 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.

Department responsible: Division of Human Resources
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2023

514. With the roll-out of the new human resources system, it will be possible to develop advanced analytics to carry out comprehensive human resources analyses. The analytics requirements for workforce planning will be developed throughout the implementation timeline, including training appropriate staff on how to produce them in the new system. To define key indicators, UNHCR will source benchmarks appropriate to international humanitarian organizations. It is envisaged to make the analytics available 18 months after the deployment of the new human resources system.

515. In paragraph 284 of its report, the Board recommended that UNHCR accelerate its efforts to identify the positions and functions that have a significant impact on the ability of UNHCR to achieve its objectives.

Department responsible: Division of Human Resources
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

516. In order to identify which positions and functions have a significant impact, UNHCR is currently developing a critical role scorecard tool and a critical role identification process. It is expected that the tool and the process will be available to headquarters, bureaux and country offices by the end of 2021. Managers and human resources staff will be able to apply the tool to identify critical roles from 2022 onwards. The tool and the process will inform the strategic workforce planning approach.

517. **In paragraph 288 of its report, the Board recommended that UNHCR establish a workforce planning strategy, laid down in a comprehensive workforce planning framework, to improve workforce planning as a matter of priority.**

Department responsible: Division of Human Resources
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2022

518. The Division of Human Resources developed an end-to-end strategic workforce planning approach prototype in 2021 that will enable headquarters, bureaux and country offices to execute a strategic workforce planning cycle. The prototype, which is to be piloted during the period 2021–2022 and adjusted in 2023, will inform and will constitute one important element of the larger workforce planning framework.

519. **In paragraph 296 of its report, the Board recommended that UNHCR develop staffing review toolkits to support operations in reviewing their staffing needs. UNHCR should require its operations to conduct supply and demand analyses in order to understand how many people are needed to accomplish the work required on the basis of a reliable data management system.**

Department responsible: Division of Human Resources
Status: Under implementation
Priority: High
Target date: Second quarter of 2022

520. The development and release of a staffing review toolkit will be completed by the second quarter of 2022. Other recently disseminated guidance and instructions that are relevant in supporting the field operations in reviewing their staffing needs as part of the annual and multi-year planning include the UNHCR handbook for designing field presences and the administrative instruction for planning for 2022, which contains an annex on workforce planning and position management.

521. **In paragraph 311 of its report, the Board recommended that UNHCR take measures to ensure that operations perform regular verifications of FleetWave data with regard to the quantity and quality of data entries. The reasons for deviations must be identified, and erroneous data must be corrected. This should also apply to data recording in the vehicle logbooks until the process is superseded by an electronic solution.**

Department responsible: Division of Financial and Administrative Management
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2022

522. UNHCR has put in place various measures to ensure the quality of the data recorded in FleetWave. For example, as at January 2021, the Division of Financial and Administrative Management provides monthly updates on FleetWave data entries

to all operations through the regional bureaux and requests their cooperation to review and signal any anomalies. At the same time, the Division follows up proactively with individual operations on data entries deviating from the set standards, to obtain clarification and ensure that corrections are made as appropriate.

523. 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>Target date:</i>	Second quarter of 2022

524. UNHCR, together with the service provider, has been making considerable changes and enhancements in FleetWave since 2019 and will continue to do so until an optimal level of usability is achieved.

525. In paragraph 313 of its report, the Board recommended that UNHCR clearly stipulate measurable improvements in FleetWave data quality within the global fleet strategy 2021–2025 by defining progress levels for the years ahead.

<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 2022

526. In its global fleet management strategy 2021–2025, UNHCR will include milestones on the progress in data quality in FleetWave.

527. In paragraph 334 of its report, the Board recommended that UNHCR focus on the coordinated oversight and monitoring of the programme budget and on controlling costs during the upcoming planning and implementation phases of the business transformation programme.

<i>Department responsible:</i>	Business transformation programme
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

528. Key recruitments have recently been completed, with others ongoing, to ensure that the business transformation programme, Programme Management Office, is well resourced to provide effective oversight, budget monitoring and cost control for the programme. These include the Programme Director, the Programme Manager, Project Control Officers, a Communications Officer and a Reporting Officer. In addition, regular meetings have been established between the Programme Management Office of the business transformation programme and the project teams to ensure effective

coordination and communication on cost, budget and other important aspects such as project interdependencies.

529. In paragraph 350 of its report, the Board recommended that UNHCR carry out a comprehensive risk assessment for the entire business transformation programme. The assessment should consider both financial and technical risks.

Department responsible: Business transformation programme

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

530. The Programme Management Office of the business transformation programme is coordinating a consultation process with key groups of stakeholders, including programme executive committee members, business owners, business coordinators, project managers and others to assess and discuss programme-related risks and to ensure that they are managed and mitigated effectively.

531. In paragraph 351 of its report, the Board recommended that UNHCR include risks for the business transformation programme expressly in the strategic risk register.

Department responsible: Business transformation programme

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

532. Discussions have been held with the enterprise risk management team on this topic, and the risks identified at the programme level that are expressly related to the business transformation programme will be included in the UNHCR strategic risk register.

533. In paragraph 358 of its report, the Board recommended that UNHCR involve data protection experts, including its Data Protection Officer, in the business transformation programme at an early stage to ensure that UNHCR adequately addresses the handling of personal data in the organization.

Department responsible: Business transformation programme

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

534. UNHCR will develop terms of reference for the establishment of a set of activities involving data protection experts to ensure that data protection aspects within the business transformation programme are adequately handled.

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

535. In the annex to its report for the year ended 31 December 2020 (A/76/5/Add.6, chap. II), the Board provided a summary of the status of implementation of recommendations for prior financial periods. Information is provided below on the 36 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.

536. Table 23 summarizes the overall situation as of August 2021.

Table 23

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 Resilience and Solutions	1	–	–	1	1	–
Division of Emergency, Security and Supply	2	–	–	2	2	–
Division of Financial and Administrative Management	10	1	–	9	9	–
Division of Human Resources	4	–	–	4	4	–
Division of Information Systems and Telecommunications	2	–	–	2	2	–
Division of Strategic Planning and Results	7	–	–	7	7	–
Global Data Service	3	–	–	3	3	–
Legal Affairs Service	1	–	–	1	1	–
Transformation and Change Service	6	–	–	6	6	–
Total	36	1	–	35	35	–

Report of the Board for the year ended 31 December 2019²⁷

537. **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>Target date:</i>	Second quarter of 2022

538. The implementation of the recommendation will be addressed through the incorporation of the necessary functionality in the design of the new enterprise resource planning system. Ideas for simplification of the asset recognition process have already been raised for discussion and decisions will be made as applicable during the design phase of the new system.

²⁷ A/75/5/Add.6, chap. II.

539. 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.

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2022

540. The implementation of the recommendation will be addressed through the incorporation of the necessary functionality in the design of the new enterprise resource planning system. UNHCR has already started discussions on the design of the new system, and ideas for the simplification of the methodology for the allocation of transport costs of assets have already been raised. Decisions will be made as applicable during the design phase.

541. In paragraph 44 of its report, the Board recommended that UNHCR incorporate the review of property, plant and equipment for any evidence of impairment and reduction in value as a compulsory element in the year-end closure procedures.

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

542. UNHCR will include requirements for the impairment review in its closing instructions for the 2021 year-end accounts, to be issued in the fourth quarter of 2021. As part of the 2020 year-end preparations, UNHCR performed a formal search for indicators of impairment of property, plant and equipment using a survey and a certification approach for each region. Building on the experience gathered in 2020, UNHCR will further enhance the impairment review survey for the year 2021.

543. In paragraph 60 of its report, the Board recommended that UNHCR review its accounting process regarding inventory issuance to distributing partners and ensure that there is an overview of the items stored in the care of partners and still available for distribution.

Department responsible: Division of Strategic Planning and Results

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

544. UNHCR disseminated the accounting requirements for inventory held by partners in distribution storage points through a memorandum issued in 2019. Furthermore, UNHCR is currently preparing operational guidance on the end-to-end management of non-food items, which will include clear provisions on how to handle and account for the non-food items stored with partners. UNHCR is also enhancing

its follow-up actions with operations to ensure that items stored with partners are appropriately recorded and tracked and will include requirements on that aspect in the closing instructions for the 2021 year-end accounts.

545. In paragraph 64 of its report, the Board recommended that UNHCR improve the controls over fuel stock, for example, by treating fuel kept at operations in considerable quantities as inventory.

<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 2022

546. The controls over the fuel stock will be included in the global fleet management strategy 2021–2025. To inform the development of the strategy, UNHCR is currently conducting a survey on fuel management, covering such topics as the fuel strategy of operations, standard operating procedures, contract management, fuel storage, fuel consumption and others. This will also inform the Office’s decision on whether and when to record fuel as inventory.

547. 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.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2022

548. The implementation of the recommendation will be addressed through the incorporation of the necessary functionality in the design of the new enterprise resource planning system. UNHCR has already started discussions on the design of the new system and is confident that, on the basis of the initial review of the access control and delegation of authority automated processes, the system will allow significant improvements in this area. UNHCR confirms that this critical area remains part of the design scope.

549. 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

Target date: Second quarter of 2022

550. This recommendation will be addressed through the same actions as those taken in response to the recommendation contained in paragraph 88 of the Board's report (see para. 548 above).

551. In paragraph 118 of its report, the Board recommended that UNHCR use an implementation road map that includes milestones to transparently steer and guide all upcoming steps of the decentralization and regionalization process and take that as a basis for the measurement of achievements.

Department responsible: Transformation and Change Service

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

552. UNHCR created a user-friendly road map to document activities, deliverables, milestones and key actors in order to track organizational transformation in support of decentralization and regionalization. The road map will be updated to reflect the achievements to date and the latest developments, notably the approach adopted for the 2022 planning process and the realignment of headquarters, as well as the impact of the business transformation programme. The updated road map will guide the remaining activities in relation to the decentralization and regionalization process.

553. In paragraph 126 of its report, the Board recommended that UNHCR make the distinction between the first and the second line of defence clearer in the framework of roles, accountabilities and authorities.

Department responsible: Transformation and Change Service

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

554. The Institute of Internal Auditors issued an important update to the three lines of defence model in July 2020. The risk-focused model has been enriched with guiding principles and has shifted away from the focus on the concept of "defence" only. Taking into account this new perspective introduced by the Institute, UNHCR started to develop in the last part of 2020 a concept paper to apply the new three lines model and to revise and update the roles, accountabilities and authorities accordingly across the various levels of the organization. The finalization of the concept paper is planned to be completed by the end of 2021, to accommodate considerations arising from the 2022 planning process.

555. In paragraph 135 of its report, the Board recommended that UNHCR distinguish clearly the roles and responsibilities between the regional bureaux and the divisions as the second line of defence.

Department responsible: Transformation and Change Service
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

556. The actions outlined in the response to the recommendation contained in paragraph 126 of the Board's report will also address this recommendation (see para. 554 above).

557. In paragraph 141 of its report, the Board recommended that UNHCR define the roles and responsibilities of new functions at the regional bureaux in a clear and transparent manner.

Department responsible: Transformation and Change Service
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

558. A number of job descriptions related to the new functions at the regional bureaux have been issued or updated, reflecting the specific duties. The actions outlined in the Office's response to the recommendation contained in paragraph 126 of the Board's report will also address this recommendation (see para. 554 above).

559. In paragraph 150 of its report, the Board recommended that UNHCR review the capacity of the country offices as the first line of defence and explore cost-efficient options to bridge possible gaps.

Department responsible: Division of Strategic Planning and Results
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

560. The capacity of the country offices as the first line of defence is reviewed as part of the existing resource allocation mechanisms. The actions taken in response to the recommendation contained in paragraph 158 of the Board's report are also relevant in addressing this recommendation (see para. 562 below).

561. In paragraph 158 of its report, the Board recommended that UNHCR review the context-specific and contextualized positions and plan for an efficient use of those positions, also in view of the capacity gaps in the first line of defence.

Department responsible: Division of Strategic Planning and Results
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

562. Building on the experience gathered in 2020, UNHCR further enhanced the instructions on how to budget for the context-specific positions through the administrative instruction on implementation planning for 2022 issued in July 2021. With this, UNHCR expects increased efficiency, from the beginning of 2022, in the use of such positions.

563. In paragraph 168 of its report, the Board recommended that UNHCR measure, track and evaluate the intended results and the costs of decentralization and regionalization.

Department responsible: Transformation and Change Service
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

564. UNHCR has put in place a cost-tracking model that enables the measuring and tracking of resource allocation and expenditure related to decentralization and regionalization. A set of key performance indicators has been validated and automated, enabling the required monitoring. With regard to the requirement to evaluate the results, UNHCR does not plan to conduct an evaluation until 2023. It considers that an evaluation is premature given that the new organizational architecture is barely 18 months old. As an interim stock-taking action, a management advisory from the Office of Internal Oversight Services has been commissioned.

565. In paragraph 194 of its report, the Board recommended that UNHCR develop an aggregate risk-based project monitoring template that summarizes and prioritizes the monitoring approach for all partnership agreements in a given country operation and in the region under the purview of a given bureau.

Department responsible: Division of Strategic Planning and Results
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2022

566. UNHCR is in the process of developing a project monitoring and oversight system, which will greatly reduce its current dependency on paper-based tools, including the current risk-based monitoring tools. UNHCR is actively seeking to incorporate an aggregate risk-based project monitoring template into the new online system.

567. In paragraph 231 of its report, the Board recommended that UNHCR analyse the weaknesses in the selection and/or definition of impact indicators, outputs and performance indicators, and explore options for better supporting country operations in preparing partnership agreements.

Department responsible: Division of Strategic Planning and Results
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

568. The weaknesses in the definition of impact indicators have been addressed across the organization through the adoption of a revised results-based management system. UNHCR country offices are being trained to enhance partnership agreement management in the context of rolling out the new results-based management system (COMPASS). UNHCR continues to support operations through the roll-out of the COMPASS get-results phase, which is scheduled to take place during the third and fourth quarters of 2021, including through the provision of guidance and workshop training on the updated impact and performance indicators. Once the workshops have been completed, UNHCR will consider this recommendation to have been addressed.

569. 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.

Department responsible: Division of Strategic Planning and Results
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

570. UNHCR is in the process of reviewing and updating policies and practices regarding multi-year agreements in the light of multi-year planning reforms that are under way as a part of the new results-based management system roll-out. Owing to the complexity of these areas, the process is expected to continue during the year 2021 before concluding on the most optimal solutions to adopt.

571. 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.

Department responsible: Division of Strategic Planning and Results
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

572. As mentioned in the response to the recommendation contained in paragraph 238 of the Board's report (see para. 570 above), the Division of Strategic Planning and Results, in consultation with other relevant divisions of UNHCR, is in the process of reviewing and updating policies and practices regarding multi-year agreements in the light of multi-year planning reforms that are under way as a part of the new results-based management system roll-out. Owing to the complexity of this area, the process is expected to continue during the year 2021 before concluding on the most optimal solutions to adopt. Templates for multi-year partnership agreements will be adjusted and updated accordingly, on the basis of the overall policy decisions that are made.

573. In paragraph 244 of its report, the Board recommended that UNHCR expedite the roll-out of the CashAssist management tool to ensure streamlined documentation, monitoring and reconciliations in the cash assistance process.

<i>Department responsible:</i>	Division for Resilience and Solutions
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2022

574. UNHCR continues its efforts to roll out CashAssist to as many operations implementing cash assistance programmes as feasible. It is envisioned that a total of 59 countries will be using CashAssist as their cash distribution system by the end of 2021. The data integration channel between proGres v4 and CashAssist (whenever CashAssist is used for cash payments in the operation) has been fully operational and functional since 2017. Furthermore, enhancements are planned in 2021 for a dedicated automated financial gateway that will strengthen the connectivity and the stability of the payment platform and reconciliation between CashAssist and financial service providers.

575. In paragraph 257 of its report, the Board recommended that UNHCR simplify the budget process for global fleet management and comply with the instruction and global fleet central funding element according to which rental- and sales-generated revenues should be made available to the self-sustained global fleet management fund. Until this budget process has been simplified, the unallocated income from the global fleet should be explicitly and transparently identified and traced for monitoring purposes and then allocated to the global fleet budget as deemed appropriate.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

576. The Division of Financial and Administrative Management is in the process of establishing a separate fund for self-financing activities, of which global fleet management activities will be a part. Under the new structure of the self-financing activities fund, the global fleet management-related budget and transactions will be traced and reported separately to enable clear measurement of performance and to implement a simplified process of resource allocation. The establishment of the new fund will also facilitate further planning and budget allocations to global fleet management activities, including the allocation of the rental- and sales-generated revenues mentioned in the recommendation.

577. In paragraph 266 of its report, the Board recommended that UNHCR take measures to establish a meaningful overall procurement plan for light vehicles based on operations' needs assessments and disposal plans.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

578. The vehicle procurement plan will be based on the 2021 fleet plan and the global fleet management financial model. The fleet plan for 2021 and onwards will include such data as the current fleet size, planned disposal, utilization, vehicle orders and the planned fleet-size and utilization targets for the year. The Division of Financial and Administrative Management has already disseminated to operations the requirements for fleet-planning for the cycle 2021/2022, outlining the different steps to be implemented in the second half of 2021 with regard to fleet-sizing and fleet-planning for 2022.

579. In paragraph 297 of its report, the Board recommended that UNHCR establish compliance controls to ensure that its staff enters reliable data in Managing Systems, Resources and People (MSRP) for reporting and monitoring.

Department responsible: Division of Human Resources

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

580. UNHCR has updated the disbursement agreement for UNOPS and has issued a comprehensive administrative instruction on the affiliate workforce. With this, it is expected that compliance with the procedures for entering data in the MSRP system, which is the current enterprise resource planning system in UNHCR, will be improved. In the medium term, the architecture and development of the new enterprise resource planning system replacing MSRP will allow for the implementation of more optimal modalities of handling affiliate workforce data that will enable better reporting and monitoring.

581. In paragraph 302 of its report, the Board recommended that UNHCR take measures to ensure regular monitoring and follow-up of the budget committed for UNOPS; in particular, UNHCR should review the amount of the committed budget during the year and release the remaining reserved balances once the UNOPS invoices have been settled.

Department responsible: Division of Human Resources

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

582. The new UNOPS disbursement agreement template valid from 2021 introduced a mandatory requirement to dispatch to UNOPS the related purchase order and to include the purchase order reference number in the disbursement agreement itself as well as on all related UNOPS invoices. The centralized year-end process for reviewing UNOPS arrangements in the business intelligence platform has been enhanced so that unused or unneeded remaining purchase order balances are highlighted and can be released on a timely basis.

583. In paragraph 306 of its report, the Board recommended that UNHCR, in consultation with UNOPS, develop procedures to improve payment through advanced funding in order to reduce the outlay and increase the benefit.

<i>Department responsible:</i>	Division of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2022

584. With the actions taken in response to the recommendations contained in paragraphs 297 and 302 of the Board's report (see paras. 580 and 582 respectively), UNHCR expects to improve the overall management of the transactions with UNOPS, which will in turn result in more streamlined payments and timelier reconciliation of advances, helping to reduce the outlays of funds. To achieve the full benefit of the improvements proposed, UNHCR would also need to rely on the cooperation of UNOPS in finding the most optimal solutions for both entities with regard to the administration of advance payments.

585. 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>Target date:</i>	Fourth quarter of 2021

586. The Global Data Service decided to develop an administrative instruction that would be more inclusive of other policy and procedural aspects related to the population registration and identity management ecosystem. The guidance initially offered to operations in 2020 with regard to the decommissioning of proGres v3 (which addressed the recommendation contained in paragraph 342 of the Board's report (see [A/75/339/Add.1](#), para. 718)) will become a discrete component of this new instruction and will refer to the modalities by which bureaux and headquarters will need to confirm the decommissioning. While the instruction is scheduled to be issued in the fourth quarter of 2021, operations have already begun to electronically confirm that proGres v3 instances have been decommissioned after successful upload to the data preservation platform (a long-term offsite digital platform that will be the repository for data that should be retained indefinitely).

587. In paragraph 353 of its report, the Board recommended that the UNHCR data protection policy require the designation of data controllers at the global and regional levels.

<i>Department responsible:</i>	Global Data Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

588. UNHCR will ensure that the global data protection policy clearly indicates accountability for data at the local, regional and headquarters levels. The policy is at an advanced draft stage and is expected to be finalized before 2021 year-end.

589. **In paragraph 360 of its report, the Board recommended that UNHCR carry out a data protection impact assessment at an early stage to ensure that the results can be taken into account when planning and designing new ICT systems and enhancing major features of prevailing ICT systems and systems interoperability for the processing of personal data.**

Department responsible: Global Data Service
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

590. In order to be able to conduct data protection impact assessments more efficiently, UNHCR has initiated the process of outsourcing components of the impact assessments to a competitively selected partner. This should be contracted out in the second half of 2021. UNHCR foresees that through outsourced capacity for the assessments, the Office will be able to ensure that that they are completed consistently and in a timely manner for new information and communications technology systems that affect personal data of persons of concern.

Report of the Board for the year ended 31 December 2018²⁸

591. **In paragraph 20 of its report, the Board recommended that UNHCR revise the presentation and disclosure of net assets in the financial statements, ensuring that fund accounting information is used only in so far as to supplement applicable IPSAS requirements.**

Department responsible: Division of Financial and Administrative Management
Status: Not accepted
Priority: High
Target date: Not applicable

592. UNHCR did not concur with the recommendation. It will instead consider revising the net asset presentation once the new standard on revenue recognition is issued. A suite of three new exposure drafts covering revenue recognition and transfer expenses was issued by the IPSAS Board for comment in February 2020. UNHCR is currently reviewing the implications of the exposure drafts for financial reporting.

593. **In paragraph 50 of its report, the Board recommended that UNHCR establish a consistent accounting process and guidance for items that are procured for direct transfer of ownership to other entities especially for cases that do not refer to the implementation of a specific programme. UNHCR should flag these items in the MSRP system and disclose expenses resulting from such transfers separately in the notes to the financial statements.**

²⁸ A/74/5/Add.6, chap. II.

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

594. For new requisitions issued from January 2021, the MSRP system, which is the current enterprise resource planning system in UNHCR, has been enhanced to allow tracking of property, plant and equipment, serially tracked items, inventory and consumable items that were procured for further transfer of ownership. However, UNHCR does not see a need to disclose the expense associated with such transfers separately in the financial statements.

595. In paragraph 64 of its report, the Board recommended that UNHCR ensure well-coordinated accountabilities, authorities and reporting lines for managers in the newly created regional and headquarters structures. The reporting lines, accountabilities and authorities should be integrated into the current structures of UNHCR and provide for the necessary coordination and monitoring at headquarters.

Department responsible: Transformation and Change Service

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

596. The actions mentioned in the response to the recommendations contained in paragraphs 126, 135 and 141 of the Board's 2019 report ([A/75/5/Add.6](#)) will also address this recommendation.

597. In paragraph 327 of its report, the Board recommended that UNHCR pay particular attention to preparing specific job descriptions that enable the responsible officials to evaluate the performance of contractors. Therefore, UNHCR should review the existing performance classification as a component of the evaluation report and consider whether the evaluation report and template could be established in the MSRP module.

Department responsible: Division of Human Resources

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

598. UNHCR is working on changing job titles for affiliates, where applicable, over time and in a gradual approach, acknowledging however that the application of standard job titles to 100 per cent of the affiliate workforce is not envisaged. UNHCR is recommending the use of the existing standard job descriptions where they are applicable. In annex II to the Office's administrative instruction on managing the affiliate workforce, clarity is provided on the requirements regarding the job descriptions for individual contract holders. UNHCR nevertheless does not seek to achieve full standardization for contractors' job descriptions and job titles because

affiliates can cover a broad spectrum of activities and doing so would go against the concept of flexible work arrangements. With regard to establishing evaluations for contractors in MSRP, that part of the recommendation has been overtaken by events given the forthcoming implementation of a new human resources system.

599. In paragraph 343 of its report, the Board recommended that UNHCR establish mandatory organization-wide minimum information security standards in an ICT governance framework as soon as possible.

Department responsible: Division of Information Systems and Telecommunications
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

600. UNHCR is working on issuing an information security policy that will include requirements on the minimum information security standards. It is expected that the policy will be issued during the fourth quarter of 2021.

601. In paragraph 365 of its report, the Board recommended that UNHCR strengthen the position of the Chief Information Security Officer and increase interaction with top management. To secure the position of the Officer, the Board recommends that UNHCR redefine and describe the role and tasks of the Chief Information Security Officer in an overarching information security mandatory guideline that defines mandatory requirements, controls and responsibilities of all stakeholders. The mandatory guideline should also grant the Chief Information Security Officer a reporting line to a consultative and reporting body that includes membership by top management.

Department responsible: Division of Information Systems and Telecommunications
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

602. UNHCR has appointed a Chief Information Security Officer within the Division of Information Systems and Telecommunications, reporting to the Chief Information Officer. The role and tasks of the Chief Information Security Officer will be outlined in the new information security policy. The Chief Information Security Officer will provide information security reports to senior leadership on a regular basis and will update the Senior Management Committee semi-annually.

603. In paragraph 374 of its report, the Board recommended that UNHCR plan to develop an overall data protection policy to include the protection of personal data of all UNHCR personnel.

Department responsible: Legal Affairs Service
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

604. UNHCR is working on a global data protection policy. Established in 2020, the Global Data Service is a key contributor to the drafting of the policy. The time frame for completion of the consultations and finalization of the paper has been revised to the fourth quarter of 2021.

Report of the Board for the year ended 31 December 2017²⁹

605. In paragraph 213 of its report, the Board recommended that UNHCR assess how a more efficient management of core relief items in stock, which includes supplies of country operations, could be put in place. This assessment should address the question as to whether UNHCR might be seen as one organization with regard to “ownership” of its inventories.

Department responsible: Division of Emergency, Security and Supply
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

606. UNHCR recognizes that potential benefits can be achieved by managing its stock of non-food items at the corporate level. Operational guidance on the end-to-end management of non-food items is in its final drafting phase and will help to achieve systematic management of non-food items throughout the programme cycle and set out in a detailed manner the roles and responsibilities in carrying out distribution of non-food items. Furthermore, within the context of the implementation of the new enterprise resource planning system and driven by the need to reduce greenhouse gas emissions, UNHCR will develop by the end of 2021 a concept note assessing how to organize the procurement planning and management of inventory goods more efficiently.

607. In paragraph 214 of its report, the Board recommended that the Division of Emergency, Security and Supply review all UNHCR inventories on a periodic basis and, if the observations from these reviews permit it, advise regional bureaux and country operations on opportunities for an efficient stockpile management at the country level.

Department responsible: Division of Emergency, Security and Supply
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

608. UNHCR will address this recommendation together with the abovementioned actions in response to the recommendation contained in paragraph 213 of the Board’s report (see para. 606 above). The operational guidance on the management of non-food items will take into account the new organizational architecture put in place through the recent process of regionalization and decentralization. Regional bureaux will have a reinforced monitoring role and will receive technical support from headquarters. The outcome of the assessment of the management of non-food items, as outlined in the response to the recommendation contained in paragraph 213, will assist in strengthening the inventory review process through the clarification of roles,

²⁹ A/73/5/Add.6, chap. II.

responsibilities and frequency of inventory review, with the aim of achieving more efficient stockpile management.

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 2020³⁰

609. Table 24 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

Table 24
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>
Corporate Services Division	4	–	–	4	4	–
Policy and Programme Division	3	–	–	3	3	–
Multiple offices	1	–	–	1	1	–
Total	8	–	–	8	8	–

610. Table 25 summarizes the status of implementation of all recommendations of the Board as of August 2021.

Table 25
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>
Addis Ababa liaison office	1	–	–	1	1	–
Corporate Services Division	14	–	–	14	14	–
Evaluation Office	1	–	–	1	1	–
Policy and Programme Division	9	–	–	9	9	–
Regional Office for Africa	1	–	–	1	1	–
Regional Office for Asia and the Pacific	2	–	–	2	2	–
Science Division	1	–	–	1	1	–
Secretariat of the Basel, Rotterdam and Stockholm Conventions	5	–	–	5	5	–
Multiple offices	3	–	–	3	3	–
Total	37	–	–	37	37	–

611. In paragraph 25 of its report, the Board recommended that the United Nations Environment Programme (UNEP) develop sustainability plans with

³⁰ A/76/5/Add.7, chap. II.

concrete and trackable measures for all its projects, pursuant to the UNEP programme and project management manual.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: High
Target date: Third quarter of 2022

612. UNEP is performing a review to update its programme and project manual, thereby strengthening the roles and responsibilities of the different actors involved in project design and implementation. The terms of reference for the update of the manual have been issued and include the roles of project managers and supervisors, and their responsibilities to (a) consider sustainability as an essential part of the project approval process; (b) monitor and report on a project's sustainability in collaboration with the resident coordinator system; and (c) assess training needs on sustainability principles for the entire project cycle. UNEP will continue to enhance implementation of these three points in accordance with relevant requirements and available resources.

613. In paragraph 31 of its report, the Board recommended that UNEP incorporate a sustainability plan into a final project report and make recommendations for mainstreaming it to project partners after completion of the project.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2022

614. Please refer to the comments of UNEP above relating to the recommendation in paragraph 25 of the Board's report.

615. In paragraph 38 of its report, the Board recommended that UNEP track sustainability in its flagship projects and those that span over several programme of work periods.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2022

616. Please refer to the comments of UNEP above relating to the recommendation in paragraph 25 of the Board's report.

617. In paragraph 45 of its report, the Board recommended that UNEP intensify efforts and provide resources to guide and support countries through capacity-building on collecting and reporting data on indicators of the Sustainable Development Goals in a timely manner that meets the data needs of the 2030 Agenda for Sustainable Development.

Department responsible: Science Division
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2022

618. UNEP will take action in order to guide and support countries on collecting and reporting data on indicators of the Sustainable Development Goals in a manner that meets the data needs of the 2030 Agenda.

619. In paragraph 53 of its report, the Board recommended that the secretariat of the Basel, Rotterdam and Stockholm Conventions, subject to the decision of the relevant Conference of the Parties, continue to guide and support parties in submitting their national reports, pursuant to the Basel Convention and Stockholm Convention.

Department responsible: Secretariat of the Basel, Rotterdam and Stockholm Conventions
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2022

620. The secretariat of the Basel, Rotterdam and Stockholm Conventions will continue to guide and support the parties in submitting their national reports in a timely manner.

621. In paragraph 61 of its report, the Board recommended that UNEP adjust its funding strategy, on the basis of the review of the past funding situation, delete unrealistic clauses and make it attainable.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: High
Target date: Third quarter of 2022

622. The resource mobilization strategy including a more detailed implementation plan is already under review in accordance with the guidance from the new management and will be completed in 2022.

623. In paragraph 62 of its report, the Board recommended that UNEP improve the mechanism to ensure the implementation of the fundraising strategy, including necessary resource input and regular monitoring.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: High
Target date: Third quarter of 2022

624. The resource mobilization strategy including a more detailed implementation plan is already under review in accordance with the guidance from the new management and will be completed in 2022.

625. In paragraph 67 of its report, the Board recommended that UNEP tailor a standard operating procedure that clearly defines the responsibility of the divisions/regional offices in aligning the actual expenses with the allocated budget in total and within subprogrammes.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2022

626. UNEP plans to tailor a standard operating procedure that defines the responsibility of the divisions and regional offices in aligning the actual expenses with the allocated budget in total and within subprogrammes.

627. In paragraph 68 of its report, the Board recommended that UNEP enhance reporting to the Budget Steering Committee with regard to the budget performance of divisions and regional offices to take necessary action in case of an overrun of expenses with regard to the entire budget and/or at a subprogramme level.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

628. UNEP has taken steps to implement this recommendation by the end of 2021.

629. In paragraph 75 of its report, the Board recommended that UNEP expedite the budget authorization process for corporate agreements with loosely earmarked funds or begin it prior to receiving the cash payments from the donors.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2022

630. UNEP will (a) explore possible options for allotting the funds at an earlier stage; (b) ensure that the timeline of issuing the allotment is done by the Executive Director through an official memo in 2021; and (c) ensure that separate reports are provided to the Budget Steering Committee and the Executive Director for appropriate decision-making.

631. In paragraph 76 of its report, the Board recommended that UNEP clarify the permitted time limit of budget allotments through an official memorandum from the Executive Director, who authorizes the budget allotments.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2022

632. UNEP will ensure that the time limit is clarified through an appropriate formal communication to all offices. This recommendation will be implemented in 2022 following the completion of the 2022 allotment process.

633. In paragraph 77 of its report, the Board recommended that UNEP strengthen the accountability of divisions/regional offices with long-standing unallotted or unused budgets.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2022

634. UNEP will, through the use of long-standing unallotted or unused budgets, strengthen the accountability of divisions and regional offices.

635. 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.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2022

636. The United Nations Office at Nairobi has confirmed that the grants closure project has been successful and that the Office has a dedicated team that works closely with UNEP on reconciling and cleaning up final financial reports to the donors to ensure the financial closure of the operationally closed grants. An updated standard operating procedure to confirm the process will be issued to finalize the implementation of this recommendation.

637. In paragraph 88 of its report, the Board recommended that UNEP review future agreements whenever an exception to the standard programme support cost rate is requested by the donor and forward the agreements, with appropriate justification and conditions, to the Controller for approval in order to ensure transparency.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

638. UNEP is in the process of issuing a guidance note to all of its staff, especially those with the delegation of authority to negotiate donor contribution agreements, in order to ensure that they are made aware of the requirement to forward all agreements with non-standard programme support cost rates and the associated supporting documentation to the Controller for consideration and approval.

639. 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.

Department responsible: Secretariat of the Basel, Rotterdam and Stockholm Conventions

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

640. The secretariat of the Basel, Rotterdam and Stockholm Conventions will further consolidate and harmonize its reports and review their posting frequency to ensure that parties are adequately informed of progress made in the use of resources and the implementation of its programme.

641. In paragraph 102 of its report, the Board recommended that UNEP establish an internal mechanism to flag, report on and communicate where long-outstanding advance balances exist to ensure transparency before a new agreement with the same implementing partner is signed.

Department responsible: Corporate Services Division

Status: Under implementation

Priority: High

Target date: First quarter of 2022

642. UNEP is leveraging business intelligence capabilities and functionalities (using the Microsoft Power BI service) to develop a corporate dashboard that acts as a monitoring tool to trace, flag, report on and communicate overdue advances to all of its stakeholders in order to enhance the visibility of implementing partners with long-outstanding advance balances and thereby enhance informed decision-making.

643. In paragraph 109 of its report, the Board recommended that UNEP prepare detailed guidelines to manage the selection of and engagement with private sector entities, especially in order to monitor the implementation of and update information on risk mitigation plans for partners identified as moderate risk or high risk.

Department responsible: Corporate Services Division

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

644. UNEP is drafting guidelines to manage the selection of and engagement with private sector entities, in particular to monitor the implementation of and update information on risk mitigation plans for partners identified as being of moderate or high risk.

645. In paragraph 117 of its report, the Board recommended that the secretariat of the Basel, Rotterdam and Stockholm Conventions adopt written and measurable criteria to achieve greater transparency in the selection process among regional centres, making use of Umoja Extension 2 processes, where appropriate.

Department responsible: Secretariat of the Basel, Rotterdam and Stockholm Conventions

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

646. The secretariat of the Basel, Rotterdam and Stockholm Conventions will implement written and measurable criteria to achieve greater transparency in the selection process among regional centres.

647. In paragraph 124 of its report, the Board recommended that the liaison office to the African Union Commission, the Economic Commission for Africa (ECA) and Ethiopia, when engaging in a partnership, ensure a clearer understanding of the expectations of parties and enumerate the items in accurate wording so that the roles and responsibilities of the relevant parties are made clear.

Department responsible: Addis Ababa liaison office

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

648. The Addis Ababa liaison office will implement various measures to ensure a clearer understanding of the expectations of parties when engaging in a partnership.

649. In paragraph 132 of its report, the Board recommended that UNEP actively explore flexible and diverse alternative measures to promote timely and high-quality project progress reporting and records, considering various internal and external uncertainties, especially the COVID-19 pandemic.

Department responsible: Policy and Programme Division

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

650. UNEP will continue to work with the Enterprise Resource Planning Solution Division of the Secretariat on the implementation of system features to facilitate the monitoring and reporting of project statuses. To further support sound project and portfolio management, UNEP will continue to strengthen its “corporate dashboard” system. Moreover, the outcomes of the review process by the Project Review

Committee will be used to set up training need priorities for the entire project cycle, including project monitoring, reporting and closure.

651. In paragraph 139 of its report, the Board recommended that UNEP strengthen the training of project managers and set up a regular review mechanism by promptly reminding the project managers to attend to the project status and upload relevant information into the Programme Information and Management System (PIMS) in a timely manner.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: High
Target date: First quarter of 2022

652. UNEP is working to strengthen the training of project managers and to incorporate mechanisms for reviewing status updates and relevant information in the Programme Information and Management System.

653. In paragraph 146 of its report, the Board recommended that UNEP formulate specific and clear plans or guidelines to guide the project-managing divisions and the project managers to deal with unexpected events that may have an impact on project implementation at field sites and events with significant, lasting adverse effects.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

654. UNEP is drafting guidelines to guide the project-managing divisions and the project managers in dealing better with unexpected events that may have an impact on project implementation at field sites and with events that have significant, lasting adverse effects.

655. In paragraph 152 of its report, the Board recommended that the Regional Office for Asia and the Pacific follow up with implementing partners to ensure the timely submission of expenditure/financial reports.

Department responsible: Regional Office for Asia and the Pacific
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

656. The Regional Office for Asia and the Pacific will strengthen efforts to follow up with implementing partners to ensure the timely submission of expenditure and financial reports.

657. In paragraph 160 of its report, the Board recommended that UNEP actively explore feasible alternative measures and strengthen communication with external units in order to realize the attainment of milestones as planned.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

658. UNEP is seeking feasible alternative measures and the strengthening of communication with external units in order to realize the attainment of milestones.

659. In paragraph 161 of its report, the Board recommended that UNEP complete necessary revisions as soon as possible in order to ensure that the project is carried out smoothly in the face of various internal and external uncertainties, especially under the circumstances of the COVID-19 pandemic.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

660. UNEP accepted this recommendation and will complete the necessary revisions in order to safeguard the project process in the face of various internal and external uncertainties such as the COVID-19 pandemic.

661. 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: Under implementation
Priority: High
Target date: First quarter of 2022

662. UNEP will continue to work with the Enterprise Resource Planning Solution Division on the implementation of system features to facilitate the monitoring and reporting of project statuses.

663. In paragraph 174 of its report, the Board recommended that UNEP take various measures to increase the coverage of project evaluations and project reviews upon project completion and consider the balance of different types of projects when using available resources for project evaluation.

Department responsible: Evaluation Office
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

664. The Evaluation Office will review the balance of projects evaluated with the aim of increasing the proportion of non-Global Environment Facility (non-GEF) terminal evaluations. Since the staff capacity in the Office is currently limited and the

GEF terminal evaluations must be completed, the Office will identify lower-risk GEF projects whose performance may be assessed through management-led reviews. This may allow it to complete more non-GEF project evaluations.

665. In paragraph 179 of its report, the Board recommended that the Regional Office for Africa review all the resources provided by UNEP to the liaison office to the African Union Commission, ECA and Ethiopia on a cost-neutral basis to determine whether it can enhance its role in Ethiopia and take advantage of its geographical closeness and partner acquaintances.

Department responsible: Regional Office for Africa
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

666. The Regional Office for Africa will review the resources provided by UNEP to the Addis Ababa liaison office on a cost-neutral basis to determine whether it can enhance its role in Ethiopia and take advantage of its geographical closeness and partner acquaintances.

667. In paragraph 192 of its report, the Board recommended that the secretariat of the Basel, Rotterdam and Stockholm Conventions review the financial rules and present updates to the Conference of Parties for its review and revision.

Department responsible: Secretariat of the Basel, Rotterdam and Stockholm Conventions
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

668. The secretariat of the Basel, Rotterdam and Stockholm Conventions is reviewing the financial rules for those Conventions in order to present updates to the Conference of the Parties for its review and revision.

669. In paragraph 198 of its report, the Board recommended that UNEP actively explore feasible measures to monitor the timeliness of GEF project implementation and the extension of projects, if required.

Departments responsible: Corporate Services Division and responsible divisions
Status: Under implementation
Priority: High
Target date: First quarter of 2022

670. UNEP is actively exploring feasible measures to monitor the timeliness of GEF project implementation, in particular with the new reporting functionality within the integrated planning, management and reporting system in Umoja due for release in 2021, and the extension of projects, if required.

671. **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.**

Departments responsible: Corporate Services Division and responsible divisions

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

672. UNEP will perform the closure procedures for the operationally completed GEF projects as soon as possible.

673. **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.**

Departments responsible: Corporate Services Division, Policy and Programme Division and responsible divisions

Status: Under implementation

Priority: Medium

Target date: Third quarter of 2022

674. UNEP is reviewing its programme and project management manual in relation to GEF and to the replacement of the advanced Division of GEF database information system with the integrated planning, management and reporting system in Umoja.

675. **In paragraph 216 of its report, the Board recommended that UNEP develop a strategic workforce plan and an operational workforce plan and review the posts vacant for 24 months or longer in Umoja to decide on their retention or abolishment, with due justification.**

Department responsible: Corporate Services Division

Status: Under implementation

Priority: Medium

Target date: Third quarter of 2022

676. UNEP will review the requirements of the workforce planning strategy in line with the staffing review exercise. The review is scheduled for 2021 and 2022.

677. **In paragraph 221 of its report, the Board recommended that UNEP follow the instructions of administrative instruction [ST/AI/2010/4/Rev.1](#) to ensure appropriate procedures for the selection of candidates for temporary appointments.**

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

678. UNEP will work with the United Nations Office at Nairobi to standardize a desk review template.

679. In paragraph 225 of its report, the Board recommended that UNEP follow administrative instruction ST/AI/1999/17 to ensure the correct effective date for granting special post allowance.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

680. UNEP will work closely with the United Nations Office at Nairobi to enhance the special post allowance procedure in order to ensure the correct special post allowance grant dates.

681. In paragraph 231 of its report, the Board recommended that the secretariat of the Basel, Rotterdam and Stockholm Conventions record the reasons in the travel plan why each planned travel cannot be substituted by other options.

Department responsible: Secretariat of the Basel, Rotterdam and Stockholm Conventions
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

682. UNEP will ensure the recording of the reasons for which travel cannot be substituted by other options.

683. In paragraph 238 of its report, the Board recommended that the Regional Office for Asia and the Pacific, in consultation with UNEP headquarters, improve supervision of and reporting on the contractual period of the services provided by consultants and individual contractors and, in cases in which there is repeated use of the same consultant, provide justification for the arrangement.

Department responsible: Regional Office for Asia and the Pacific
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

684. UNEP will instruct all offices to ensure that a justification is recorded for instances where contractors engaged through the United Nations Office for Project Services (UNOPS) are required for the long term.

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

685. In the annex to its report for the year ended 31 December 2020 (A/76/5/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 48 recommendations that were determined 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.

686. Table 26 summarizes the overall situation as of August 2021.

Table 26

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	18	–	–	18	18	–
Policy and Programme Division	3	–	–	3	3	–
Secretariat for the Convention on Biological Diversity	13	–	2	11	11	–
Multiple offices	14	–	1	13	13	–
Total	48	–	3	45	45	–

Report of the Board for the year ended 31 December 2015³¹

687. In paragraph 52 of its report, the Board recommended that UNEP ensure sufficient controls over the preparation and submission of required project reports by implementing agencies in compliance with the project cooperation agreements.

Department responsible: Corporate Services Division

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

688. UNEP had made the proposals for the enhancements of the implementing partner module of Umoja to ensure sufficient controls for the required reports from the implementing partners. Since the enhancements of the implementing partner module are still in progress, this recommendation is under implementation.

689. In paragraph 56 of its report, the Board recommended that UNEP-GEF: (a) make more effort and follow-ups to ensure that expenditure reports are submitted within the agreed time frames under the signed agreements; and

³¹ A/71/5/Add.7, chap. II.

(b) consider the write-off of receivables with respect to which expenditure reports cannot be retrieved and the recoverability of advances has proved to be uncertain.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

690. UNEP has submitted the proposals for the enhancements of the implementing partner module of Umoja to ensure the timeliness of expenditure reports and is putting in place the use of notional claims with respect to expenditure reports that cannot be retrieved. Since both the enhancements of the implementing partner module and the use of notional claims are still in progress, this recommendation is under implementation.

691. In paragraph 67 of its report, the Board recommended that UNEP review the residual value and the useful lives of all assets, and ensure that the asset register is updated to reflect the restated figures after Headquarters has completed the analysis of property, plant and equipment.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

692. UNEP has received the update from the Task Force on Accounting Standards and will apply it in the preparation of the 2021 financial statements. The United Nations Office at Nairobi noted the recommendation and will work closely with UNEP to review these updates and their impact on the preparation of the statements.

Report of the Board for the year ended 31 December 2016³²

693. In paragraph 24 of its report, the Board recommended that UNEP enhance its follow-up efforts with implementing partners to submit the required reports on time so as to expedite financial closure of operationally closed projects.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

694. UNEP has submitted the proposals for the enhancements of the implementing partner module in Umoja to ensure sufficient controls for the required reports from the implementing partners. Since the enhancements of the implementing partner module are still in progress, this recommendation is under implementation.

³² A/72/5/Add.7, chap. II.

695. **In paragraph 33 of its report, the Board recommended that UNEP conduct a regular follow-up with implementing partners to ensure that they comply with the UNEP programme manual by submitting consolidated audited financial statements on completed projects to provide assurance over the expenditure incurred during the implementation of the projects.**

Department responsible: Corporate Services Division
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

696. Please refer to the comments of UNEP above relating to the recommendation in paragraph 24 of the Board's report.

697. **In paragraph 68 of its report, the Board recommended that UNEP expedite the implementation of enterprise risk management to ensure an effective and efficient risk management process.**

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

698. The UNEP enterprise risk management framework guidelines and implementation plan were finalized and sent for endorsement in the second quarter of 2021. The start of the assessment phase will begin in the third quarter of 2021. The finalization of the first enterprise risk management cycle and the full implementation of the framework are expected in the second quarter of 2022. UNEP has initiated the capacity-building phase for fund management officers and enterprise risk managers. A new unit for risk management and operations is being established to enhance resources and capacity.

Report of the Board for the year ended 31 December 2017³³

699. **In paragraph 30 of its report, the Board recommended that UNEP: (a) introduce a mechanism to enforce prompt recording of all project financial information in Umoja and regularly update the project financial data in the system; (b) introduce a regular review of project information in Umoja to verify the correctness and completeness of project data; and (c) ensure that all transactions in Umoja are linked to a valid and approved project in support of the programme of work.**

Department responsible: Corporate Services Division
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

³³ A/73/5/Add.7, chap. II.

700. UNEP has implemented the integrated planning, management and reporting module for new projects and is transitioning existing projects to the module, which will also assist with generating the work breakdown structure. The workflow functionality is being enhanced for this process to enable accountability within UNEP.

Report of the Board for the year ended 31 December 2018³⁴

701. In paragraph 29 of its report, the Board recommended that UNEP update the Programme Information and Management System with complete and up-to-date project information to ensure appropriate management and an integral future migration to Umoja, establishing control mechanisms that secure results-based management.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

702. The Programme Information and Management System is being updated with complete and up-to-date project information, and the organizational transition to the integrated planning, management and reporting solution is being implemented as part of Umoja Extension 2.

703. In paragraph 41 of its report, the Board recommended that UNEP conduct a staffing assessment related to the positions of project manager and supervisor. This assessment could be related to work distribution, recruitment needs, employee redeployment and training, or any other evaluation suitable to determine the measures needed to ensure adequate performance monitoring and reporting.

Departments responsible: Corporate Services Division and Policy and Programme Division
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

704. UNEP is in the process of initiating a staffing review to assess the allocation of approved positions and the assignment of personnel to reflect the most effective use of staff and to ensure that the programme of work priorities are aligned with positions.

705. In paragraph 43 of its report, the Board recommended to regulate the supervisor position, setting out its obligations and responsibilities in the UNEP programme manual, in accordance with what the agency had indicated.

³⁴ [A/74/5/Add.7](#), chap. II.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

706. Roles and responsibilities have been updated, and this information has been uploaded to the UNEP programme manual. UNEP is in the process of updating its delivery model as part of an internal process to prepare for the implementation of the medium-term strategy for the period 2022–2025. The updated programme manual plays a central role in this process, and the update of this manual is under way.

707. In paragraph 45 of its report, the Board recommended that, despite the actions that have already been taken, UNEP establish an appropriate training course for both positions as well as complete guidelines regulating the accountability process for their obligations set out in the UNEP programme manual.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

708. The online results-based management course has been updated and is soon to be launched. The updated programme manual will highlight existing training material in each of its chapters.

709. 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
Target date: Fourth quarter of 2021

710. The integrated planning, management and reporting module utilizes several Umoja functionalities to provide a holistic, end-to-end solution for managing the life cycle of United Nations programmes and projects. The module went live in December 2020, and all United Nations Secretariat entities are expected to register all new voluntary funded projects in the solution. A variety of continuous improvements to the module are being rolled out during 2021. The GEF teams are engaged in discussions with the UNEP and Umoja teams to see how the solution can best be used for GEF project integration and reporting.

711. 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.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

712. Please refer to the comments of UNEP above relating to the recommendation in paragraph 79 of the Board's report.

713. In paragraph 88 of its report, the Board recommended that UNEP establish proper coordination with its Regional Office for Europe and the secretariat of the Basel, Rotterdam and Stockholm Conventions, in order to obtain that they systematically manage risks and facilitate effective implementation of their mandated activities under the United Nations enterprise risk management and internal control policy.

<i>Departments responsible:</i>	Corporate Services Division, Regional Office for Europe and secretariat of the Basel, Rotterdam and Stockholm Conventions
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2022

714. UNEP has adopted its enterprise risk management framework and implementation strategy in alignment with the United Nations Secretariat-wide framework covering all UNEP entities, including the secretariat of the Basel, Rotterdam and Stockholm Conventions and the Regional Office for Europe, and is expecting the first enterprise risk management cycle to be finalized by mid-2022.

715. In paragraph 89 of its report, the Board recommended that the UNEP Regional Office for Europe and the secretariat of the Basel, Rotterdam and Stockholm Conventions maintain an updated risk log, in accordance with the UNEP programme manual.

<i>Departments responsible:</i>	Regional Office for Europe and secretariat of the Basel, Rotterdam and Stockholm Conventions
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2022

716. UNEP has adopted its enterprise risk management framework and implementation strategy in alignment with the United Nations Secretariat-wide framework covering all UNEP entities, including the secretariat of the Basel, Rotterdam and Stockholm Conventions and the Regional Office for Europe, and is expecting the first enterprise risk management cycle to be finalized by mid-2022.

717. In paragraph 144 of its report, the Board recommended that UNEP perform a periodic and timely review of the leave system to identify absences and, if relevant, apply the charges to the monthly salary of the staff.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

718. UNEP is exploring the possibilities of revamping the existing dashboard related to annual leave management in order to implement this recommendation. In the interim, UNEP has conducted training for time managers and leave monitors to enhance monitoring. Furthermore, the leave monitors and time managers have been briefing staff on time management issues.

719. In paragraph 152 of its report, the Board recommended that UNEP ensure the accuracy of ICT data, preserve and protect ICT resources, related to the consolidation of the management information on projects in one system, considering also in this process the historical projects data, pursuant to bulletin [ST/SGB/2004/15](#).

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

720. The integrated planning, management and reporting module went live in December 2020; UNEP is transitioning its existing projects from legacy systems to the new system, and all new projects are now being registered in the solution. A variety of continuous improvements to the module, including the reporting functionality, are being rolled out during 2021, which will allow consolidated information management.

Report of the Board for the year ended 31 December 2019³⁵

721. In paragraph 28 of its report, the Board recommended that UNEP implement a results-based budgeting approach at the regional and secretariat level.

<i>Departments responsible:</i>	Regional offices, Policy and Programme Division and secretariats of the multilateral environmental agreements
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

722. UNEP is in the process of implementing this recommendation using the integrated planning, management and reporting module that was already deployed and which will require the enhanced reporting functionality that is planned for implementation in 2021.

³⁵ [A/75/5/Add.7](#), chap. II.

723. 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.

Departments responsible: Corporate Services Division, Regional Office for Latin America and the Caribbean and Regional Office for Africa

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

724. UNEP has developed a new policy and procedures to engage and monitor implementing partner agreements, small-scale funded agreements and programme cooperation agreements in order to contribute to effective and transparent decision-making. The regional offices implemented the pilot of the new partnership policy for the processing of agreements, including the evaluation and selection of partners. In addition to the due diligence, the Programme Officer prepares a call for interest, evaluates candidate partners, prepares a report and then prepares the additional documentation to be completed or provided by the Programme Officer.

725. In paragraph 101 of its report, the Board recommended that UNEP coordinate its budget allocations in a timely manner in order to comply with the execution schedule of project workplans.

Departments responsible: Policy and Programme Division, Regional Office for Latin America and the Caribbean, Regional Office for Africa and Corporate Services Division

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

726. The difficulties identified relate to projects where cash is allocated by units that are implementing these projects but not by the regional office that is executing them. Internal procedures will be updated to account for these issues to ensure implementation of the recommendation.

727. 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>Departments 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>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2022

728. In the short term, UNEP is working on the Programme Information and Management System Plus to enhance and migrate the data of all projects and, in the long term, will rely on the reporting module of the integrated planning, management and reporting tool.

729. 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>Departments responsible:</i>	Secretariat for the Convention on Biological Diversity and Law Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

730. The roles and responsibilities are set out in the revised administrative arrangements between UNEP and the secretariat for the Convention on Biological Diversity (annex I to decision X/45 of the Conference of the Parties to the Convention). UNEP plans to develop the service level agreement envisaged pursuant to the decision.

731. 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>Departments responsible:</i>	Secretariat for the Convention on Biological Diversity and Law Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

732. The secretariat for the Convention on Biological Diversity notes that the revised administrative arrangements endorsed pursuant to decision X/45 already establish the

respective roles of UNEP and the secretariat for the Convention. It also notes that the programmatic cooperation with UNEP, as with other United Nations entities, is guided by relevant decisions of the Conference of the Parties. In this context, there are several memorandums of cooperation with other entities, including with various programmes under UNEP. UNEP considers this recommendation to have been implemented and requests its closure by the Board.

733. In paragraph 180 of its report, the Board recommended that UNEP coordinate with the secretariat of the Convention on Biological Diversity to introduce a framework that guides the planning process at the different levels of the secretariat, incorporating a clear definition of the main concepts to be used in that process, such as results, outputs, indicators of achievement and/or means of verification.

<i>Departments responsible:</i>	Secretariat for the Convention on Biological Diversity and Law Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

734. The secretariat for the Convention on Biological Diversity will develop a results-based budgeting framework in accordance with the decisions of the Conference of the Parties. The results-based budgeting framework will serve as the basis for the secretariat's programme budget for the period 2021–2022 that is due to be submitted to the Conference of the Parties by the third quarter of 2021.

735. In paragraph 181 of its report, the Board recommended that UNEP coordinate with the secretariat for the Convention on Biological Diversity the establishment of a comprehensive workplan on the secretariat's activities, which is aligned with the secretariat's strategic objectives and with the decisions of the Conference of the Parties to the Convention on Biological Diversity and incorporates measurable indicators of accomplishment and means of verification.

<i>Departments responsible:</i>	Secretariat for the Convention on Biological Diversity and Law Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

736. The secretariat for the Convention on Biological Diversity notes that it reports to the Conference of the Parties on its programmatic activities in accordance with article 24 of the Convention. The reports include updates on the implementation of the decisions of the Conference of the Parties. However, the secretariat will continue to work with UNEP headquarters, in consultation with the Conference of the Parties, as necessary, on the alignment of its workplans with the strategic objectives.

737. In paragraph 185 of its report, the Board recommended to UNEP that the secretariat of the Convention on Biological Diversity issue the report on the administration of the Convention on Biological Diversity in line with the activities disclosed in its programme of work, presenting those activities in accordance with its budget and its execution.

<i>Department responsible:</i>	Secretariat for the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

738. The format of the biannual report of the secretariat for the Convention on Biological Diversity on the administration of the Convention has been changed to comply with this audit recommendation.

739. In paragraph 186 of its report, the Board recommended that UNEP assist and coordinate with the secretariat of the Convention on Biological Diversity in order to standardize the secretariat's reporting processes, with the aim of including indicators, means of verification, outcomes and assessment for each activity presented in the programme of work.

<i>Departments responsible:</i>	Secretariat for the Convention on Biological Diversity and Law Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

740. The secretariat for the Convention on Biological Diversity noted that it reports to the Conference of the Parties in accordance with article 24 of the Convention and receives its mandate on programmatic and reporting matters from the Conference. However, the secretariat will continue to work with UNEP headquarters, in consultation with the Conference of the Parties, as necessary, to determine the possibility of making appropriate changes to the processes for the issuance of reports, as outlined in this recommendation.

741. In paragraph 199 of its report, the Board recommended that UNEP assess and correct the grants posted in its BHL and BXL trust funds.

<i>Department responsible:</i>	Secretariat for the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

742. The secretariat for the Convention on Biological Diversity is in the process of reconciling and cleaning up the trust funds in line with the audit recommendation.

743. In paragraph 209 of its report, the Board recommended that UNEP coordinate with the secretariat of the Convention on Biological Diversity to take the measures needed to comply with the preparation of a complete long-term strategic framework for capacity-building beyond 2020, in order for it to be presented in conformity with the requirements of the Conference of the Parties.

Departments responsible: Secretariat for the Convention on Biological Diversity and Law Division

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

744. The secretariat for the Convention on Biological Diversity and the Law Division of UNEP will take the measures needed to ensure conformity with the decisions of the Conference of the Parties.

745. In paragraph 219 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 to adjust the programme of work and budget submission, with the aim of evaluating and implementing a more realistic workplan for the secretariat in accordance with available resources.

Departments responsible: Secretariat for the Convention on Biological Diversity and Law Division

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

746. The format of the biannual report of the secretariat for the Convention on Biological Diversity on the administration of the Convention has been changed to comply with this audit recommendation.

747. In paragraph 220 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 include the voluntary contributions in the budget submission in a way that reflects the necessary resources to implement the Conference of the Parties' decisions.

Department responsible: Secretariat for the Convention on Biological Diversity

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

748. The secretariat for the Convention on Biological Diversity provides information on voluntary contributions in the budget document and will do so again in its programme budget for the period 2021–2022, which is currently under preparation.

749. 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 for the Convention of Biological Diversity
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

750. The secretariat for the Convention on Biological Diversity has requested that this recommendation be closed following clarification of the roles of UNEP and the secretariat for the Convention in proposing mechanisms to the Conference of the Parties. UNEP considers this recommendation to have been implemented and requests its closure by the Board.

751. In paragraph 237 of its report, the Board recommended that UNEP reinforce its control mechanisms at the secretariat of the Convention on Biological Diversity to ensure that the selection processes of consultants and individual contractors are competitive and transparent and consider at least three recommended applicants.

<i>Department responsible:</i>	Secretariat for the Convention on Biological Diversity
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

752. The secretariat for the Convention on Biological Diversity now ensures that a minimum of three suitable candidates are recommended for each position. UNEP considers this recommendation to have been implemented and requests its closure by the Board.

753. In paragraph 238 of its report, the Board recommended that UNEP establish and correctly document an initial control mechanism at the secretariat for the Convention on Biological Diversity to verify whether the applicants for consultants and individual contractors have permission to work in the country, when that is required by the terms of reference, as a first filter before starting to make any evaluation of the candidate.

<i>Department responsible:</i>	Secretariat for the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

754. The secretariat for the Convention on Biological Diversity has added a screening question in Inspira for all individual contractor job openings that require locally recruited individual contractors to verify that they have permission to work in Canada.

755. In paragraph 239 of its report, the Board recommended that UNEP liaise with the secretariat for the Convention on Biological Diversity with the aim of

ensuring that the secretariat completes each field of the application process documents to ensure that all participants have complete information.

<i>Department responsible:</i>	Secretariat for the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

756. The secretariat for the Convention on Biological Diversity ensures that every field of the application process documents has been fully completed and that no contract is issued to consultants or individual contractors unless all fields, mandatory information and documentation have been completed.

757. In paragraph 247 of its report, the Board recommended that UNEP establish a control and supervision mechanism that periodically and in a documented manner ensures that the contracting processes of consultants and individual contractors include terms of reference for each of them, and that these terms of reference contain all information established in the administrative instruction [ST/AI/2013/4](#).

<i>Department responsible:</i>	Secretariat for the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

758. The secretariat for the Convention on Biological Diversity has strengthened its internal control and supervision mechanism to ensure that the terms of reference contain all of the information established in [ST/AI/2013/4](#).

759. In paragraph 255 of its report, the Board recommended that UNEP establish a control mechanism that guarantees compliance with the terms of reference of the hiring processes of consultants and individual contractors at the secretariat for the Convention on Biological Diversity, in particular with regard to the deadline for the development of contracted tasks, so that contracts do not exceed the duration specified in the terms of reference.

<i>Department responsible:</i>	Secretariat for the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

760. The secretariat for the Convention on Biological Diversity is developing an internal control mechanism tool to guarantee compliance with the terms of reference of the hiring processes for consultants and individual contractors.

761. In paragraph 256 of its report, the Board recommended that UNEP ensure that the contracts contain all the information necessary to identify the

department that signs the contract and the consultants and individual contractors hired at the secretariat for the Convention on Biological Diversity.

Department responsible: Secretariat for the Convention on Biological Diversity
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

762. The secretariat for the Convention on Biological Diversity is working with the Enterprise Resource Planning Solution Division to address this issue.

763. In paragraph 257 of its report, the Board recommended that UNEP keep records of how the fee level was determined for each contract with consultants and individual contractors at the secretariat for the Convention on Biological Diversity.

Department responsible: Secretariat for the Convention on Biological Diversity
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

764. The secretariat for the Convention on Biological Diversity is currently making sure that the fee level is included in the terms of reference of the hiring processes for consultants and individual contractors.

765. In paragraph 267 of its report, the Board recommended that UNEP establish a control mechanism that allows for the alerting of personnel in charge of hiring consultants and individual contractors about possible risk situations, such as hiring former and retired staff members or surpassing the maximum hiring periods in accordance with the administrative instruction.

Department responsible: Secretariat for the Convention on Biological Diversity
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

766. The internal control mechanism tool being developed by the secretariat for the Convention on Biological Diversity will also alert persons in charge of consultant and individual contractor recruitment to possible risk situations, such as the recruitment of former and retired staff members. This is currently being done on a manual basis until the tool is finalized and rolled out.

767. In paragraph 274 of its report, the Board recommended that UNEP reinforce its control mechanism and ensure that each interim evaluation and final evaluation are carried out in a timely manner in accordance with the provisions of the administrative instruction.

<i>Department responsible:</i>	Secretariat for the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

768. The secretariat for the Convention on Biological Diversity has reinforced its internal control mechanisms to make sure that interim and final evaluations are performed in a timely manner. This activity will also be captured by the internal control mechanism tool referred to in the above recommendation.

769. In paragraph 312 of its report, the Board recommended that UNEP coordinate with the United Nations Secretariat and the United Nations Office at Nairobi to assess and elaborate a new accounting policy in order to establish an enhanced basis for decision-making on the recognition of non-exchange transactions, in line with IPSAS 23: Revenue from non-exchange transactions (taxes and transfers).

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

770. UNEP is in compliance with IPSAS 23 and United Nations IPSAS corporate guidance on funding arrangements. It continues to recognize and treat those contributions subject to this recommendation by the auditors as conditional agreements. On the basis of this recommendation, UNEP will work with the United Nations Office at Nairobi and the Department of Management Strategy, Policy and Compliance of the Secretariat to assess whether a revised accounting policy is required for the preparation of the 2021 statements.

771. In paragraph 313 of its report, the Board recommended that UNEP implement the appropriate control mechanisms to measure the level of accomplishment of contribution agreements and to make the necessary budgetary and programme of work adjustments before the year's closure.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

772. UNEP and the United Nations Office at Nairobi are working closely on grants closure and have developed a Power BI dashboard specifically targeting grants closure, including a "cash position" report. The Deputy Executive Director also signed a memorandum containing a request to programme managers to ensure that donor and contributing partners agree on a project's expected results.

773. In paragraph 358 of its report, the Board recommended that UNEP ensure that overtime rewards as compensatory time off and as additional payment be

calculated in accordance with the information circular UNON/IC/2015/07 and the proper instructions, in compliance with the schedule established by the Nairobi duty station.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

774. UNEP is closely monitoring overtime and compensatory time off in line with information circular UNON/IC/2015/07.

775. In paragraph 359 of its report, the Board recommended that UNEP review and correct the cases identified, as accumulated entitlement of compensatory time off on inappropriate schedules; overtime payments on incorrect schedules; and payments that exceed the established rates.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

776. Measures have been taken to correct this situation. The remaining records for one staff member were rectified. UNEP is awaiting confirmation of correction.

777. In paragraph 360 of its report, the Board recommended that UNEP regulate the lunch break time on Fridays under the overtime hypothesis, indicating its duration, opportunity and counting the overtime rewards from this interruption thereafter.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

778. Information circular UNON/IC/2015/07 will be rebroadcast along with any new guidelines to be shared in the light of the unprecedented COVID-19 pandemic.

779. In paragraph 361 of its report, the Board recommended that UNEP review the quantity of overtime per month, with special emphasis on those who exceed the allowed limit of 40 hours, taking the necessary measures to avoid surpassing this ceiling and requiring prior exceptional approval every time this boundary cannot be complied with.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

780. Owing to the COVID-19 pandemic, overtime has been suspended. All overtime requests must be preapproved, and the approvals attached to the request have to be entered into Umoja. No payments are certified if the preapproval is not attached. The ongoing target period for implementation remains the fourth quarter of 2021.

781. In paragraph 369 of its report, the Board recommended that UNEP reactivate the ICT group or ICT local committee by holding meetings twice a year, as indicated in its ICT terms of reference established in May 2015, and complying with the provisions of the Secretary-General's bulletin on the Information and Communications Technology Board.

Department responsible: Corporate Services Division

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

782. Preparatory meetings the UNEP ICT committee have been held and the revision of the terms of reference of the committee has been completed. However, owing to changes introduced by the new UNEP digital transformation initiative, the governance structure is being restructured. This recommendation will be implemented once the restructuring has been completed.

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 2020³⁶

783. Table 27 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

Table 27
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 for Management Services	6	–	–	6	6	–
Procurement Services Branch	2	–	–	2	2	–
Total	8	–	–	8	8	–

784. Table 28 summarizes the status of implementation of all recommendations of the Board as of August 2021.

³⁶ A/76/5/Add.8, chap. II.

Table 28
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>
Country office in Egypt	2	–	–	2	2	–
Division for Communication and Strategic Partnerships	2	–	–	2	2	–
Division for Management Services	10	–	–	10	10	–
Procurement Services Branch	2	–	–	2	2	–
Regional Office for Arab States	1	–	–	1	1	–
Multiple offices	7	–	–	7	7	–
Total	24	–	–	24	24	–

785. **In paragraph 40 of its report, the Board recommended that the United Nations Population Fund (UNFPA) strengthen its assurance activities monitoring procedures at all governance levels (global, regional and country), with the purpose of having a process that gives an accurate overview of the implementing partners subject to well-timed spot checks and/or audits.**

Department responsible: Division for Management Services

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

786. UNFPA management is strengthening the monitoring of assurance activities by (a) automating the selection of implementing partners subject to assurance activities through the implementing partner assurance system; and (b) revisiting the current approach, timelines and capacities for conducting and reporting assurance activities, especially considering that the COVID-19 pandemic is still affecting delivery and that the Board of Auditors expects UNFPA to implement assurance to the same level of timeliness as it had before the pandemic. The necessary capacities and resources in regional and country offices will have to be considered in these changes in approach.

787. **In paragraph 41 of its report, the Board recommended that UNFPA update the implementing partners' risk ratings in the implementing partner assurance system in a timely and accurate manner, in order to have precise planned assurance activities and overcome the limitations of the implementing partner assurance system.**

Department responsible: Division for Management Services

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

788. UNFPA management is addressing this by (a) reiterating guidance to offices for avoiding the few cases in which assessments conducted in a given year were uploaded

too late to be included in the automated assurance plan for that year; (b) conducting a comprehensive review of the microassessment risk ratings in the implementing partner assurance system to correct errors in data entry that may exist; and (c) redesigning the implementing partner risk profile in which the microassessment risk rating is one factor for the new enterprise resource planning system.

789. In paragraph 42 of its report, the Board recommended that UNFPA incorporate automatic controls into the new enterprise resource planning system, with the aim of determining the implementing partners subject to mandatory assurance activities in a timely and accurate manner.

Department responsible: Division for Management Services

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

790. The relevant specifications for the automation of assurance selection have already been developed. UNFPA management will work with the enterprise resource planning system team to incorporate the specifications into the new system. As reported to the Board of Auditors, the automation in the current implementing partner assurance system had been temporarily suspended for 2020 owing to the complexity of differentiated selection criteria, and a corporate decision had been taken to minimize further application development and focus on developing the new system.

791. In paragraph 43 of its report, the Board recommended that UNFPA provide effective training to the third-party auditors on the use of the implementing partner assurance system.

Department responsible: Division for Management Services

Status: Under implementation

Priority: High

Target date: Second quarter of 2022

792. UNFPA management will provide training to existing third-party auditor companies and any other auditor firms that may in the future have access for entering reports into the system. The management has informed the Board that it relies on the signed audit reports for the audit result and opinion.

793. In paragraph 49 of its report, the Board recommended that the UNFPA Arab States Regional Office implement effective and timely monitoring procedures regarding the assurance activities, with the purpose that each country office should accomplish the pending assurance activities and the follow-up thereto.

Department responsible: Regional Office for Arab States

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

794. The Regional Office for Arab States will ensure compliance with the assurance activities through its established monitoring and oversight committee to ascertain that the country offices complete the scheduled assurance activities.

795. In paragraph 62 of its report, the Board recommended that UNFPA carry out microassessments in a timely manner and record the dates and risk rating in an accurate manner in the implementing partner assurance system tool, with the purpose of having an updated risk rating for implementing partners, precise cash transfer modalities to implementing partners and adequate assurances activities.

Department responsible: Division for Management Services

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2022

796. Owing to reservations with regard to performing microassessments remotely after the onset of the pandemic, the previous guidance given to the country offices was to postpone microassessments, which resulted in delays in performing them. As reported to the Board, this guidance has now been updated, and microassessments can be performed remotely subject to the agreement of the third-party service providers. To correct data entry errors, a quality review of microassessment data is being conducted, and refresher training will be provided on how to enter microassessments in the current system, which is expected to become part of the new enterprise resource planning system.

797. In paragraph 63 of its report, the Board recommended that UNFPA strengthen its microassessment monitoring procedures at all governance levels (global, regional and country), in order to have accurate and updated implementing partner assessments.

Department responsible: Division for Management Services

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2022

798. The management is strengthening the monitoring of microassessments by (a) conducting a comprehensive review of the microassessment risk ratings in the implementing partner assurance system to correct errors in data entry that may exist and to follow up on overdue assessments; and (b) conducting ongoing periodic reviews of new data entry and overdue assessments and following up with country offices through regional offices. As reported to the Board, the microassessment is just one factor considered in determining assurance activities.

799. In paragraph 73 of its report, the Board recommended that the UNFPA country offices in Egypt, the Sudan and the Syrian Arab Republic build the capacity of implementing partners on the correct use of the global programming system module in Atlas, in order to have an accurate and good-quality workplan progress report.

<i>Departments responsible:</i>	Country offices in Egypt, the Sudan and the Syrian Arab Republic
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

800. The country office in the Syrian Arab Republic reviewed the results of the implementing partner's assurance activities for 2020 and, on the basis of the main findings, developed a capacity-building plan for implementing partners, including a five-day training course for implementing partners (including on-the-job support provided by both country office and field office staff) covering workplan preparation, in particular for detailed budget breakdowns; the global programming system module in Atlas; electronic funding authorization and certificate of expenditure forms; and workplan progress reports. The capacity-building plan is being implemented with the training having already been delivered to the five implementing partners in Latakia and Aleppo Governorates. The recommendations and action points were shared with the participating implementing partners for further follow-up and improvement.

801. The country office in the Sudan will conduct customized training (using the global programming system module) to build the capacities of implementing partners on planning and reporting with the system.

802. The country office in Egypt is aware of the limited reporting capacity of implementing partners. To address this, the country office held a virtual workshop with all implementing partners in June 2020 on workplan progress report requirements and individual coaching by the country office staff on results-based monitoring and reporting. Moreover, the country office in Egypt is part of the results-based monitoring initiative, one of the planned interventions to build a results-based monitoring and capacity-building model in order for UNFPA partners to further enhance their capacity to deliver high-quality results.

803. In paragraph 74 of its report, the Board recommended that the UNFPA country offices in Egypt, the Sudan and the Syrian Arab Republic strengthen, in a timely manner, the reviews carried out by the programme officer prior to the approval of the workplan progress report and the corresponding funding authorization and certificate of expenditure form, so that the workplan progress report represents actual progress in the activities executed by the implementing partner.

<i>Departments responsible:</i>	Country offices in Egypt, the Sudan and the Syrian Arab Republic
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2022

804. The country office in the Syrian Arab Republic, to further strengthen the management of implementing partners and improve the quality of the workplan progress reports and funding authorization and certificate of expenditure forms, has reviewed and revised its implementing partner focal point system. The new system, whereby one focal point will be assigned per partner (rather than one focal point per thematic area), is expected to strengthen coordination with implementing partners, provide more customized support and improve efficiency, accountability and

timeliness in the review of workplan progress reports and the funding authorization and certificate of expenditure forms. The role of the field offices has been re-engineered, allowing for more engagement in implementing partner management and thereby ensuring that the reports submitted by the partners represent real progress in the executed activities. The new implementing partner focal point system and the new role of the field offices will be piloted in the third and fourth quarters of 2021 and fully implemented as of the first quarter of 2022. A refresher training course on the roles, procedures, and review tools and checklists will be conducted in the third quarter of 2021 for the focal points and all country office personnel (including field office personnel) who have a role in global programming system reporting.

805. The technical units and implementing partner managers of the country office in the Sudan will be assigned clear responsibility for reviewing the workplan progress reports to ensure that they reflect real progress in the activities. The management support unit – as the overall programme oversight and quality assurance body – will perform the review and quality check of the workplan progress reports.

806. The country office in Egypt has already started implementing the recommendation in its reporting for the first quarter of 2021. All progress reports submitted by the implementing partners are carefully reviewed by the programme officers and monitoring and evaluation specialists concerned before being approved in the ATLAS system. The country office management issued the necessary guidance on those requirements to all relevant staff, which is currently being implemented in the office.

807. In paragraph 88 of its report, the Board recommended that UNFPA improve its supply monitoring process at the regional and country governance levels, 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 implementing partners.

<i>Department responsible:</i>	Division for Management Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2022

808. The new supply chain management unit includes a country office support and monitoring team, which will include regional supply chain management specialists to provide support to country offices and monitor their supply chain management performance. Together with the improved supply chain processing capabilities and controls of the new enterprise resource planning system, the unit will allow UNFPA to provide timely and accurate information about supply inventories and their delivery to implementing partners.

809. In paragraph 89 of its report, the Board recommended that UNFPA incorporate preventive controls related to inventory information into the new enterprise resource planning system, in order to provide early alerts at each stage of the supply process.

<i>Department responsible:</i>	Division for Management Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2022

810. UNFPA management will design and implement an adequate mix of automated processing functions and preventive and detective controls in its new enterprise resource planning system to improve the tracking of shipments and the timely and accurate recording of inventory transactions, as well as reporting and other detective controls that will support improved monitoring by the country office support and monitoring team that will be created within the new supply chain management unit.

811. In paragraph 97 of its report, the Board recommended that the UNFPA country offices in the Sudan and the Syrian Arab Republic enhance actions to manage the receipt and inspection forms in the shipment tracker, with the purpose of maintaining the flow of operations with corresponding legible supporting documentation.

<i>Departments responsible:</i>	Country offices in the Sudan and the Syrian Arab Republic
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

812. The country office in the Syrian Arab Republic reviewed the processes of receipt, inspection, and delivery of the programme supplies to identify and close the gaps. The shipment tracker focal point and the logistics assistants will ensure that the required documentation in support of each transaction is made available and attached in the shipment tracker, following clear instructions and guidance. The country office conducts regular reviews of the shipment tracker records for the completeness of supporting documentation and performs a reconciliation between the shipment tracker records and the out-of-Atlas records maintained by the warehouse focal point, which allows it to detect any pending transactions and perform a timely update of the shipment tracker.

813. The country office in the Sudan notes the gaps observed by the Board of Auditors in managing the receipt and inspection forms. The country office management were aware of the observed gaps and strengthened the human resources component dedicated to supply chain and inventory management. In 2020, the office established a supply chain management team led by international staff and supported by two United Nations Volunteers. The country office management and budget owners ensure that a complete and accurate process is followed when physically receiving programme supplies, and that control mechanisms are applied. The established supply chain management team will ensure that the receipt and inspection processes are conducted appropriately to satisfy the requirements explained in the procurement procedures and the policy on the management of programme supplies.

814. In paragraph 98 of its report, the Board recommended that the UNFPA country offices in the Sudan and the Syrian Arab Republic strengthen the review of the preparation and review of delivery slips, in order to ensure a complete and accurate process that allows the country offices to maintain reliable information on the goods delivered.

<i>Departments responsible:</i>	Country offices in the Sudan and the Syrian Arab Republic
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

815. The country office in the Syrian Arab Republic reviewed the processes of receipt, inspection, and delivery of the programme supplies to identify and address the findings. The country office is handling the capacity issue of the logistics staff through the provision of coaching by the operations management team. It has enforced the systematic review of the delivery slips and the receiving and inspection forms by the international operations manager, verified by his initials on all the approved forms. This review prevents the inconsistencies previously noted between the shipment tracker records and the forms, mostly regarding the units of measures and the unit prices.

816. The country office in the Sudan takes note of the gaps observed by the Board of Auditors in managing delivery slips. As mentioned in the comments above relating to the recommendation in paragraph 97 of the Board's report, the country office in the Sudan has established a supply chain management team. The country office management and budget owners ensure that a complete and accurate process is followed when managing programme supplies, and that control mechanisms are applied. The established supply chain management team will ensure that the receipt and inspection processes are conducted appropriately to satisfy the requirements explained in the procurement procedures and the policy on the management of programme supplies.

817. In paragraph 107 of its report, the Board recommended that the UNFPA country offices in the Sudan and the Syrian Arab Republic strengthen their procurement monitoring process in order to conduct quarterly reviews of the procurement plan in a timely manner.

<i>Departments responsible:</i>	Country offices in the Sudan and the Syrian Arab Republic
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

818. The country office in the Syrian Arab Republic, at the beginning of 2021, conducted a thorough review of its procurement plan for 2021 and developed a strategy for its implementation. After the first quarter and recent funding cuts, the procurement plan was reviewed in April 2021, and the online tool was updated accordingly. The plan is currently being reviewed as part of the quarterly review and is being updated in the online tool accordingly.

819. The country office in the Sudan takes note of the proposed actions for strengthening the review of its procurement activities. The supply chain management team established in 2020 is tasked with coordinating the quarterly reviews of the procurement plans among the different stakeholders in the office. Furthermore, the quarterly review of the procurement plan is an integral part of strategic information system reporting and of the key performance indicators of a few staff members involved in the process. This allows the country office in the Sudan to better monitor the review and provides clarity on accountability. The established supply chain management team will ensure that the procurement planning and quarterly reviews will be conducted to satisfy the requirements explained in the procurement procedures and the systematic instructions issued by the Procurement Services Branch.

820. In paragraph 108 of its report, the Board recommended that the UNFPA country offices in the Sudan and the Syrian Arab Republic use the procurement planning tool in an efficient and timely manner, in order to accurately identify actual procurement needs.

<i>Departments responsible:</i>	Country offices in the Sudan and the Syrian Arab Republic
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

821. The country office in the Syrian Arab Republic has been using an offline procurement planning and monitoring tool to manage its procurement, as the offline procurement plan includes more details for analysis, covering the parent category/subcategory, the verified unit cost, the responsible procurement focal point, the procurement lead time and the expected delivery time and local deadline for starting the procurement process. The offline tool is reviewed and updated on a quarterly basis. The online tools are also updated for procurement regularly, with a review at the end of each quarter. The implementation of the corrective measures is being monitored, and the country office expects to be fully compliant by the fourth quarter of 2021.

822. The country office in the Sudan will ensure that the procurement plan is prepared in a timely manner during the first quarter of every year and revised quarterly in line with the corporate requirements. The Sudan country office management took note of the gaps in procurement planning, focused on strengthening internal capacity and ultimately established a new unit in charge of procurement and inventory in 2020. The country office management tasks the international operations manager and the supply chain management team with conducting regular awareness and sensitization training for relevant staff to ensure better planning. The established supply chain management team will ensure that the procurement plans are produced and entered into the procurement planning tool. The quarterly reviews are conducted, satisfying the requirements and the timelines of the procurement procedures and the systematic instructions provided by the Procurement Services Branch.

823. In paragraph 118 of its report, the Board recommended that UNFPA strengthen monitoring and internal controls to ensure the timely and accurate submission of all long-term agreement evaluation reports to suppliers.

<i>Department responsible:</i>	Procurement Services Branch
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2022

824. The Procurement Services Branch acknowledged the delay in submitting the reports to suppliers of core commodities in previous years owing to technical issues in the tool and the need to conduct extensive manual work to reflect accurate results. The tool has been in use over the past few months and is still subject to changes and testing in order to adapt it to the needs of a changing business. UNFPA commits to conducting the vendor assessment for 2021 on time and providing the reports to suppliers by the end of the first quarter of 2022.

825. In paragraph 119 of its report, the Board recommended that UNFPA increase gradually the scope of the long-term agreement evaluation reports to all UNFPA business units, in order to have a wider overview of the use of such agreements in areas beyond core commodities.

<i>Department responsible:</i>	Procurement Services Branch
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2022

826. The Procurement Services Branch is developing an ad hoc tool, similar to the one used for core commodities, to monitor the performance of long-term agreements for non-core commodities. The tool will be operational and ready for use by the end of 2021. The Procurement Services Branch will take the following actions regarding the vendor evaluation of other business units:

(a) Regular follow-up will be performed on the purchase order-based vendor performance evaluation;

(b) Summaries of the aggregated results of the purchase order-based performance evaluations will be shared with all business units;

(c) A simple standard template will be produced and made available for all business units for producing annual vendor performance evaluation reports;

(d) Instruction notes will be produced and shared with all business units explaining how the aggregate scores of the purchase order-based vendor evaluations and the standard templates should be used to prepare and disseminate the vendor performance evaluation report to the respective vendors.

827. Overall, UNFPA management expects the new enterprise resource planning system to provide a more efficient platform that allows efficiency and standardization for any business unit when evaluating suppliers. The Procurement Services Branch has captured the business requirements from the vendor performance evaluation as user stories and communicated them to the enterprise resource planning system development team.

828. In paragraph 132 of its report, the Board recommended that the UNFPA country offices in Egypt, the Sudan and the Syrian Arab Republic strengthen the local procurement process in order to receive services or goods after a purchase order has been issued, to ensure that the procurement process is completed under budget-checked criteria.

<i>Departments responsible:</i>	Country offices in Egypt, the Sudan and the Syrian Arab Republic
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

829. The country office in the Syrian Arab Republic continues to educate its staff and enforce accountability at all levels to ensure that purchase orders are used as contracting tools before receiving goods and services. In addition, to balance the workload and ensure the timely issuance of purchase orders, more Atlas requisitioners and buyers have been added. The implementation of the corrective measures is being monitored, and the country office expects no new cases of purchase orders being issued after the receipt of goods or services.

830. The country office in the Sudan will implement measures to strengthen local procurement processes, including using purchase orders as a contracting tool for

ordering goods and services and encumbering funds before delivering goods and services as required by procurement procedures and the internal control framework. To strengthen the internal control framework, the country office will take measures to implement the requirements of the procurement procedures regarding the use of Atlas-generated purchase orders as a contracting tool for the procurement of goods and services and a mechanism for encumbering funds in the respective budget.

831. The country office in Egypt has already started implementing this recommendation by closely reviewing current procurement processes monitored by the head of the office and the operations analyst to ensure that all purchase orders are issued, budget-checked and signed by the vendor before the start of the work requested.

832. In paragraph 142 of its report, the Board recommended that the UNFPA country office in Egypt strengthen the local procurement process so that purchase orders are raised in Atlas before a contract for professional services is issued to suppliers, in order to ensure that the procurement process is completed under budget-checked criteria.

Department responsible: Country office in Egypt
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

833. The country office in Egypt has already started implementing this recommendation by ensuring the close review and monitoring of current procurement processes by the head of the office and the operations analyst to ensure that all purchase orders (including those related to the award of professional contracts) are issued and budget-checked in time before any contracts are signed with the suppliers.

834. In paragraph 143 of its report, the Board recommended that the UNFPA country office in Egypt ensure that all transparency standards are used for the local procurement process in an efficient and timely manner, in order to guarantee that all information is clearly defined and made known to all interested parties.

Department responsible: Country office in Egypt
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

835. The country office in Egypt started implementing this recommendation in the second quarter of 2021. All requests for quotation documents now include the selection criteria, including weights assigned to each criterion. In addition, all requests for quotation are checked and reviewed by the operations analyst before advertisement to ensure that they are complete in all respects.

836. In paragraph 156 of its report, the Board recommended that UNFPA strengthen its travel monitoring process at all governance levels (global, regional and country), in order to guarantee access to timely information for decision-making and increase the possibility for access to better travel alternatives.

Department responsible: Division for Management Services
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

837. UNFPA is currently designing and implementing a global travel module in its new enterprise resource planning system that will strengthen its travel monitoring process at all levels (global, regional and local) and allow for a more timely decision-making process, as required.

838. In paragraph 157 of its report, the Board recommended that UNFPA improve the post-travel process to ensure the timely recording of travel expenses, in order to avoid potential unrecorded liabilities.

Department responsible: Division for Management Services
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

839. UNFPA is currently designing and implementing a global travel module in its new enterprise resource planning system that will include automatic reminders and dashboards to ensure improvements in the post-travel process and consequently a more timely recording of expenses and liabilities.

840. In paragraph 170 of its report, the Board recommended that UNFPA strengthen monitoring and internal controls to ensure the timely submission of reports to donors in the donor agreement and report tracking system.

Department responsible: Division for Communications and Strategic Partnerships
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

841. UNFPA management, through the Division for Communications and Strategic Partnerships, will implement the proposed new customer relationship management tool in the new enterprise resource planning system that will address the issues of governance and monitoring in the existing Donor Agreement and Report Tracking System. In the latest timeline for deployments, this roll-out will occur no sooner than the second quarter of 2022.

842. In paragraph 171 of its report, the Board recommended that UNFPA strengthen its governance structure to build the capacity to present timely and accurate donor reports, in order to keep the flow of operations updated at the global, regional and country levels.

<i>Department responsible:</i>	Division for Communications and Strategic Partnerships
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2022

843. Please refer to the comments of UNFPA above relating to the recommendation in paragraph 170 of the Board's report.

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

844. In the annex to its report for the year ended 31 December 2020 ([A/76/5/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 six recommendations that were determined 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.

845. Table 29 summarizes the overall situation as of August 2021.

Table 29

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>
Country office in Ethiopia	1	–	–	1	1	–
Information Technology Solutions Office	1	–	–	1	1	–
Multiple offices	4	–	–	4	4	–
Total	6	–	–	6	6	–

Report of the Board for the year ended 31 December 2016³⁷

846. **In paragraph 100 of its report, the Board recommended that UNFPA put in place a mechanism for monitoring the adoption of software policies and procedures and ensure their compliance across the entity.**

<i>Department responsible:</i>	Information Technology Solutions Office
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

847. The implementation of this recommendation is at an advanced stage, and it will be completed by the end of 2021. The recommended mechanism has been designed, and it will be published before the target date.

³⁷ [A/72/5/Add.8](#), chap. II.

Report of the Board for the year ended 31 December 2017³⁸

848. **In paragraph 16 of the Board's report, UNFPA agreed with the Board's recommendation to formalize the enterprise risk management policy to guide staff at country offices and supplement the guidance in place for managing the enterprise risks.**

Departments responsible: Division for Management Services and Office of the Executive Director

Status: Under implementation

Priority: High

Target date: First quarter of 2022

849. There has been significant progress in developing the enterprise risk management policy, which will be issued before the end of 2021, to guide the new enterprise risk management process to be put in place from 2022.

Report of the Board for the year ended 31 December 2019³⁹

850. **In paragraph 76 of its report, the Board recommended that UNFPA and its Mozambique and Myanmar country offices update inventory transactions in a timely manner and accurately record them, in order to avoid inaccurate financial reporting for management decision-making.**

Departments responsible: Country offices in Mozambique and Myanmar

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

851. At the end of each month, the country office in Myanmar ensures that the shipment tracker focal point works together with the logistics focal point for reconciliation to ensure that all transactions (delivery slips) are captured in the shipment tracker. In addition, management nominated an alternate shipment tracker focal point to support the timely updating of the shipment tracker, which the country office management will continue to facilitate.

852. The country office in Mozambique strengthened the in-house capacity by hiring additional staff and ensuring compliance with the updating and management of the shipment tracker. In addition, the country office is planning to incorporate a staff member to assume the role of logistics focal point (as required by the UNFPA policies and procedures on the management of programme supplies), to be based in Pemba (northern Mozambique), in order to ensure that movements of goods are scrutinized and the inherent supporting documents are issued and routed to the shipment tracker focal point in due time. These measures are expected to be completed before the end of 2021.

853. **In paragraph 95 of its report, the Board recommended that the UNFPA country office in Ethiopia monitor on a daily basis the temperature and humidity of the warehouse, and keep respective logs.**

³⁸ A/73/5/Add.8, chap. II.

³⁹ A/75/5/Add.8, chap. II.

<i>Department responsible:</i>	Country office in Ethiopia
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

854. The country office in Ethiopia is in the advanced stages of discussions with the World Food Programme, which manages the warehouse, to ensure the implementation of the actions suggested in the above recommendation.

855. In paragraph 124 of its report, the Board recommended that the UNFPA country offices in Ethiopia, Mozambique and Myanmar take measures to improve and strengthen the monitoring and correct use of the global programming system to promote effective and efficient management of the use of the system among implementing partners.

<i>Departments responsible:</i>	Country offices in Ethiopia, Mozambique and Myanmar
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

856. The country office in Myanmar has nominated and trained five staff members as focal points for the global programming system. There has been a series of training sessions on the system for programme and finance teams and implementing partners in order to promote their understanding of its effective use. Management will continue to monitor the use of the system for compliance.

857. The country office in Mozambique will be delivering additional training on the global programming system in the second week of October 2021 that will include all implementing partners. During 2020, most of the implementing partners that were spot-checked by UNFPA teams also received refresher training on the system, and this practice of spot checks will continue throughout 2021.

858. The country office in Ethiopia plans to conduct capacity-building training for its implementing partners on programme management, specifically on the use of the global programming system. That activity is scheduled to take place in two rounds during August and September 2021. Another round of refresher training will also be conducted for UNFPA staff during the same period.

859. In paragraph 165 of its report, the Board recommended that the UNFPA country 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.

<i>Departments responsible:</i>	Country offices in Ethiopia, Mozambique and Myanmar
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2022

860. The travel monitoring tool developed by the country office in Myanmar and reviewed by the Board is still in use. The office has been reviewing and implementing some changes to adapt to specific situations, as deemed necessary.

861. As one of its solutions, the country office in Mozambique is tracking travel using a travel log. In addition, the office participates in the inter-agency business operations strategy initiative and has included sourcing for a long-term arrangement for travel.

862. A new global travel module will be part of the ongoing implementation of the enterprise resource planning system.

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 2020⁴⁰

863. Table 30 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

Table 30
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>
External Relations, Strategy, Knowledge and Innovation Division	1	–	–	1	1	–
Global Solutions Division	1	–	1	–	–	–
Management, Advisory and Compliance Service	2	–	–	2	2	–
Regional Office for Asia and the Pacific	1	–	1	–	–	–
Multiple offices	1	–	–	1	1	–
Total	6	–	2	4	4	–

864. Table 31 summarizes the status of implementation of all recommendations of the Board as of August 2021.

Table 31
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>
External Relations, Strategy, Knowledge and Innovation Division	2	–	–	2	2	–
Global Solutions Division	1	–	1	–	–	–
Management, Advisory and Compliance Service	15	–	4	11	11	–
Regional Office for Africa	4	–	3	1	1	–
Regional Office for Arab States	1	–	–	1	1	–

⁴⁰ A/76/5/Add.9, chap. II.

<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>
Regional Office for Asia and the Pacific	1	–	1	–	–	–
Multiple offices	1	–	–	1	1	–
Total	25	–	9	16	16	–

865. **In paragraph 24 of its report, the Board recommended that the United Nations Human Settlements Programme (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.**

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

866. UN-Habitat will review all transfers made to implementing partners, accounts payable on all grants that ended as at 31 December 2020 and operationally closed grants, and take necessary actions. Regular monitoring measures will also be put in place to ensure the timely clearance of advances to implementing partners, the timely closure or clearance of accounts payable and the timely closure of grants.

867. **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
Target date: Fourth quarter of 2021

868. UN-Habitat will ensure that the recommended adjustments for the payroll costs of the two grants are processed and will also put in place a monitoring mechanism to ensure that no further payroll charges are posted against closing grants.

869. **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
Target date: Fourth quarter of 2021

870. UN-Habitat will institute mechanisms to ensure that cash counts are conducted at every year-end closing. It will also review outstanding cash accounts for separated staff and take appropriate action. In addition, standard operating procedures for petty cash will be reviewed and updated to include a provision for opening cash journals in both the national currency and the United States dollar, as is required in the Lao People's Democratic Republic.

871. In paragraph 41 of its report, the Board recommended that UN-Habitat closely monitor and control project budget implementation and perform regular reconciliations to ensure that project expenditures or commitments are incurred within the approved allotments. The Board recommended that UN-Habitat allow for proper authorizations before any redeployment is incurred.

Department responsible: Regional Office for Africa
Status: Closure requested
Priority: Medium
Target date: Not applicable

872. UN-Habitat project management offices have been performing regular monitoring of their project budgets in line with the financial rules and regulations of the United Nations. Furthermore, no release of budget is approved in excess of the cash received from the donors, in order to mitigate any cash overruns in the grants. A request for authorization is sent to donors in line with the terms of the cooperation agreement. In addition, a grant performance status report is shared regularly by the Management, Advisory and Compliance Service that highlights any key issues regarding expense-related allotments, for relevant action by the project managers. An expenditure report is also shared with the Director of the Regional Office for Africa on a monthly basis. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

873. In paragraph 48 of its report, the Board recommended that UN-Habitat put more effort into negotiation with donors and make rational forecasts on the projects that they are likely to acquire.

Department responsible: Regional Office for Africa
Status: Closure requested
Priority: Medium
Target date: Not applicable

874. The Regional Office for Africa has increased its resource mobilization efforts, resulting in an increase in its portfolio in 2020 and 2021. It was able to fundraise a total of \$32.32 million for 13 projects from January 2020 to May 2021. The Office is also responding to emerging issues such as the COVID-19 pandemic, the conflict in Burkina Faso and the volcanic eruption in the Democratic Republic of the Congo. Fundraising activities have been incorporated in the workplans of Human Settlements Officers, and a regular review of any pending contributions is conducted every six months.

875. The Regional Office for Africa is extensively engaged with new ways of fundraising based on contact with philanthropic organizations and the private sector, and also through intra-United Nations cooperation. It has appointed two goodwill ambassadors to profile the value of urbanization in Africa. Regular communications

are held with Member States to fulfil their voluntary contributions to UN-Habitat. The Director has been reaching out to traditional donors at the headquarters level to build new momentum and expand collaboration at the country level. It is further noted that, in the budget earmarked for 2022, the Office specified only hard-pipeline projects to ensure that it reflected a realistic budget. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

876. In paragraph 53 of its report, the Board recommended that UN-Habitat prepare the quarterly progress reports as required in the strategic plan for the period 2020–2023, to provide comprehensive information for decision-making and future planning.

<i>Department responsible:</i>	External Relations, Strategy, Knowledge and Innovation Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

877. UN-Habitat is preparing the first quarterly report in line with this action item. It will be issued in September to cover the third quarter of 2021 and will be a standing component of the quarterly publication entitled “Urban Impact” that is shared with all Member States.

878. In paragraph 59 of its report, the Board recommended that UN-Habitat comply strictly with the UN-Habitat project-based management policy to ensure that substantive and financial aspects of project documents are reviewed and approved by the Project Advisory Group prior to the signing of funding agreements.

<i>Departments responsible:</i>	Regional Office for Africa and country office in Egypt
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

879. The project-based management policy has been replaced by the Project Review Committee guidelines. Nevertheless, under the country programme for Egypt, UN-Habitat is currently developing a checklist to ensure compliance with the audit recommendation to ensure that all upcoming contribution agreements are signed after the full project document has been reviewed and approved by the Committee (the new project approval group). The checklist will be implemented in parallel with the integrated planning, management and reporting system, which was launched in April 2021, to will ensure 100 per cent compliance.

880. The Regional Office for Africa has also incorporated the recommendation, and all projects are undergoing review by the Project Review Committee. The Committee is looking into all aspects of the proposal, comprising financial, human resources and programmatic aspects and associated risks.

881. In paragraph 66 of its report, the Board recommended that UN-Habitat take more proactive action in monitoring the validity of the agreements, to

ensure any extension amendments are signed in a timely manner, in compliance with the UN-Habitat policy for implementing partners.

Department responsible: Regional Office for Arab States
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

882. Under the country programme for Egypt, UN-Habitat has developed a tracking tool that includes the end date of all ongoing projects, and the responsible staff periodically send notifications to the programme officers concerned prior to the project expiration date.

883. In paragraph 72 of its report, the Board recommended that UN-Habitat improve the design of agreements of cooperation funded by different grants but with similar outputs, to avoid duplicated efforts.

Department responsible: Regional Office for Asia and the Pacific
Status: Closure requested
Priority: High
Target date: Not applicable

884. UN-Habitat took note of the recommendation. Although the observation made by the Board regarding the two agreements of cooperation reviewed were a one-off case, the country office in the Lao People's Democratic Republic now ensures that the design of agreements of cooperation is grant-specific. A reminder and a guidance memorandum to this effect have been issued by the head of the country office to all staff in that office in order to ensure compliance. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

885. In paragraph 79 of its report, the Board recommended that UN-Habitat keep close communications with donors so as to actively mobilize resources to achieve the expected results listed in the proposed budget.

Department responsible: Global Solutions Division
Status: Closure requested
Priority: High
Target date: Not applicable

886. At the corporate level, in 2020, UN-Habitat formalized its donor focal point system to enhance its strategic engagement with donors. The focal points subsequently developed in-depth donor analyses for a prioritized list of donors, and in January 2021, the Donor Relations and Strategic Resource Partnership Unit coordinated the development of a calendar of proposed meetings with executive and senior management to enhance the level of resources and broaden the donor base with the assistance of donor focal points, who provided support to facilitate the consultations. As a result, as of July 2021, some 27 high-level consultations had been held with senior and executive management, and 22 more are planned. Initial results

include new and returning donors to core contributions, including Egypt, Italy, Germany, Mexico, Portugal, Rwanda and Turkey.

887. In addition, a foundations and philanthropy platform was established in October 2020 to structure UN-Habitat engagement with financing partners from foundations, and this platform has made considerable progress in establishing a feasibility fund that is expected to be launched in October 2021 in order to finance the development of viable proposals to secure funding and investment for urban initiatives. Finally, resource mobilization has been adopted as an area of work of the Stakeholder Advisory Group Enterprise for outreach and advocacy for additional resources with stakeholders and their networks.

888. At the divisional level, several actions have already been taken as of August 2021 to implement the recommendation, as detailed below:

- Targeted engagement with donors has been initiated on the flagship programmes related to subprogrammes 2 and 3.
- Prioritization of soft-earmarked funding in line with the recalibration of the strategic plan to strengthen the normative components of subprogrammes 2 and 3.
- Proactive programme development, targeting pooled funding, including for subprogramme 3, and engagement with the climate-related Adaptation Fund, resulting in a growing portfolio in all regions.
- Strengthening of strategic partnerships with other United Nations agencies, allowing for joint resource mobilization.
- Promotion of more integrated programming in which programmes and projects primarily targeting subprogrammes 1 or 4 also have a potential additional positive impact on the outcomes of subprogrammes 2 and 3.

889. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

890. In paragraph 84 of its report, the Board recommended that UN-Habitat update its results-based management handbook according to the strategic plan for the period 2020–2023 and the results-based management policy.

<i>Department responsible:</i>	External Relations, Strategy, Knowledge and Innovation Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

891. The results-based management policy was updated and approved in October 2020. The results-based management handbook will be completed by the end of 2021.

892. In paragraph 93 of its report, the Board recommended that UN-Habitat strengthen the annual workplan management and its implementation, in accordance with the requirements of the UN-Habitat results-based management handbook.

<i>Department responsible:</i>	Regional Office for Africa
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

893. The Regional Office for Africa took note of this recommendation and has ensured the alignment of its annual workplan for 2021 with the UN-Habitat programme of work and strategic plan for the period 2020–2023. The workplan is developed during the annual retreat and agreed upon with Senior Human Settlements Officers with specific targets for the region. It is now monitored jointly by the Regional Office for Africa and the Regional Programmes Division. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

894. 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.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

895. 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.

896. 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.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

897. UN-Habitat will issue a memorandum to the Procurement Section of the United Nations Office at Nairobi and holders of UN-Habitat delegations of authority to remind them to ensure that comprehensive evaluations of vendor performance are conducted before processing any contract extension. A refresher training course for personnel working on contract management within UN-Habitat will be conducted. The existing demand planning tracking tool will be enhanced to include vendor performance and evaluation. In addition, regular random spot checks will be carried out by responsible units.

898. In paragraph 115 of its report, the Board recommended that UN-Habitat strengthen the internal control of procurement activities by periodically registering and updating vendor information in Umoja and creating and

approving purchase orders in a timely manner so as to avoid potential claims and disputes on the part of the vendors.

Department responsible: Regional Office for Africa
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

899. The Regional Office for Africa has incorporated the recommendation, all vendors are registered prior to any procurement process, and purchase orders are approved in a timely manner. For operations and control efficiency, the Office has appointed a regional Programme Management Officer to ensure compliance and quality control. At the corporate level, the Office, like all other regional offices, is now required to periodically forecast procurement needs, which are registered in a common SharePoint location.

900. This measure helps with monitoring and planning, ensuring that shopping carts and purchase orders are created and approved in a timely manner.

901. In paragraph 121 of its report, the Board recommended that UN-Habitat establish an alert mechanism to remind the personnel in charge of recruiting consultants and individual contractors of the maximum hiring periods.

Department responsible: Management, Advisory and Compliance Service
Status: Closure requested
Priority: Medium
Target date: Not applicable

902. UN-Habitat uses an established monitoring report that indicates any discrepancy with the prescribed maximum hiring periods. The report is reviewed, and individual alerts are sent to related hiring managers three months before the maximum occupancy time is reached to remind them of the limited hiring periods for consultants and individual contractors. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

903. In paragraph 131 of its report, the Board recommended that UN-Habitat strengthen the service contract management of individual contractors by limiting their service periods, and undertake interim evaluations of consultants and individual contractors, in compliance with the requirements of the administrative instruction on consultants and individual contractors.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

904. UN-Habitat will issue a memorandum to hiring managers to remind them of the maximum hiring periods and the importance of carrying out interim evaluations. In addition, hiring managers will be required to provide a written justification for approval by the Director of the Management, Advisory and Compliance Service of

exceptional extensions beyond six months and up to a maximum of nine months in accordance with the relevant administrative instruction, after which the individual contractor will be required to separate.

905. In paragraph 132 of its report, the Board recommended that UN-Habitat, in collaboration with the United Nations Office for Project Services (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
Target date: Fourth quarter of 2022

906. The Director of the Management, Advisory and Compliance Service, in collaboration with UNOPS, will revise the memorandum of understanding in line with the latest instructions and guidance.

907. In paragraph 140 of its report, the Board recommended that UN-Habitat follow the administrative instruction on temporary appointments to ensure that justifications for extending temporary appointments beyond 364 days are properly documented.

Department responsible: Management, Advisory and Compliance Service
Status: Closure requested
Priority: Medium
Target date: Not applicable

908. UN-Habitat has ensured that justifications for extending temporary appointments beyond 364 days are properly documented. No extensions beyond 364 days will be given without the written approval of the Director of the Management, Advisory and Compliance Service for exceptional extensions. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

909. 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
Target date: Fourth quarter of 2021

910. UN-Habitat will work to ensure that the required inter-agency organizational agreement is formalized and signed by both organizations.

911. In paragraph 154 of its report, the Board recommended that UN-Habitat appoint the ICT committee members on the basis of its new organizational structure.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

912. Requests for nominations will be sent to all divisional directors and regional representatives. Thereafter, the Executive Director will appoint the ICT committee members.

913. In paragraph 160 of its report, the Board recommended that UN-Habitat establish comprehensive controls, such as regular reconciliation and revision of data, to eliminate the inconsistency of records between the Project Accrual and Accountability System and Umoja.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

914. This recommendation has been overtaken by events owing to the launch of the Umoja integrated planning, management and reporting tool, the project management extension. Umoja is currently the only system of record for projects and related financial information, so there is no longer a need to synchronize it with a parallel system such as the Project Accrual and Accountability System. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

915. In paragraph 167 of its report, the Board recommended that UN-Habitat raise the data security awareness of staff to ensure the safekeeping of ICT devices.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

916. An email broadcast has been recirculated and will be circulated again at different intervals. Security training is listed among the mandatory training courses monitored by UN-Habitat under its delegation of authority, and standard operating procedures have been revised to incorporate data and device security. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

917. In paragraph 172 of its report, 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.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

918. UN-Habitat will conduct refresher training for staff members of its country office in Egypt on property with regard to the receipt and recording of purchased equipment, including generating barcodes and filling in the acquisition dates. Asset management training will also be carried out for all asset focal points.

919. In paragraph 181 of its report, 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.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

920. While it is not always possible to meet the requirement to finalize travel plans 16 calendar days in advance owing to circumstances that are beyond the control of UN-Habitat, such as late requests by donors and governments, UN-Habitat is monitoring travel compliance on a quarterly basis. However, it notes that, on the basis of the impact of the COVID-19 pandemic, its business model and the compliance rate require continued improvement.

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

921. In the annex to its report for the year ended 31 December 2020 ([A/76/5/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 63 recommendations that were determined 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.

922. Table 32 summarizes the overall situation as of August 2021.

Table 32

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>
Evaluation Unit	2	–	2	–	–	–
External Relations, Strategy, Knowledge and Innovation Division	4	–	3	1	1	–
Management, Advisory and Compliance Service	39	–	7	32	32	–
Office of the Executive Director	1	–	–	1	1	–
Regional Office for Asia and the Pacific	14	–	13	1	1	–
Regional Office for Latin America and the Caribbean	3	–	3	–	–	–
Total	63	–	28	35	35	–

Report of the Board for the year ended 31 December 2015⁴¹

923. In paragraph 54 of the Board's report, UN-Habitat agreed with the Board's recommendation that it: (a) identify the risks that might affect project implementation in advance of the execution phase to minimize the negative effects of delaying the intended benefits for the societies involved; and (b) plan and manage the recruitment process in the field office to ensure that there is timely and adequate staffing for improved project performance.

Department responsible: Management, Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

924. A new project risk management guide has been put in place that provides guidelines on how to manage risks, including those related to the recruitment process and to non-performance by implementing partners. The guide is expected to be approved by a committee on risk oversight and accountability. A risk register will be developed, as a priority, on the basis of this guidance.

Report of the Board for the year ended 31 December 2016⁴²

925. In paragraph 13 of the Board's report, UN-Habitat agreed with the Board's recommendation that the organization (a) conduct enterprise resource management awareness training to enable the country offices staff to acquire the skills and knowledge necessary for effective implementation of enterprise risk management; and (b) prepare the risk register in accordance with the UN-Habitat enterprise risk management guidelines and summarize all important risks and response strategies in order to mitigate risks in project implementation.

⁴¹ A/71/5/Add.9, chap. II.

⁴² A/72/5/Add.9, chap. II.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2022

926. A new project risk management guide has been put in place that provides guidelines on how to manage risks, including those related to the recruitment process and to non-performance by implementing partners. The preparation of the risk register will be given priority in the coming months.

927. In paragraph 23 of its report, the Board recommended that UN-Habitat (a) formulate strategies to minimize consultancy costs in accordance with its strategic objectives for the period 2014–2019; and (b) include minimization of consultancy costs in the results framework for tracking and reporting periodically.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

928. UN-Habitat adopted a new strategic plan for the period 2020–2023, in which it is not indicated that reductions in consultancy costs are a current objective. UN-Habitat notes that consultants are a valuable component of its workforce planning model and support short-term requirements during the financial austerity measures. UN-Habitat considers this recommendation to have been overtaken by events and requests its closure by the Board.

929. In paragraph 74 of the Board’s report, UN-Habitat agreed with the Board’s recommendation that the organization 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.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

930. UN-Habitat will monitor the conditional liabilities on a semi-annual basis in coordination with the United Nations Office at Nairobi, as the budget and finance service provider, to strengthen the monitoring of the implementation projects funded by conditional agreements.

931. The United Nations Office at Nairobi has prepared the interim financial statement for UN-Habitat as at 30 June 2021 and has reviewed and adjusted the revenue and conditional liability of European Union grants on the basis of the actual expenses and net assets reported in the grants as at 30 June 2021.

932. Similarly to the response below to the recommendation in paragraph 19 of the Board's report for 2019 (A/75/5/Add.9, chap. II), the United Nations Office at Nairobi has established a report that compares the grant agreement values with the total revenue and conditional liability for the grants. The Office has also implemented additional reviews of the grant agreements with the European Union to ensure that all conditional liabilities for the European Union agreements are correctly reflected in the accounting records. The standard operating procedure for grant approval and quality assurance is being updated.

Report of the Board for the year ended 31 December 2017⁴³

933. **In paragraph 15 of its report, the Board recommended that UN-Habitat: (a) ensure capacity-building programmes are conducted for all staff who have resource mobilization responsibilities at the country and regional levels; and (b) develop policy guidelines and circulate them to the regional and country offices as required under the results framework for the donor relations and income strategy.**

<i>Department responsible:</i>	External Relations, Strategy, Knowledge and Innovation Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

934. In December 2019, UN-Habitat conducted training on resource mobilization with all regional and headquarters staff. The policy guideline on donor visibility has already been finalized and circulated.

935. To enhance the capacity of staff who have resource mobilization responsibilities, internal coaching on resource mobilization and training on how the Donor Information System can support resource mobilization efforts was conducted. In addition, best practices on resource mobilization have been gathered from the regional offices for Africa, the Arab States, Asia and the Pacific, and Latin America and the Caribbean. In addition, the sharing of resource mobilization best practices has been included as an item in the monthly donor focal point meeting since June 2021, and two sessions have already been held. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

936. **In paragraph 19 of the Board's report, UN-Habitat agreed with the Board's recommendation that it ensure that substantive and financial aspects of project documents are reviewed and approved by the Project Advisory Group prior to the signing of funding agreements, as required by the UN-Habitat project-based management policy.**

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

⁴³ A/73/5/Add.9, chap. II.

937. UN-Habitat is ensuring that substantive and financial aspects of project documents are reviewed and approved by the Project Review Committee (previously the Project Advisory Group) prior to the signing of funding agreements, as required by the UN-Habitat project-based management policy, which has now been replaced by the Project Review Committee guidelines. Guidance and requirements regarding exceptions will be developed and communicated to staff members.

938. In paragraph 22 of its report, the Board recommended that UN-Habitat ensure documentation is in place whenever there is movement of assets in order to reduce the risk of losing assets.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

939. There is a module in Umoja for asset management, which is managed by the United Nations Office at Nairobi. Every staff member is required to complete a specified form referred to as an issue voucher and to sign for the equipment assigned to them. The staff member is also required to complete a specified form referred to as a handover voucher and to sign when transferring the asset to another staff member or location or back to the Organization when separating as part of their check-out process. No device is approved for removal from the complex unless a request in Umoja is initiated as a gate pass application and approved in the application by property management and security. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

940. In paragraph 32 of the Board's report, UN-Habitat agreed with the Board's recommendation that it: (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.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

941. UN-Habitat will review the payment system for implementing partners to ensure that realistic and achievable terms of payment are included in the agreements. UN-Habitat believes that, once the review has taken place, the challenges faced by the emergency and high-priority country programmes will also be addressed accordingly.

942. In paragraph 39 of the Board's report, UN-Habitat agreed with the Board's recommendation that it ensure that the country offices in Colombia and Brazil: (a) find safer outside locations to store their backups, which can be accessed by staff during disasters; and (b) develop disaster recovery and business continuity plans.

<i>Department responsible:</i>	Regional Office for Latin America and the Caribbean
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

943. UN-Habitat has implemented the off-site cloud-based system OneDrive, approved by the United Nations Secretariat. In addition to OneDrive, during the pandemic in 2020, all country offices, including those in Colombia and Brazil, developed backups on the Microsoft Teams platform in order to ensure access to information in the event of a crisis and from any location. During the same period, a business continuity plan was developed to ensure adaptation to the pandemic and in line with guidance in all countries. The regional offices and countries, including Colombia and Brazil, also complied with the UN-Habitat corporate business continuity plan and emergency response plan. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

944. In paragraph 44 of its report, the Board recommended that UN-Habitat establish management structures and administrative policies and procedures for the new hub arrangement that provide guidance on the day-to-day management of hub operations in the Regional Office for Latin America and the Caribbean.

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

945. Given the small size of the UN-Habitat structure in Latin America and the Caribbean, and in order to adapt to the reality of a middle-income country and the need to continue to provide sound policy advice to Member States in the region, the Regional Office for Latin America and the Caribbean adopted the “hub and spoke” model. The liaison with other countries (spokes) is based on specific opportunities and mechanisms such as working with other United Nations agencies.

946. The consolidation of the management structure and administrative policies of the offices has advanced in alignment with the UN-Habitat restructuring process that started in 2018 and in line with the rules and procedures of the United Nations Secretariat that apply to all units of UN-Habitat. The structure functions on the basis of the strong alignment of UN-Habitat headquarters-based functions, including oversight in administration, budget and compliance matters, and has provided guidance on the day-to-day management of hub operations in the Regional Office for Latin America and the Caribbean. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

947. In paragraph 51 of the Board’s report, UN-Habitat agreed with the Board’s recommendation that the Regional Office for Latin America and the Caribbean develop an action plan to ensure that core activities are performed by staff members.

<i>Department responsible:</i>	Regional Office for Latin America and the Caribbean
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

948. UN-Habitat took note of the audit recommendation. All regional teams are now led by staff members who are responsible for core activities and with the support of non-staff personnel as needed. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

949. In paragraph 55 of its report, the Board recommended that UN-Habitat comply with the administrative instruction on consultants and individual contractors (ST/AI/2013/4) by utilizing the roster in the selection of consultants and individual contractors to ensure that competent and experienced consultants and individual contractors are selected.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

950. The consultancy module of the Inspira system only allows the selection of consultants from the roster. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

951. In paragraph 59 of the Board's report, UN-Habitat agreed with the Board's recommendation that it ensure that field offices: (a) adhere to the results-based management policy on reporting by incorporating analyses of the logical frameworks into their progress reports; and (b) prepare annual workplans for their activities in line with the approved programme of work for the biennium.

<i>Department responsible:</i>	External Relations, Strategy, Knowledge and Innovation Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

952. With the United Nations Secretariat-wide Umoja integrated planning, management and reporting module now in place and in use, all projects will be reported against an approved logical framework embedded in the system. Under its mandate, the Programme Review Committee monitors and reports on select approved projects (complex, high-risk, high-learning) under implementation.

953. With the Programme Review Committee and the integrated planning, management and reporting template, it can be shown how all projects are linked to the annual programmes of work and budget of UN-Habitat. The regional offices and country offices prepare annual workplans that are aligned with the approved new strategic plan for the period 2020–2023 and the programme of work. The workplans

are jointly monitored by the respective regional offices and the Regional Programmes Division.

Report of the Board for the year ended 31 December 2018⁴⁴

954. **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.**

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

955. UN-Habitat will conduct a complete analysis of the registers associated with the grants, including the cases observed by the Board, to identify the current status of the amounts delivered to implementing partners and received from conditional agreements. A compliance review of the signed agreements will also be conducted and, where applicable, a request for reimbursement of the resources provided will be made and accounting entries for the transactions will be corrected.

956. **In paragraph 22 of its report, the Board recommended that UN-Habitat evaluate the application of impairment provisions to advances accounts.**

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: High
Target date: First quarter of 2022

957. UN-Habitat commenced a full review of implementing partner agreements of cooperation, and on the basis of the findings, it will take necessary action, including initiating discussions with the United Nations Office at Nairobi to review the findings and to agree on solutions for areas that require their engagement.

958. **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.**

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

⁴⁴ A/74/5/Add.9, chap. II.

959. UN-Habitat will enhance project supervision and internal control in its policy for implementing partners to prevent grants under which no accounting transactions have been made for an extended period from remaining in force. It will introduce a reporting mechanism for regularly alerting project managers to inactive implementing partners.

960. 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

Target date: Fourth quarter of 2021

961. UN-Habitat will reaffirm the aspects of General Assembly resolution 67/226 to ensure that all projects fully fund the direct costs and that the UN-Habitat core budget does not subsidize project activities.

962. In paragraph 53 of its report, the Board recommended that UN-Habitat include detailed documentation of each project in the project accrual and accountability system in order to support their execution and corresponding progress.

Department responsible: Management, Advisory and Compliance Service

Status: Closure requested

Priority: High

Target date: Not applicable

963. UN-Habitat upgraded the Project Accrual and Accountability System and integrated the full project cycle, including functionalities for project monitoring. In addition, all approved project documents were uploaded to the System. However, during the further enhancement of the System to reflect the new organizational structure, the United Nations Secretariat introduced a new integrated planning, management and reporting module in Umoja that was rolled out in December 2020, so the enhancement was not required. The integrated planning, management and reporting solution is a holistic, end-to-end project management tool spanning multiple Umoja modules. It is used to manage the life cycle of United Nations programmes and projects from beginning to end and is based on the concept of results-based management (results-based planning, budgeting and reporting). A project document is automatically created in the tool, and the System will facilitate the enforcement of project monitoring and reporting. It is important to note that the upgrade of the System took longer than expected owing to the financial constraints on UN-Habitat, so it could not be completed earlier. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

964. In paragraph 54 of its report, the Board, considering that UN-Habitat manages projects worldwide, recommended that UN-Habitat improve the controls related to updated information, established in paragraph 36 of the project-based management policy.

<i>Department responsible:</i>	External Relations, Strategy, Knowledge and Innovation Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

965. The project-based management policy of 2016 has been replaced by the Project Review Committee guidelines of 2020, and improved controls have been put in place to govern project approval and management. Additional controls related to accountabilities have been provided by the integrated planning, management and reporting system. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

966. In paragraph 62 of its report, the Board recommended that UN-Habitat incorporate in the project accrual and accountability system the midterm and/or end-of-project evaluations for all its projects.

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

967. In 2016, UN-Habitat initiated an online evaluation recommendation tracking system that was integrated with the project accrual and accountability system. In 2019, UN-Habitat launched a second version of the project accrual and accountability system that included an evaluation module, which has improved the workflow for evaluation planning, implementation and reporting. The module makes it possible to upload, edit, list and filter planned and completed UN-Habitat evaluations including the midterm and final evaluations. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

968. In paragraph 63 of its report, the Board, considering that UN-Habitat manages projects worldwide, recommended that UN-Habitat improve the controls related to the evaluation reports, established in paragraph 19 of the project-based management policy.

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

969. Please refer to the comments of UN-Habitat above relating to the recommendation in paragraph 62 of the Board's report. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

970. In paragraph 67 of its report, the Board recommended that UN-Habitat update its internal manuals, such as the project-based management policy and the project accrual and accountability system guidelines and manual, to clearly

establish Umoja and its extensions as the system that gives support to the different duties performed by the entity.

<i>Department responsible:</i>	External Relations, Strategy, Knowledge and Innovation Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

971. UN-Habitat no longer uses the project-based management policy of 2016, which has been replaced by the Project Review Committee guidelines of 2020 and the results-based management policy. Improved controls have been put in place to govern project approval and management. The project accrual and accountability system guidelines and manual are also no longer relevant for project management, as they have been replaced by the integrated planning, management and reporting system, which is the project management extension of Umoja. Umoja is currently the only record entry system for projects and related financial information. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

972. 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.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

973. The issue of travel costs for consultants wrongly classified under staff costs was identified and then fixed through an enhancement to Umoja. All trips after 1 September 2019 are mapped to the correct expense class.

974. UN-Habitat will review travel expenses to identify any incorrect charges in the staff/personnel travel class and will apply the manual corrections accordingly to fully address the audit recommendation.

975. 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>Target date:</i>	Fourth quarter of 2021

976. Please refer to the comments of UN-Habitat above relating to the recommendation in paragraph 77 of the Board's report.

977. In paragraph 79 of its report, the Board recommended that UN-Habitat strengthen measures to identify and reclassify expenses and clearly set out the scope and frequency of controls.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

978. Please refer to the comments of UN-Habitat above relating to the recommendation in paragraph 77 of the Board's report.

979. In paragraph 87 of its report, the Board recommended that the Regional Office for Latin America and the Caribbean align the preparation of the quarterly travel plans for the Mexico City hub with the provisions established in the project cycle procedures manual of 2017 to ensure appropriate authorization of travel.

Department responsible: Regional Office for Latin America and the Caribbean
Status: Closure requested
Priority: Medium
Target date: Not applicable

980. The Regional Office for Latin America and the Caribbean updated the travel procedures manual to ensure that travel is adequately approved in a timely manner. Quarterly travel plans are prepared regularly and approved in a timely manner. Moreover, the 21-day travel rule is applied in all cases by the Management, Advisory and Compliance Service at headquarters, and the Regional Office for Latin America and the Caribbean complies with the requirements. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

981. In paragraph 107 of its report, the Board recommended that each administrative level of UN-Habitat develop a comprehensive risk catalogue in accordance with the enterprise risk management implementation guidelines put in place by the organization.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

982. Owing to the financial constraints on UN-Habitat, there has been limited capacity in the organizational unit responsible for enterprise risk management. Nevertheless, enterprise risk management and the development of the risk register will be a priority for UN-Habitat in the coming months.

983. In paragraph 108 of its report, the Board recommended that UN-Habitat facilitate and validate the risk documentation made by each of its regional

offices, thus offering a more comprehensive view of the difficulties and risk factors that affect the regions and ways to reduce local risks.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

984. Owing to the financial constraints on UN-Habitat, there has been limited capacity in the organizational unit responsible for enterprise risk management. Nevertheless, enterprise risk management and the development of the risk register will be a priority for UN-Habitat in the coming months.

985. In paragraph 127 of its report, the Board recommended that UN-Habitat improve the monitoring of staff annual leave to ensure that all leave is requested and approved by supervisors before being taken.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

986. UN-Habitat has started conducting periodic monitoring to ensure that staff members apply for annual leave and that such leave is approved by managers before staff members take it. UN-Habitat is working with both the United Nations Office at Nairobi and Headquarters on ensuring that effective reporting tools are available to monitor leave approvals.

987. 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.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

988. UN-Habitat is working with both the United Nations Office at Nairobi and Headquarters on ensuring that effective reporting tools are available to determine any instances of excess annual or sick leave requiring financial recovery.

989. In paragraph 132 of its report, the Board recommended that UN-Habitat management devise a suitable mechanism to ensure better coordination between the entity and the Office of Internal Oversight Services (OIOS) for the complete and comprehensive reporting of cases of fraud and presumptive fraud.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

990. UN-Habitat devised a mechanism to ensure better coordination in order to ensure complete and comprehensive reporting of cases of fraud and presumptive fraud. It has developed guidelines to establish effective control over the management of cases of allegations of unsatisfactory conduct involving its staff members, to support timely corrective actions and to strengthen accountability and transparency in those cases. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2019⁴⁵

991. In paragraph 19 of its report, the Board recommended that UN-Habitat establish sufficient controls for legally enforceable agreements in order to have voluntary contributions correctly accounted during the same year in which they become binding.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

992. UN-Habitat and the United Nations Office at Nairobi have put in place controls intended to ensure that contribution agreements are recorded in the financial year in which they become legally enforceable. However, those controls will be revisited. As part of the amended standard operating procedure of the Budget and Financial Management Service of the Office, a specific procedure will be put in place. In addition, UN-Habitat currently communicates regularly with the Programme Management Officers and project teams to provide confirmation that all agreements signed as of the end of a given period have grants created and approved by the Office and that the revenue has been recorded in the correct period.

993. The United Nations Office at Nairobi has established a report that compares the grant agreement values with the total revenue and conditional liability for the grants. The Office has also implemented additional reviews of the grant agreements with the European Union to ensure that all conditional liabilities for the European Union agreements are correctly reflected in the accounting records. The standard operating procedure for grant approval and quality assurance is being updated.

994. In paragraph 55 of its report, the Board recommended that the Sri Lanka and Afghanistan country offices, together with the Regional Office for Asia and the Pacific, comply with the implementing partners' policy by extending the agreements of cooperation and their amendments prior to their expiration date, thereby avoiding uncovered periods in the agreement.

⁴⁵ [A/75/5/Add.9](#), chap. II.

Department responsible: Regional Office for Asia and the Pacific
Status: Closure requested
Priority: High
Target date: Not applicable

995. With the support of the Regional Office for Asia and the Pacific, the country office in Sri Lanka has taken all measures, including initiating a tracking sheet for the entire period of the agreement of cooperation, to ensure timely action in order to avoid late extensions in the future. It should be noted that, after the visit of the Board of Auditors to Sri Lanka in February 2020, there has not been any new agreement of cooperation under the Sri Lanka country office, and the agreement identified at the time of audit has since elapsed and been closed. The country office has taken measures to ensure full compliance with the policy under all upcoming agreements of cooperation.

996. In order to ensure the timely extension of community agreements before their expiration, a tracker has been developed in Excel for all ongoing projects in Afghanistan, in which all of the related information, including the start and end dates of individual contracts, released payments to end beneficiaries and details of bank accounts, are accurately reflected and maintained by the Grant and Contract Management Unit at the country level. The agreement of cooperation identified at the time of the audit was extended, and that process was started in advance of the expiration of the agreement. The country office has taken measures to ensure full compliance with the agreement of cooperation under all upcoming agreements of cooperation and the extension of existing ones. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

997. In paragraph 56 of its report, the Board recommended that the Cambodia and the Lao People's Democratic Republic country offices, together with the Regional Office for Asia and the Pacific, ensure that funds are released and instalments are paid on time to implementing partners in accordance with the agreements.

Department responsible: Regional Office for Asia and the Pacific
Status: Closure requested
Priority: Medium
Target date: Not applicable

998. The country office in Cambodia, in consultation with the Regional Office for Asia and the Pacific, notifies the implementing partners to provide the audit report and financial report in a timely manner in order to process the payment according to the agreed schedule. The country office prepared and shared the tracking table, which included information on the signed agreements, payment milestones and the closure of the agreements.

999. The administrative and finance officer at the country office in the Lao People's Democratic Republic maintains a tracking table for all agreements of cooperation to monitor their payment status, liaises with the implementing partners and prepares the required documents in good time for the Regional Office for Asia and the Pacific to ensure the timely disbursement of funds. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1000. **In paragraph 57 of its report, the Board recommended that the Afghanistan, the Lao People’s Democratic Republic and the Philippines country offices, together with the Regional Office for Asia and the Pacific, ensure that the deadlines for the achievement of deliverables are met, along with the timely scheduled payment of instalments, in order to improve the implementation of projects with implementing partners, as planned.**

Department responsible: Regional Office for Asia and the Pacific

Status: Closure requested

Priority: Medium

Target date: Not applicable

1001. Regarding the country office in the Philippines, the situation on the ground was affected by varied factors, such as severe weather conditions, the restriction of movement and insufficient availability of supplies due to the COVID-19 pandemic, and slow site development and turnover of buildable lots by the Government, which are necessary before house construction can begin. Nevertheless, adjustments were made in coordination with the Government, and strategies were developed to complete the construction of shelters within the project timeline. Aside from the workplan adjustment, a weekly monitoring tool was developed for comparing actual accomplishments to expected outputs. Regular reports were also submitted to the donors and the Government of the Philippines.

1002. The country office in the Lao People’s Democratic Republic maintains the above-mentioned tracking table for agreements of cooperation to monitor the status of instalments, which are triggered by the achievement of deliverables. The table helps in liaising with the implementing partners in good time to ensure the timely submission of deliverables and subsequently the timely disbursement of funds by the Regional Office for Asia and the Pacific, in order to improve the implementation of projects. The country office takes all possible steps, but external factors such as COVID-19-related lockdowns and severe weather events, which are beyond the control of the office, can cause delays.

1003. In Afghanistan, a large number of construction projects implemented at the community level fail to adhere to their original contract timeline. The main factor that causes delays in such infrastructure projects is poor security. Released payments to individual end beneficiaries are accurately reflected in the tracking tool, and the associated reports are being reviewed by the grant and finance sections. Payments to the end beneficiaries are conditional upon the submission of substantive financial and progress reports supported by photographs substantiating project progress. All instalments are linked to specific outputs, and progress milestones are delivered or achieved by the end beneficiaries in line with the proposed workplan under the mutually countersigned agreements between UN-Habitat and community-based organizations. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1004. **In paragraph 58 of its report, the Board recommended that the Sri Lanka country office and the Regional Office for Asia and the Pacific take measures to properly approve the payments to the implementing partners in accordance with the agreement’s mandatory requirements, which should be received prior to or at the time of the payment requests.**

<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 2022

1005. UN-Habitat will monitor payments in accordance with the terms and conditions of the agreements, the Financial Regulations and Rules of the United Nations, and specifically the IPSAS delivery principle.

1006. In paragraph 77 of its report, the Board recommended that the Philippines country office and the Regional Office for Asia and the Pacific, together with UN-Habitat headquarters, take the measures necessary to ensure that the maximum amounts for community agreements are reviewed and clearly established in a formal instrument.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

1007. UN-Habitat will formalize the financial limit for community agreements.

1008. In paragraph 78 of its report, the Board recommended that the Philippines country office, together with the Regional Office for Asia and the Pacific, ensure that the achievement of deliverables deadlines is met and the scheduled payment of instalments released in order to improve the implementation of projects developed through community agreements.

<i>Department responsible:</i>	Regional Office for Asia and the Pacific
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1009. The country office in the Philippines has developed a tracking table to monitor the schedule of payment instalments released to ensure that the deadlines for deliverables are met. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1010. In paragraph 88 of its report, the Board recommended that the Afghanistan country office and the Regional Office for Asia and the Pacific issue a formal document that provides guidelines for the personnel contracted by non-United Nations entities, in order to ensure a proper recruitment process performed by these entities.

Department responsible: Regional Office for Asia and the Pacific
Status: Closure requested
Priority: High
Target date: Not applicable

1011. The country office in Afghanistan, with the support of the Regional Office for Asia and the Pacific, has developed a standard operating procedure for the management of contracted personnel from non-United Nations entities in Afghanistan. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1012. In paragraph 108 of its report, the Board recommended that the Afghanistan country office and the Regional Office for Asia and the Pacific monitor the non-United Nations entity, in order to ensure that it performs a proper recruitment process.

Department responsible: Regional Office for Asia and the Pacific
Status: Closure requested
Priority: High
Target date: Not applicable

1013. The country office in Afghanistan, with the support of the Regional Office for Asia and the Pacific, has developed a checklist, as part of the standard operating procedure, to monitor the recruitment of contracted personnel from non-United Nations entities. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1014. In paragraph 119 of its report, the Board recommended that the Philippines country office and the Regional Office for Asia and the Pacific, in cooperation with the United Nations Development Programme (UNDP), assure the timely compliance with the services provided by the individual contractors regarding the agreed and scheduled deliverables established in the contracts.

Department responsible: Regional Office for Asia and the Pacific
Status: Closure requested
Priority: Medium
Target date: Not applicable

1015. The country office in the Philippines has established an Excel-based monitoring system to track the deliverables of individual contractors and the corresponding payments. The due dates set per deliverable are marked on the calendars of the human resources personnel, project managers and concerned staff as reminders once a week for a number of weeks in order to remind them of the upcoming due dates. With this monitoring measure, the project staff are notified in advance to facilitate submissions and the timely processing of payments. Where necessary, in the case of unavoidable project delays, UN-Habitat sends timely requests to UNDP for the extension of contracts. The processing of contractor payments is discussed during regular biweekly meetings of the country office. UNDP has also developed a system-generated reminder for deliverables. UN-Habitat

considers this recommendation to have been implemented and requests its closure by the Board.

1016. 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.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1017. UN-Habitat worked with the United Nations Office at Nairobi to correct the reported cases. It will provide the Board with evidence of the corrections that were made during the next audit visit by the Board.

1018. 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
Target date: Fourth quarter of 2021

1019. UN-Habitat worked with the United Nations Office at Nairobi to correct the reported cases. It will provide the Board with evidence of the corrections that were made during the next audit visit by the Board.

1020. 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
Target date: Fourth quarter of 2021

1021. At present, the lunch break time is not stated in the information circular for the United Nations Office at Nairobi. A revision of the circular would be needed and is being assessed.

1022. In paragraph 153 of its report, the Board recommended that UN-Habitat review the quantity of overtime per month, with an emphasis on those that exceed the allowed limit of 40 hours, and require the exceptional approval every time that this ceiling is exceeded.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

1023. Please refer to the comments of UN-Habitat above relating to the recommendations in paragraphs 150 and 152 of the Board's report.

1024. In paragraph 164 of its report, the Board recommended that the Regional Office for Asia and the Pacific make efforts to conduct the annual leave requests and approvals in a timely manner through Umoja, so that annual leave is approved before being used.

<i>Department responsible:</i>	Regional Office for Asia and the Pacific
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1025. The Regional Office for Asia and the Pacific has developed and implemented a leave, travel and mission monitoring table that includes the leave start date and the approval date in Umoja. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1026. In paragraph 165 of its report, the Board recommended that the Regional Office for Asia and the Pacific improve the monitoring process in Umoja, performing periodic and timely reviews of the annual leaves of staff members, in order to avoid having annual leave being requested and approved after being used.

<i>Department responsible:</i>	Regional Office for Asia and the Pacific
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1027. The Regional Office for Asia and the Pacific has developed and implemented a leave monitor system in which a leave monitor has been assigned to each staff member. The staff member has full responsibility for presenting the evidence to the leave monitor that their leave has been approved in Umoja before they take it. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1028. In paragraph 175 of its report, the Board recommended that UN-Habitat determine the delegations of authority of staff members through the delegation of authority online portal, pursuant to Secretary-General's bulletin [ST/SGB/2019/2](#), resolving any discordance detected with the assigned Umoja roles.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1029. UN-Habitat completed a review of all active delegations of authority and ensured that appropriate roles were issued in Umoja and that the roles relating to all inactive delegations were revoked or expired, as applicable. It will provide the Board with the required evidence for review during the next audit visit by the Board.

1030. In paragraph 183 of its report, the Board recommended that UN-Habitat adjust the roles with conflict consistently with the Security Liaison Officer workbook and the Umoja roles guide, to comply with a correct segregation of duties.

Department responsible: Management, Advisory and Compliance Service
Status: Closure requested
Priority: Medium
Target date: Not applicable

1031. UN-Habitat performed a comprehensive review of role conflicts dating back to the Umoja roll-out in 2015 and has resolved all role conflicts. In addition, the ICT team regularly reviews user roles to prevent role conflicts and enhance the segregation of duties in line with the quarterly report generated in Umoja. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1032. In paragraph 184 of its report, the Board recommended that UN-Habitat perform periodic reviews of Umoja roles established in the access control for the United Nations Secretariat systems ICT technical procedure, as applicable.

Department responsible: Management, Advisory and Compliance Service
Status: Closure requested
Priority: Medium
Target date: Not applicable

1033. UN-Habitat currently performs comprehensive and regular reviews of Umoja user roles in order to prevent role conflicts and enhance the segregation of duties. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1034. 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
Target date: Fourth quarter of 2021

1035. UN-Habitat will further enrich the original asset data converted from the legacy system to Umoja.

1036. 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
Target date: Fourth quarter of 2021

1037. UN-Habitat will ensure that the asset custodians are its staff members.

1038. 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
Target date: Fourth quarter of 2021

1039. UN-Habitat will put in place a mechanism 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.

1040. 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.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1041. UN-Habitat will put in place a mechanism to 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.

1042. 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.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1043. UN-Habitat will 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.

1044. 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.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1045. UN-Habitat will 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 to ensure there are appropriately assigned useful lives and residual values to the assets, as established under IPSAS 17.

1046. In paragraph 237 of its report, the Board recommended that the Sri Lanka country office and the Regional Office for Asia and the Pacific assess and determine the disposal of the three vehicles that are not planned to be assigned to immediate projects. In this assessment, the vehicle that has been fully depreciated should also be included.

Department responsible: Regional Office for Asia and the Pacific
Status: Closure requested
Priority: Medium
Target date: Not applicable

1047. The Regional Office for Asia and the Pacific, with the assistance of UN-Habitat headquarters, reviewed the need to dispose of all vehicles that were not in use or were fully depreciated, and the vehicles have been auctioned. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1048. **In paragraph 238 of its report, the Board recommended that the Sri Lanka country office and the Regional Office for Asia and the Pacific improve the measures taken to ensure that the vehicles awaiting use are in good condition. This means proper maintenance, which should include routine general check-ups of the vehicles, and adequate storage.**

Department responsible: Regional Office for Asia and the Pacific
Status: Closure requested
Priority: Medium
Target date: Not applicable

1049. In addition to the four vehicles recommended for disposal in paragraph 237 of the Board's report, two more vehicles that were parked at the office and were not intended to be used were auctioned. The remaining vehicles are required for ongoing projects and are maintained in good condition. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1050. **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.**

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1051. 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 so as to improve the payment system.

1052. **In paragraph 258 of its report, the Board recommended that the Philippines country office and the Regional Office for Asia and the Pacific formalize the use of the workspaces provided by the Food and Agriculture Organization of the United Nations (FAO).**

Department responsible: Regional Office for Asia and the Pacific
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1053. UN-Habitat will formalize the use of the office space provided by FAO. With regard to the leasing of workspace from FAO by UN-Habitat, following confirmation by the Assistant FAO Representative for Administration on 14 July 2021, FAO will no longer bill UN-Habitat for the use of workspace beyond the original lease agreement. A written confirmation to this effect will be obtained by UN-Habitat.

1054. **In paragraph 267 of its report, the Board recommended that the Philippines country office and the Regional Office for Asia and the Pacific improve the monitoring process of the lease agreements, in partnership with**

UNDP, in order to enforce these agreements properly and in a timely manner, avoiding any inconsistencies with regard to the use of the facilities.

Department responsible: Regional Office for Asia and the Pacific
Status: Closure requested
Priority: Medium
Target date: Not applicable

1055. The new lease for the period from 31 March to 31 December 2020 was signed on 31 March 2020. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1056. In paragraph 281 of its report, the Board recommended that the Regional Office for Asia and the Pacific ensure the timely compliance with the requirements of official travel, in particular the timely approval in advance of the commencement of travel and submission of travel expense reports after the completion of said travel, including recording exceptions to those requirements.

Department responsible: Regional Office for Asia and the Pacific
Status: Closure requested
Priority: Medium
Target date: Not applicable

1057. UN-Habitat clarified that justifications for travel requested fewer than 16 days in advance were systematically and automatically documented in Umoja. For operational reasons, the 16-day rule cannot always be satisfied because, in some instances, staff members are invited by government partners at short notice or must attend emergency activities. In such cases, the justifications are documented in Umoja.

1058. The Regional Office for Asia and the Pacific has developed and implemented a travel monitor system in which a travel monitor has been assigned to each staff member. The staff member has full responsibility for presenting the evidence to the travel monitor that their travel request has been approved in Umoja before they travel and that their expense report has been submitted for approval no more than 14 days after they return to their duty station. The leave and travel monitors have the right to request the staff member to prove that their leave has been approved in Umoja before they take it. This system has been updated, and all staff of the Regional Office for Asia and the Pacific were reminded of it in July 2021. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1059. 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.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: First quarter of 2022

1060. The ICT Committee is expected to resume meetings from October 2021.

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 2020⁴⁶

1061. Table 33 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

Table 33

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 for Management	2	–	–	2	2	–
Division for Operations	1	–	–	1	1	–
Independent Evaluation Section	2	–	–	2	2	–
Office of the Executive Director	2	–	–	2	2	–
Multiple offices	1	–	–	1	1	–
Total	8	–	–	8	8	–

1062. Table 34 summarizes the status of implementation of all recommendations of the Board as of August 2021.

Table 34

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	3	–	–	3	3	–
Division for Operations	1	–	–	1	1	–
Division for Policy Analysis and Public Affairs	1	–	–	1	1	–
Independent Evaluation Section	2	–	–	2	2	–
Office of the Executive Director	2	–	–	2	2	–
Regional Office for the Middle East and North Africa	4	–	3	1	1	–
Multiple offices	1	–	–	1	1	–
Total	14	–	3	11	11	–

1063. In paragraph 24 of its report, the Board recommended that United Nations Office on Drugs and Crime (UNODC) headquarters, together with the UNODC country office in Afghanistan, continue to take the measures related to

⁴⁶ A/76/5/Add.10, chap. II.

the critical full cost recovery tier faced by the country office and manage the actions tending to approach a desirable or manageable full cost recovery level.

<i>Departments responsible:</i>	Division for Management, Division for Operations and country office in Afghanistan
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2023

1064. In the context of the budget planning exercise for the period 2022–2023, the UNODC country office in Afghanistan has reviewed its cost structure and identified efficiencies that would potentially reduce the full cost recovery rate. The country office will continue to review its core office set-up and its cost structure, with a view to identifying efficiencies, and support the implementation of projects in order to ensure good delivery rates. The situation is monitored monthly, including through the full cost recovery barometer mechanism.

1065. In paragraph 34 of its report, the Board recommended that UNODC carry out a risk assessment in the strategic, governance, compliance, operations and financial pillars, as included in the Secretariat’s risk universe, and update the risk register and the risk response and treatment plan accordingly.

<i>Department responsible:</i>	Office of the Executive Director
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

1066. A revision of the institutional risk register and the risk response and treatment plan is planned during 2021, in line with the revised Secretariat-wide risk assessment and taking into account the areas listed in the recommendation, as well as emerging risks.

1067. In paragraph 35 of its report, the Board recommended that UNODC update the risk areas and/or categories on the risk register and risk profile as a product of the consideration of new emerging risks.

<i>Department responsible:</i>	Office of the Executive Director
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

1068. Please refer to the comments of UNODC above relating to the recommendation in paragraph 34 of the Board’s report.

1069. In paragraph 42 of its report, the Board recommended that the UNODC Regional Office for the Middle East and North Africa carry out a proper risk register and risk response and treatment plan, considering the reality of the Regional Office and the main risks that might affect its operations.

<i>Department responsible:</i>	Regional Office for the Middle East and North Africa
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

1070. The risk register and the risk response and treatment plan for the Regional Office for the Middle East and North Africa are under elaboration. They will take into account the risks at all locations covered by the Regional Office.

1071. In paragraph 51 of its report, the Board recommended that UNODC define, through a formal document and in a comprehensive way, the form, duties, responsibilities, expected results and geographical coverage for its field office network structure.

<i>Department responsible:</i>	Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2022

1072. The Division for Operations has drafted a proposal for the structure and nomenclature of field offices, which is to be discussed among all divisions. The proposal includes a description of the role and purpose of the field offices network, the criteria for the review of field offices and a new form of classification along revised categories, including respective functions and geographical coverage. The proposal also has financial considerations that directly relate to ongoing discussions within the interdivisional working group to review the UNODC funding model.

1073. In paragraph 58 of its report, the Board recommended that the UNODC Regional Office for the Middle East and North Africa develop an organization chart with clear reporting lines, responsibilities and graphic representation of each section and/or unit within its structure, to be published in the next annual internal oversight report for UNODC.

<i>Department responsible:</i>	Regional Office for the Middle East and North Africa
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1074. The Regional Office for the Middle East and North Africa has implemented the recommendation by updating its organization chart. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1075. In paragraph 65 of its report, the Board recommended that UNODC update and align the management instruction regarding the Programme Review Committee with the current composition, roles, functions and organization of work.

<i>Department responsible:</i>	Division for Policy Analysis and Public Affairs
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

1076. The review of management instructions by the interdivisional working group led by the Office of the Executive Director is ongoing. The management instruction relating to the Programme Review Committee is scheduled for review during the third quarter of 2021 and is expected to be finalized by the end of 2021.

1077. 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>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1078. All the annual project progress reports for 2020 were approved in June 2021. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1079. In paragraph 74 of its report, the Board recommended that the 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.

<i>Department responsible:</i>	Regional Office for the Middle East and North Africa
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1080. The Regional Office for the Middle East and North Africa monitors whether the segregation of duties is respected and takes corrective measures as necessary. No cases of non-compliance with the segregation of duties were found in the most recent round of annual project progress reports. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1081. In paragraph 83 of its report, the Board recommended that UNODC carry out the mandatory evaluations as required under the current evaluation policy, especially with those projects with no evaluation performed during their life cycle.

<i>Department responsible:</i>	Independent Evaluation Section
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2022

1082. In line with the project document and revision process, the Independent Evaluation Section of UNODC is consulted on a mandatory basis regarding provisions for evaluation in projects and programmes. The new web-based evaluation management application, Unite Evaluations, ensures that all evaluation plans (including the intended year of evaluation and reserved budget) are included and therefore monitored. However, UNODC acknowledges that there may still be gaps in evaluation coverage. The Section will continue to discuss and confirm appropriate evaluation planning during all project and programme approval and revision processes through its participation in the Programme Review Committee.

1083. In paragraph 84 of its report, the Board recommended that UNODC assess whether current deadlines for the programme and/or projects evaluations remain applicable, in order to build this process more realistically and achievably within the life cycle of the programmes and/or projects. If not, the evaluation policy should be updated and aligned with the specific needs of UNODC.

<i>Department responsible:</i>	Independent Evaluation Section
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2022

1084. UNODC acknowledges that current evaluation types and processes may not be appropriate or possible for all projects. The Independent Evaluation Section will review current processes and evaluation requirements and identify evaluation types and options that will ensure accountability and learning for UNODC projects and programmes while also meeting the United Nations reform requirements for more strategic evaluations. The results of the process and evaluation requirements review will provide input for the revision of the UNODC evaluation policy, which is currently being undertaken.

1085. In paragraph 95 of its report, the Board recommended that UNODC make the necessary efforts to ensure the completion of the mandatory information security awareness course by its staff members.

<i>Department responsible:</i>	Division for Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2022

1086. As of June 2021, 92 per cent of the staff of UNODC had completed the information security awareness course. The Human Resources Management Service continues to follow up with staff who have not completed the course. Staff who join the organization have six months from their employment start date to complete the mandatory courses.

1087. **In paragraph 96 of its report, the Board recommended that UNODC remind its staff members of the mandatory course and their duty to comply with that requirement on a regular basis.**

Department responsible: Division for Management
Status: Under implementation
Priority: High
Target date: First quarter of 2022

1088. The Human Resources Management Service continues to send periodic “general” reminders through its newsletter and by following up with individual staff members. The Service will conduct an awareness campaign during the third and fourth quarters of 2021 to ensure that the compliance rate for all staff increases, which will include individual reminders and lunchtime informational sessions for staff on how to enrol on and complete all mandatory courses.

1089. **In paragraph 103 of its report, the Board recommended that UNODC undertake efforts to conclude the incident response plan, in accordance with the provisions established in the Secretariat’s information and communications technology technical procedure.**

Department responsible: Division for Management
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1090. The Information Technology Service aims to conclude the incident response plan by the fourth quarter of 2021.

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

1091. In the annex to its report for the year ended 31 December 2020 (A/76/5/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 15 recommendations that were determined 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.

1092. Table 35 summarizes the overall situation as of August 2021.

Table 35
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	5	–	2	3	3	–
Division for Operations	2	–	2	–	–	–
Division for Policy Analysis and Public Affairs	3	–	–	3	3	–
Multiple offices	5	–	2	3	3	–
Total	15	–	6	9	9	–

Report of the Board for the year ended 31 December 2015⁴⁷

1093. In paragraph 86 of its report, the Board recommended that UNODC consider the scope for simplifying the reporting structure, for example, by only reporting changes from the previous submissions, through better use of graphics to show progress against targets, and through inclusion of key expenditure data to identify departures from the agreed forecasts and to highlight reasons for variances in spending and activity.

<i>Departments responsible:</i>	Division for Treaty Affairs, Division for Operations and Division for Policy Analysis and Public Affairs
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

1094. The implementation of this recommendation is in progress. While all existing and historic projects have been successfully transferred to the integrated planning, management and reporting solution in Umoja Extension 2, the dashboard functionality and the functionality for the monitoring and approval of data are being enhanced. Once these enhancements have been rolled out, a revamped reporting system will be put in place. It is anticipated that the effective use of dashboards and automated reporting functionalities will allow project managers to identify departures from forecasts and reasons for variances. The monitoring application will also allow for the use of graphics and will feed into dashboards for project managers.

Report of the Board for the year ended 31 December 2016⁴⁸

1095. In paragraph 62 of its report, the Board recommended that UNODC set up standards for accessibility of field office premises.

⁴⁷ A/71/5/Add.10, chap. II.

⁴⁸ A/72/5/Add.10, chap. II.

<i>Department responsible:</i>	Division for Operations
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

1096. UNODC developed a guidance note on disability inclusion for field offices, which was finalized and circulated in July 2021. The note provides some standard pointers and suggestions for the implementation of the UNODC/United Nations Office at Vienna action plan on disability inclusion, which was launched in December 2020 in line with the system-wide United Nations Disability Inclusion Strategy. The note aims to enhance the knowledge base on improving how UNODC delivers technical assistance and to mainstream disability inclusion in UNODC mandate areas as members of United Nations country and regional teams; and provides an orientation on United Nations guidelines on disability-inclusive language along with key concepts and definitions. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1097. In paragraph 63 of its report, the Board recommended that UNODC consider cooperating with UNDP to implement standards for accessibility in UNDP-administered premises.

<i>Department responsible:</i>	Division for Operations
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

1098. Please refer to the comments of UNODC above relating to the recommendation in paragraph 62 of the Board's report. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2017⁴⁹

1099. In paragraph 99 of its report, the Board recommended that UNODC review the Programme section of the Programme and Operations Manual, update it as soon as possible and keep it up-to-date and accurate.

<i>Departments responsible:</i>	Division for Policy Analysis and Public Affairs, Division for Operations and Division for Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

1100. Work on a programme and operations guidance map is ongoing. A SharePoint page accessible to all UNODC personnel has been set up and will provide links to relevant guidance on programmes and operations that is already available. Revision

⁴⁹ A/73/5/Add.10, chap. II.

of the management instructions is still ongoing and is expected to be finalized by the end of 2021.

1101. In paragraph 101 of its report, the Board recommended that UNODC make the knowledge in the Programme and Operations Manual available in such a way that users can easily print a copy.

Department responsible: Division for Policy Analysis and Public Affairs
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1102. Please refer to the comments of UNODC above relating to the recommendation in paragraph 99 of the Board's report. Users of the programme and operations guidance map will easily be able to print copies of all the instructions and guidance documents that are uploaded to the SharePoint page.

1103. In paragraph 107 of its report, the Board recommended that UNODC integrate the Handbook for Results-Based Management and the 2030 Agenda for Sustainable Development and the document "UNODC: The Integrated Programme Approach (IPA): A 'How To' Guide" into the Programme and Operations Manual.

Department responsible: Division for Policy Analysis and Public Affairs
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1104. Please refer to the comments of UNODC above relating to the recommendation in paragraph 99 of the Board's report. The programme and operations guidance map will be available as a SharePoint page by the fourth quarter of 2021.

1105. In paragraph 183 of its report, the Board recommended that UNODC analyse the root causes of the reasons for ex post facto procurement cases and establish specific measures to prevent the recurrence of such cases.

Department responsible: Division for Management
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1106. UNODC conducted an analysis of the root causes of ex post facto procurement cases. The results were documented and reviewed to ensure that recurrences of ex post facto cases are prevented. A tool to monitor ex post facto cases has been fully developed and training on the use of the tool will have been conducted for all regions by the end of the fourth quarter of 2021.

Report of the Board for the year ended 31 December 2018⁵⁰

1107. **In paragraph 49 of its report, the Board recommended that UNODC: (a) formalize the electronic endorsement by the Programme Review Committee on the basis of proper justification in a revised management instruction on the Committee; and (b) keep a record of the documents.**

Department responsible: Division for Policy Analysis and Public Affairs
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1108. Please refer to the comments of UNODC above relating to the recommendation in paragraph 65 of the Board's report for 2020 (A/76/5/Add.10, chap. II). The management instruction relating to the Programme Review Committee is scheduled for review during the third quarter of 2021 and it is expected that the review will be finalized by the end of 2021.

1109. **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: Closure requested
Priority: High
Target date: Not applicable

1110. The revised management instruction on field office reporting on programme and operational issues and the respective templates were approved by the Executives Committee of the United Nations Office at Vienna and UNODC in April 2021. The revised management instruction includes a provision on ensuring adequate segregation of duties. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1111. **In paragraph 100 of its report, the Board recommended that UNODC management devise a suitable mechanism to ensure better coordination between the entity and the Office of Internal Oversight Services for the complete and comprehensive reporting of cases of fraud and presumptive fraud.**

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

⁵⁰ A/74/5/Add.10, chap. II.

1112. UNODC has reconciled the reported cases of fraud and presumptive fraud with both the Office of Internal Oversight Services and the Office of Programme Planning, Finance and Budget in the Department of Management Strategy, Policy and Compliance of the Secretariat for completeness and accuracy. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2019⁵¹

1113. In paragraph 39 of its report, the Board recommended that UNODC make the necessary efforts in order to ensure that all the entity's fixed assets that must be derecognized every financial year are removed from the financial statements in a timely manner and ensure that no assets are transferred to beneficiaries before approval from the Local Property Survey Board/Headquarters Property Survey Board, as appropriate.

Department responsible: Division for Management
Status: Closure requested
Priority: High
Target date: Not applicable

1114. Monthly reports of asset records are run in order to check for the correctness of the records and the nature of asset acquisitions. Regular online training sessions are held with field offices on asset derecognition and other property management issues, and separate procedures have already been established for the disposal of assets to end beneficiaries in order to ensure proper and timely reflection in UNODC accounts. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1115. In paragraph 50 of its report, the Board recommended that UNODC improve the internal controls for the service receipt process to ensure that proper evidence is provided regarding the receipt of every service.

Department responsible: Division for Management
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1116. UNODC will continue with the knowledge-sharing sessions emphasizing the requirement of proper internal controls and timely processing. In addition, detailed guidance on the goods and services receipt process issued through the client support portal and as part of the year-end instructions will be reissued to highlight the importance of timely invoice payment processing, including accurate receipt of goods and services.

1117. In paragraph 93 of its report, the Board recommended that UNODC make the necessary efforts to ensure that all staff submit their travel requests, security clearances and expense reports in a timely manner, in accordance with the applicable regulations.

⁵¹ A/75/5/Add.10, chap. II.

<i>Departments responsible:</i>	Division for Management, Division for Operations, Division for Policy Analysis and Public Affairs, Division for Treaty Affairs and field offices
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1118. Owing to the COVID-19 pandemic, which continued into 2021, all UNODC travel was confronted with multiple restrictions, which at times had been lifted or imposed at short notice, many times resulting in last-minute changes or cancellations of meetings and related travel. Furthermore, airlines have changed fares by increasing and promoting more flexibility and refund options. Given this operating environment, the most recent compliance rates have been significantly affected and their interpretation is challenging. Nevertheless, and with the outlook of a potentially more stable travel environment, UNODC is currently making further efforts to increase compliance rates by sharing related information more regularly and increasing the number and frequency of training for staff on the most salient points of the United Nations travel policy, including the advance purchase requirement. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1119. 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 into the Unite Docs website.

<i>Departments responsible:</i>	Division for Management of UNODC and Department of Operational Support, Department of Management Strategy, Policy and Compliance and Office of Information and Communications Technology of the Secretariat
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

1120. The United Nations Office at Vienna and UNODC are part of a working group composed of staff members and managers from United Nations Headquarters and the United Nations Offices at Geneva, Nairobi and Vienna whose main functions are related to personnel records management. The draft administrative instruction on personnel records requires extensive communication and negotiation among all duty stations, and is expected to be finalized during the fourth quarter of 2021.

1121. 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>Target date:</i>	Fourth quarter of 2021

1122. The disaster recovery plan was updated in April 2021. Corrections and updates have been incorporated and UNODC is planning to perform a disaster recovery exercise during the fourth quarter of 2021.

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 2020⁵²

1123. Table 36 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

Table 36
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>
Finance Group	5	–	–	5	5	–
Information Technology Group	1	–	–	1	1	–
Risk Unit	1	–	–	1	1	–
Sustainable Investments in Infrastructure and Innovation	1	–	–	1	1	–
Total	8	–	–	8	8	–

1124. Table 37 summarizes the status of implementation of all recommendations of the Board as of August 2021.

Table 37
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>
Finance Group	10	–	–	10	10	–
Headquarters Contracts and Property Committee	1	–	1	–	–	–
Information Technology Group	4	–	–	4	4	–
Procurement Group	1	–	–	1	1	–
Risk Unit	1	–	–	1	1	–

⁵² A/76/5/Add.11, chap. II.

<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>
Shared Services Centre	2	–	–	2	2	–
Sustainable Investments in Infrastructure and Innovation	2	–	–	2	2	–
Total	21	–	1	20	20	–

1125. **In paragraph 25 of its report, the Board recommended that the United Nations Office for Project Services (UNOPS) reassess the necessity of elaborating detailed processes on the recognition of non-exchange revenue in line with IPSAS.**

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1126. For 2020, the non-exchange revenue received by UNOPS was \$5.7 million (0.49 per cent of the total revenue). UNOPS will strengthen its procedures to ensure that non-exchange revenue in the form of a grant is correctly identified and recorded as such at the time of receipt, to ensure compliance with IPSAS 23.

1127. **In paragraph 31 of its report, the Board recommended that UNOPS set up a separate account for the growth and innovation reserve in due time, develop relevant policies and maintain appropriate compliance, to ensure prudent management of the reserve.**

Department responsible: Finance Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1128. UNOPS is in the process of setting up a new account for the growth and innovation reserve. UNOPS continues to monitor the relevant policies around its management of reserves.

1129. **In paragraph 38 of its report, the Board recommended that UNOPS conduct a thorough risk reassessment of the existing investments and establish mechanisms to measure and control the risk concentration to avoid excessive exposures to any single partner.**

Department responsible: Sustainable Investments in Infrastructure and Innovation
Status: Under implementation
Priority: High
Target date: First quarter of 2022

1130. Each project has been reviewed individually and even stronger risk mitigation measures have been put in place. Not a single new investment has been made with a single partner since January 2020 and the initial exposure has been reduced and is well in line with the policy on thresholds for investments in any sector, geographical location or partner.

1131. In paragraph 47 of its report, the Board recommended that UNOPS establish the necessary procedures to strengthen the risk assessment and ongoing monitoring of its S3I initiative investments to ensure the safety of the investments.

Department responsible: Sustainable Investments in Infrastructure and Innovation

Status: Under implementation

Priority: Medium

Target date: First quarter of 2022

1132. The monitoring procedures have been strengthened and now include monthly progress narrative and financial reports; periodic audits and forensic reviews, as required; UNOPS quarterly business reviews; and ongoing reviews and advice by the initiative's Advisory Group on Investments.

1133. In paragraph 58 of its report, the Board recommended that UNOPS review its policies on bad debt allowance for S3I initiative investments and consider complementing the specific measurement methods of the allowance for estimated irrecoverable amounts.

Department responsible: Finance Group

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2021

1134. UNOPS will enhance the process around irrecoverable debts for the investments under the Sustainable Investments in Infrastructure and Innovation initiative by introducing formal procedures to reasonably estimate the value of irrecoverable amounts in relation to investments under the initiative.

1135. In paragraph 65 of its report, the Board recommended that UNOPS strengthen the guidance on evaluating specific components such as the service provided and the associated risk to balance over-cost engagements and under-cost engagements when applying the existing pricing model to memorandums of understanding.

Department responsible: Finance Group

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2022

1136. UNOPS has started to analyse the different pricing variations and to work on a pricing model for the memorandums of understanding. Given the complexity of UNOPS services and the differences in the currently active memorandums of

understanding, UNOPS foresees that this process will be concluded as part of its workplan for 2022.

1137. 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.

Department responsible: Finance Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1138. UNOPS is currently reviewing and updating its policy framework around the documentation and verification of the risk increment part of its pricing policy.

1139. In paragraph 79 of its report, the Board recommended that UNOPS implement a linkage of engagements and memorandums of understanding in oneUNOPS and establish a clear reference between Engagement Acceptance Committee decisions and pricing deviations in the engagement file in oneUNOPS to monitor the process.

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1140. UNOPS has launched a new feature in its Enterprise Portfolio and Project Management system to ensure that a linkage between individual engagements and applicable memorandums of understanding is documented and is also aligned with the recording of pricing deviations.

1141. In paragraph 86 of its report, the Board recommended that UNOPS take measures to strengthen the accountability of personnel involved and develop a time schedule to expedite the launch of system enhancements to track disposal processes.

Department responsible: Shared Services Centre
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

1142. The specifications for a system-captured workflow for asset disposal processes have been prepared and shared with the Information Technology Group, which will develop a system to enhance disposal processes.

1143. In paragraph 94 of its report, the Board recommended that UNOPS formulate the budget estimates of strategic investments based on expected

expenses in compliance with IPSAS 24 and thus make budget a reliable criterion for evaluation and performance management.

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1144. UNOPS management is implementing the recommendation in connection with the formulation of the UNOPS budget estimates for the biennium 2022–2023 (see [DP/OPS/2021/6](#)).

1145. In paragraph 101 of its report, the Board recommended that UNOPS link the strategic investments budget with its corresponding outcome and performance indicators.

Department responsible: Finance Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1146. UNOPS management is implementing the recommendation in connection with the formulation of the UNOPS budget estimates for the biennium 2022–2023 (see [DP/OPS/2021/6](#)).

1147. In paragraph 107 of its report, the Board recommended that UNOPS improve the review process and reports by including information on corresponding expenditures in reports together with targets and performance indicators.

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

1148. UNOPS management will include the related reporting in future annual reports of the Executive Director.

1149. In paragraph 114 of its report, the Board recommended that UNOPS develop effective measures to strengthen the controls around postings related to assets.

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1150. UNOPS will put measures in place to further strengthen the controls around postings related to assets and cost adjustments to assets.

1151. In paragraph 120 of its report, the Board recommended that UNOPS strengthen the guidance and oversight on inputting purchase orders and contract information to ensure that the data captured in oneUNOPS are correct.

Department responsible: Procurement Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1152. UNOPS is working on the implementation of this recommendation and its actions include: (a) the improvement of technical guidelines on the creation of purchase orders and contracts in the oneUNOPS modules; (b) the improvement and regular oversight of data quality; and (c) the conduct of training sessions with procurement practitioners on the importance of accurate data entry.

1153. In paragraph 126 of its report, the Board recommended that UNOPS strengthen the monitoring of progress to ensure that all regional director's reasons for departure from local Contracts and Property Committee recommendations are well written and documented as required by the rules.

Department responsible: Headquarters Contracts and Property Committee
Status: Closure requested
Priority: Medium
Target date: Not applicable

1154. UNOPS has already implemented the necessary measures that were recommended by the Board and requests the closure of this recommendation by the Board.

1155. In paragraph 133 of its report, the Board recommended that UNOPS review and update its business continuity and disaster recovery plan, including defining the objective of recovery time and developing the test and verification scripts for each service, to ensure effective performance as expected.

Department responsible: Information Technology Group
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

1156. UNOPS is undertaking a migration of its business systems to a cloud-based service. In conjunction with the migration, a new backup platform is being implemented that will be integrated into the UNOPS business continuity plan and disaster recovery policies and processes.

1157. In paragraph 139 of its report, the Board recommended that UNOPS take effective measures to integrate complete delegation of authority assignment

information in oneUNOPS and establish automated mechanisms to ensure that transactions are processed within the scope of the delegated authorities.

Department responsible: Information Technology Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1158. In order to mitigate the risks in having a manual process, UNOPS has developed a new role and delegation of authority assignment tool, which was released in early March 2021. The tool is currently being rolled out to all offices.

1159. In paragraph 145 of its report, the Board recommended that UNOPS conduct a comprehensive review of roles assigned in oneUNOPS to guarantee the strict matching of roles and delegations of authority in compliance with the delegation of authority and accountability framework and establish an effective mechanism to periodically control user access provisioning/deprovisioning and segregation of roles.

Department responsible: Information Technology Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1160. In order to mitigate the risks in having a manual process, UNOPS has developed a new role and delegation of authority assignment tool, which was released in early March 2021. The tool is currently being rolled out to all offices, and dashboards and reports are available for management to review access.

1161. In paragraph 153 of its report, the Board recommended that UNOPS take effective measures to enhance account security for all user accounts and update the relevant security policy based on best practices.

Department responsible: Information Technology Group
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2022

1162. UNOPS is currently enrolling its user base in multi-factor authentication. Once all UNOPS user-facing services have transitioned to use multi-factor authentication, UNOPS will update its password policy to not require password changes but instead rely on the much more secure multi-factor authentication mechanisms to keep accounts secure.

1163. In paragraph 159 of its report, the Board recommended that UNOPS, as part of the expected enhancement of corporate risk management, assess the feasibility of incorporating corporate risks into oneUNOPS and verify that the risk management operational instruction reflects the UNOPS strategic direction regarding this subject.

<i>Department responsible:</i>	Risk Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Third quarter of 2022

1164. UNOPS plans to address this recommendation as part of its corporate risk management enhancement.

1165. In paragraph 165 of its report, the Board recommended that UNOPS strengthen travel management by developing clear and applicable measures to encourage advance booking by personnel and ensure economical use of resources.

<i>Department responsible:</i>	Shared Services Centre
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2022

1166. UNOPS has added instructions on the policy for advance booking in the travel authorization guidance and requested that justification for non-compliance with the provision be provided prior to approval. The request for justification has also been mirrored in the corporate tool, in which no ticket can be issued without the provision of a reason code for booking less than seven days in advance of the departure date. UNOPS is currently developing an overall travel authorization and daily subsistence allowance automation system, which will further strengthen the systematic application of the policy provision and monitor any deviations, as it will capture all travel that is not captured by the corporate travel tool currently.

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

1167. In the annex to its report for the year ended 31 December 2020 (A/76/5/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 24 recommendations that were determined 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.

1168. Table 38 summarizes the overall situation as of August 2021.

Table 38
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	8	–	1	7	7	–
Information Technology Group	1	–	–	1	1	–
Infrastructure and Project Management Group	6	–	3	3	3	–
Procurement Group	4	–	4	–	–	–
Shared Services Centre	4	–	4	–	–	–
Sustainable Investments in Infrastructure and Innovation	1	–	–	1	1	–
Total	24	–	12	12	12	–

Report of the Board for the year ended 31 December 2016⁵³

1169. In paragraph 87 of its report, the Board recommended that UNOPS establish and adopt a sustainability screening tool to screen projects against sustainability standards at the design stage, fixing sustainability targets and deliverables to facilitate the monitoring of progress during the life of project.

<i>Department responsible:</i>	Infrastructure and Project Management Group
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1170. UNOPS welcomes the Board's acknowledgement that UNOPS is an output-based organization and the assessment that UNOPS has made progress in terms of addressing sustainability considerations. However, pursuant to decision 2021/1 of the Executive Board of UNDP, UNFPA and UNOPS, UNOPS will again bring the audit recommendations in paragraphs 87, 95 and 102 of the Board's report for 2016 to the Board's attention to seek consensus on closing those recommendations in a way that addresses the intent and recognition of the unique UNOPS business model, that is, having a set of indicators for general reporting in line with United Nations data standards but within the scope of the non-programmatic implementation mandate of UNOPS and with due consideration given to its business model. UNOPS was established as a service provider and a demand-driven, self-financing organization that supports the outcomes and impact of its partners, as reconfirmed by the Executive Board in its decision 2020/20 on the midterm review of the UNOPS strategic plan for 2018–2021 (DP/OPS/2020/5).

1171. Both the current UNOPS strategic plan for 2018–2021 (DP/OPS/2017/5) and the new strategic plan for 2022–2025 (DP/OPS/2021/5), which was endorsed by the Executive Board in its decision 2021/20 at its second regular session in 2021, articulate a clear ambition to embed sustainable implementation approaches to realize tangible outputs in the implementation of projects. The position of UNOPS on reporting on the Sustainable Development Goals is that “countries achieve and report

⁵³ A/72/5/Add.11, chap. II.

on them, and the United Nations system provides support based on mandates, expertise and comparative advantages”. Furthermore, the new strategic plan sets out the alignment of UNOPS planning and reporting with its unique business model at the output level and explicitly refers to the data standards for the United Nations.

1172. It is therefore at the national level that the Sustainable Development Goals are framed by means of key performance indicators, and the establishment of links between the individual project outputs and the outcomes and impacts of the key performance indicators for the Sustainable Development Goals is not possible. UNOPS, in several comments to the Board to date, has set out the aim and means of incorporating activities within its projects that could benefit the many dimensions of sustainability, but these activities are limited to outputs, and the role of UNOPS ends at the successful handover of outputs as it delivers projects on behalf of its partners.

1173. The UNOPS position and details on reporting are set out in the midterm review of the UNOPS strategic plan for 2018–2021, which refers to the initial framework for monitoring and reporting on its sustainable implementation approaches. That framework was endorsed by the Executive Board in its decision 2019/20 on the budget estimates for the biennium 2020–2021 (see [DP/2020/2](#)). UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1174. In paragraph 95 of its report, the Board recommended that UNOPS incorporate sustainability targets and deliverables into project initiation documents, for mandatory screening and monitoring, measurement and reporting of sustainability contributions at all stages of the project life cycle, from engagement acceptance, quarterly assurance and project progress reports to project closure reports.

<i>Department responsible:</i>	Infrastructure and Project Management Group
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

1175. Please refer to the comments of UNOPS above relating to the recommendation in paragraph 87 of the Board’s report. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1176. In paragraph 102 of its report, the Board recommended that UNOPS establish a standard procedure for sustainability results reporting at the output and outcome levels by capturing data throughout the business process, to be measured against predefined sustainability standard indicators, targets and deliverables, and having the results validated through a verification mechanism.

<i>Department responsible:</i>	Infrastructure and Project Management Group
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

1177. Please refer to the comments of UNOPS above relating to the recommendation in paragraph 87 of the Board’s report. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1178. **In paragraph 156 of its report, the Board recommended that UNOPS review its existing standard operating procedures relating to vendor database management to ensure that it has a strong system of checks with defined formats for data, data validation and alerts regarding duplicates in the oneUNOPS system, in order to enhance the quality of data sets.**

Department responsible: Information Technology Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1179. UNOPS is conducting a review of the vendor database to assess whether more clean-up is possible. It is important, however, to recognize that the United Nations Global Marketplace data are not owned by UNOPS and that the UNOPS enterprise resource planning system holds the vendor data of all personnel, which by nature are not registered in the United Nations Global Marketplace database.

Report of the Board for the year ended 31 December 2017⁵⁴

1180. **In paragraph 48 of its report, the Board recommended that UNOPS initiate the process of the financial closure of projects soon after they have been operationally closed, so as to complete the process within the stipulated period.**

Department responsible: Finance Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1181. UNOPS considers that it has made significant progress in the financial closure of its projects. In 2017, UNOPS had a compliance rate of 75 per cent. Since then, UNOPS not only has improved its compliance to a rate of 93 per cent, but also has managed to do so while the total number of projects to be closed increased to 432 in one year, resulting in an increase in the workload by 25 per cent. At the same time, the backlog of old projects was reduced by over 300 projects. The capacities and capabilities that UNOPS has established match its needs. While UNOPS will continue to strive for further improvements, it is seeking further guidance from the Board on the level of performance at which this recommendation can be closed.

1182. **In paragraph 73 of its report, the Board recommended that: (a) UNOPS strengthen its reporting and monitoring mechanism with respect to the mainstreaming of gender into projects, by ensuring that the documentation of gender mainstreaming becomes, as far as feasible, an intrinsic part of the project management process. UNOPS should also ensure the preparation of gender action plans by all gender focal points; and (b) the role of gender focal points be strengthened by providing necessary resources, such as time and a budget, for the effective implementation of their roles and responsibilities.**

⁵⁴ A/73/5/Add.11, chap. II.

<i>Department responsible:</i>	Infrastructure and Project Management Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

1183. UNOPS notes that part (b) of the recommendation was closed by the Board in 2019. In order to strengthen its reporting and monitoring mechanism on gender mainstreaming in projects and ensure the preparation of gender action plans by all gender focal points, in 2019 UNOPS released guidelines on gender mainstreaming in projects in order to help UNOPS project personnel to mainstream gender considerations into the projects that UNOPS delivers. The guidelines are to be used in conjunction with the UNOPS gender mainstreaming strategy and gender parity strategy and their associated action plans and policies.

1184. In addition, in the fourth quarter of 2020, UNOPS embedded in its Enterprise Portfolio and Project Management system (oneUNOPS Projects) a new “action plan” feature to support the project teams in establishing, inter alia, a gender action plan as informed by the results of the gender mainstreaming screening of their engagement.

1185. UNOPS also monitors the development of a gender action plan for the engagements that were screened positively against gender mainstreaming criteria during the engagement development and acceptance process. Close to 80 per cent of the engagements finalized in 2020 and 58 per cent of the engagements finalized in 2021 that were screened positively against gender mainstreaming criteria have a gender action plan in the oneUNOPS Projects system, which represents an improvement of 13.2 percentage points and 5.4 percentage points, respectively, since the first quarter of 2021. Noting that the project teams have three months to complete entries in the system after an engagement is finalized, this performance indicator is discussed at the regional level on a quarterly basis to ensure full compliance with the three-month post-engagement finalization timeline.

1186. Furthermore, UNOPS oversees the milestones of the gender action plans through the quarterly assurance process, the improved version of which was embedded within the oneUNOPS Projects system in January 2021. The results of that process can be consulted for each engagement in oneUNOPS Projects.

Report of the Board for the year ended 31 December 2018⁵⁵

1187. In paragraph 22 of its report, the Board recommended that UNOPS ensure that the review of project classification by the Integrated Practice Advice and Support unit or the Finance Group is captured in oneUNOPS to leave an appropriate audit trail.

<i>Department responsible:</i>	Finance Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

1188. UNOPS took the decision to embed the process of project classification within the Enterprise Portfolio and Project Management system (oneUNOPS Projects). The

⁵⁵ A/74/5/Add.11, chap. II.

interface for project classification is incorporated with the project budget workflow, whereby the project budget approval process includes the confirmation of review of project classification, providing an appropriate audit trail. The process of embedding project classification within oneUNOPS Projects is currently in progress.

1189. 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
Target date: Fourth quarter of 2021

1190. The process of automation of the corporate financial statements is currently in progress and is expected to be completed by the end of 2021.

1191. In paragraph 50 of its report, the Board recommended that UNOPS subject the property, plant and equipment to a systematic annual review to confirm the remaining useful life in line with IPSAS requirements.

Department responsible: Shared Services Centre
Status: Closure requested
Priority: High
Target date: Not applicable

1192. UNOPS carried out an annual review of assets still in service at the time of full depreciation in 2019 and 2020. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1193. In paragraph 170 of its report, the Board recommended that UNOPS incorporate the requirements of Prince 2 methodology in oneUNOPS to enable UNOPS to manage its projects in terms of the requirements of its Project Management Manual.

Department responsible: Infrastructure and Project Management Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2022

1194. The development of oneUNOPS Projects has continued to progress since the first quarter of 2020, although it is highly contingent on the availability of resources, thus requiring prioritization in the development of features and extended timelines to obtain a quality product.

1195. Owing to other outstanding requirements and resource constraints, UNOPS has not prioritized the transition of the project initiation document into oneUNOPS Projects for the coming year. The functional requirements for an online project initiation document have been completed and the document has been listed in the

backlog for further development. It is expected that development on this item will commence in late 2022.

1196. 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 one UNOPS.

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1197. The process of automation of the corporate financial statements is currently in progress and is expected to be completed by the end of 2021. The treasury management system was implemented during 2021. The inventory valuation element of this recommendation was addressed and was closed by the Board in its report for 2019 ([A/75/5/Add.11](#), chap. II, annex).

Report of the Board for the year ended 31 December 2019⁵⁶

1198. In paragraph 23 of its report, the Board recommended that UNOPS review its required minimum operational reserves and adhere to its policy of full cost recovery, so that the risks arising during the course of its operations are effectively met and surpluses are not accumulated over and above the realistically assessed operational reserves.

Department responsible: Finance Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1199. As directed by Executive Board decision 2020/8 (see [DP/2020/19](#)), UNOPS will undertake a review of its minimum operational reserves. The review will be presented to the Advisory Committee on Administrative and Budgetary Questions for review and will then be presented to the Executive Board during 2021.

1200. In paragraph 63 of its report, the Board recommended that UNOPS review the status of implementation of the projects, establish a more structured process for monitoring their progress, reassess the risks to its investments on the basis of actual progress against the benchmarks and take appropriate steps for mitigation measures.

⁵⁶ [A/75/5/Add.11](#), chap. II.

<i>Department responsible:</i>	Sustainable Investments in Infrastructure and Innovation
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2022

1201. UNOPS carefully reviewed the status of each project into which it had already invested or considered options for investing. The process is now reviewed from different perspectives by the team of professionals in the Sustainable Investments in Infrastructure and Innovation initiative, the UNOPS Senior Leadership Team and the initiative's Advisory Group on Investments, which is composed of 10 seasoned external experts. Constant review of risk mitigation measures is an integral part of the process.

1202. In paragraph 90 of its report, the Board recommended that UNOPS review and document the performance of the investment manager at intervals, as formalized in the statement of investment principles of January 2020.

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

1203. The supplier performance of the investment manager is formally evaluated against the contractual obligations in accordance with the prevailing procurement policies of UNOPS. The UNOPS procurement policies currently require supplier performance to be formally evaluated upon completion of the entire award, which in the case of the provident fund is in 2024. UNOPS management will work with the Board to establish a process through which the recommendation can be closed, in accordance with the UNOPS procurement processes and the review frequency prescribed therein.

1204. In paragraph 92 of its report, the Board recommended that UNOPS consider the performance of the investment manager against the objectives of the statement of investment principles, while considering a further extension of the agreement with the investment manager.

<i>Department responsible:</i>	Finance Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2022

1205. While the next time that the contract of the investment manager is considered for extension and the manager's performance is reviewed against the objectives of the statement of investment principles may be in 2022, the supplier performance of the investment manager is formally evaluated against the contractual obligations in accordance with the prevailing procurement policies of UNOPS, and upon completion of the entire award in 2024. UNOPS management will work towards the implementation of the recommendation.

1206. **In paragraph 109 of its report, the Board recommended that UNOPS assess its approach to the inclusion of a provision for performance security, in particular for non-works contracts with a high value, large volume or complexity, for ensuring seriousness on the part of suppliers and performance of the contract.**

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

1207. UNOPS assessed its approach with regard to the inclusion of a provision for performance securities in its tenders and contracts as part of the policy revision process that led to the promulgation of its updated procurement policies, which took effect on 1 July 2021. As part of that overall policy revision process, the approach with regard to performance securities was discussed with key stakeholders, including the Legal Group, the Headquarters Contracts and Property Committee and procurement practitioners in field offices, and it was decided that the current approach would be maintained, that is, to recommend their use on the basis of a risk-based approach (using criteria such as the value of the contract and whether the contractor is new to UNOPS), which is also in alignment with the approach of other United Nations entities, including the Secretariat. UNOPS has improved its monitoring process on the use of performance securities through the enhancements introduced in response to the recommendation in paragraph 110 of the Board's report. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1208. **In paragraph 110 of its report, the Board recommended that UNOPS improve its monitoring to ensure that performance securities are submitted in a timely manner and kept valid throughout the contract period.**

Department responsible: Procurement Group
Status: Closure requested
Priority: Medium
Target date: Not applicable

1209. UNOPS implemented this recommendation by introducing an enhanced functionality on performance securities into the contract management and procurement modules of oneUNOPS, as part of the system release of the "Procure to Pay" project, which took effect on 2 July 2021. With this enhanced functionality, the corresponding documents certifying the validity of the concerned guarantee have to be uploaded into the system, including the relevant dates. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1210. **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>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

1211. UNOPS assessed its approach with regard to the inclusion of a provision on liquidated damages in its tenders as part of the policy revision process that led to the promulgation of its updated procurement policies, which took effect on 1 July 2021. As part of that overall policy revision process, the approach with regard to liquidated damages was adjusted pursuant to the Board's recommendation. With the revised provision, the procurement authority is now responsible for the decision on whether to include a provision on liquidated damages in a given tender or contract, which enables the use of the provision based on risks related to the specific contractor or procurement activity. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1212. In paragraph 129 of its report, the Board recommended that UNOPS comply with the guidance regarding the supplier performance evaluation and complete the evaluations according to the prescribed timeline.

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

1213. UNOPS implemented this recommendation by introducing an enhanced functionality in the supplier performance evaluation module into the oneUNOPS system as part of the system release of the "Procure to Pay" project, which took effect in July 2021 and enables better visibility of the timeliness of the completion of supplier performance evaluations. In addition, timely completion of supplier performance evaluation is now included as a dedicated key performance indicator that is monitored as part of the quarterly oversight meetings between Implementation Practices and Standards, which includes the Procurement Group, and the UNOPS regional offices. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1214. In paragraph 136 of its report, the Board recommended that UNOPS ensure compliance with its financial regulations and rules for the operational closure of projects and put in place appropriate checks to promptly change the status of projects as soon as their activities have ceased.

<i>Department responsible:</i>	Infrastructure and Project Management Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

1215. In addition to the improvements made in 2020 (the release of the project closure guidance, the enhancement of the UNOPS Enterprise Portfolio and Project Management system (oneUNOPS Projects) and oversight carried out at the UNOPS

corporate level), the full project closure process was modelled in one UNOPS Projects and reviewed by business stakeholders during the first half of 2021. The changes to the software informed by the review are currently being implemented and are expected to be released in the fourth quarter of 2021.

1216. In paragraph 147 of its report, the Board recommended that UNOPS pursue the transfer of new lines of business to the Bangkok Shared Service Centre and enable scalable operations in line with the objectives of setting up the Centre and the UNOPS strategic plan for 2018–2021.

<i>Department responsible:</i>	Shared Services Centre
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

1217. UNOPS has been continuously transferring new lines of services to the Shared Services Centre since its inception. Since the recommendation was issued, UNOPS has transferred to the Centre a list of new services, such as treasury management system payments, bank accounts reconciliation, UN Web Buy Plus reconciliation, UNDP-Service Clearing Account reconciliation, merit rewards tasks and global accounts receivable processing. New services, such as the global processing of travel requests and daily subsistence allowance disbursements and administrative human resources transactions, are currently being prepared to be transferred to the Centre. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1218. In paragraph 180 of its report, the Board recommended that UNOPS implement the treasury management system and related automation of the whole process to save time and funds, as well as potential loss to the projects.

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

1219. UNOPS has implemented the treasury management system and related automation of the whole process. Phase 1 went live in November 2020 and phase 2 went live in July 2021. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1220. In paragraph 197 of its report, the Board recommended that UNOPS study the processes related to human resources and payroll and take steps to automate process flows and incorporate validation controls to avoid or at least reduce repetitive feeding of the same data, thereby ensuring data integrity and avoiding manual errors.

<i>Department responsible:</i>	Shared Services Centre
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1221. UNOPS has studied the processes related to human resources and payroll and has taken steps to automate processes and incorporate validation controls. All relevant corporate units formed a project group and thoroughly analysed the processes relating to payroll and human resources and targeted automation, validation controls and data integrity. The “as is” process was mapped, a best practices exercise was completed and a “to be” process map was created. Next steps to automate these processes were taken and a standard operating procedure was developed for guidance. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1222. In paragraph 207 of its report, the Board recommended that UNOPS prepare and prescribe integrated timelines delineating the functions of involved entities within UNOPS, in order to leverage the existence of the shared service centre for transactional services.

<i>Department responsible:</i>	Shared Services Centre
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1223. UNOPS has created an interactive online system called the Process and Quality Management System. Processes for all UNOPS entities are delineated in the System by both functional area and entity. The System shows detailed procedural workflows with delineated roles and responsibilities by unit. In addition, the System serves as the UNOPS process repository, where all key processes are stored. The System is the link between the legislative framework and daily work. It is divided into two parts addressing both policy (knowledge) and process. The process is designed in simple steps, allowing the process user to see the sequence of the steps and which resource is responsible for each step. All UNOPS personnel have access to the System. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

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 2020⁵⁷

1224. Table 39 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

⁵⁷ A/76/5/Add.12, chap. II.

Table 39
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 Management and Administration	1	–	–	1	1	–
Policy, Programme and Intergovernmental Division	2	–	2	–	–	–
Strategy, Planning, Resources and Effectiveness Division	2	–	–	2	2	–
Multiple offices	2	–	–	2	2	–
Total	7	–	2	5	5	–

1225. Table 40 summarizes the status of implementation of all recommendations of the Board as of August 2021.

Table 40
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 Management and Administration	5	–	2	3	3	–
Policy, Programme and Intergovernmental Division	3	–	2	1	1	–
Strategy, Planning, Resources and Effectiveness Division	12	–	4	8	8	–
West and Central Africa Regional Office	1	–	–	1	1	–
Multiple offices	2	–	–	2	2	–
Total	23	–	8	15	15	–

1226. **In paragraph 31 of its report, the Board recommended that UN-Women structure the risk appetite in a statement that determines the types and quantities of risks, with the purpose of achieving its strategic objectives expressed in quantitative and/or qualitative terms.**

Department responsible: Strategy, Planning, Resources and Effectiveness Division

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2022

1227. UN-Women has commenced the process of undertaking a review of the organization's risk profile based on its corporate risk register. This involves the review of the current exposures to determine the capacity of UN-Women to take risks by grouping related risks. The outputs of this process will be used to engage with

business process owners and feed into the risk appetite statement to be tabled with the risk management committee for review and endorsement.

1228. 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.

<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 2022

1229. UN-Women has commenced the actions required to establish a standardized model to formulate, articulate and implement a risk appetite statement for key risk areas. This will be followed by the establishment of risk tolerance levels and ranges that will be incorporated and used to guide the process of risk assessment and facilitate the process of implementing additional mitigation measures and adequate response plans.

1230. In paragraph 47 of its report, the Board recommended that UN-Women include and increase the frequency of mandatory training on enterprise risk management at different staff levels. This should start with the risk owners and risk focal points of each risk entity and subsequently be rolled out to all staff and personnel who are responsible and accountable for annual work planning and performance reporting.

<i>Department responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2022

1231. UN-Women has increased the frequency of enterprise risk management training for staff at different levels, initially targeted at personnel responsible and accountable for annual work planning and performance reporting. Further discussions have been started with relevant stakeholders to consider the implications of having mandatory training at the organizational level to determine whether it is practicable within available resources.

1232. In paragraph 48 of its report, the Board recommended that UN-Women evaluate whether the training on enterprise risk management should apply to staff and/or personnel in specific grades.

<i>Department responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2022

1233. UN-Women has begun the process of evaluating whether the training on enterprise risk management should apply to staff and/or personnel in specific grades. The outputs of this process are expected to be completed once consultation with various stakeholders has been completed for a well-informed decision.

1234. In paragraph 61 of its report, the Board recommended that UN-Women update the established guidelines on risk assessment, including the standards and requirements for all the risk entities when any of the 24 risks are not applicable.

<i>Department responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1235. The UN-Women risk management procedure and risk management guidance has been updated. The need for risk units to assess and evaluate all of the 24 standardized risks for relevance as part of the risk assessment process is clearly articulated in the updated guidance. Included in the guidance is the instruction to provide justification where any of the risks is deemed to be not applicable. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1236. In paragraph 62 of its report, the Board recommended that all risk entities of UN-Women evaluate all 24 risks using the standardized risk register template before creating the risks in the enterprise risk management OneApp.

<i>Department responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1237. The UN-Women risk management procedure and risk management guidance has been updated. The need for risk entities to assess and evaluate all of the 24 standardized risks for relevance as part of the risk assessment process and to reflect the evaluation in the standardized risk register template before uploading in the OneApp system is clearly articulated in the updated guidance. Included in the guidance is the instruction to provide justification where any of the risks is deemed to be not applicable. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1238. **In paragraph 63 of its report, the Board recommended that all risk entities of UN-Women keep the most up-to-date standardized risk register template, which should include all the changes resulting from the risk assessment process.**

Department responsible: Strategy, Planning, Resources and Effectiveness Division

Status: Closure requested

Priority: Medium

Target date: Not applicable

1239. The updated UN-Women risk management procedure and risk management guidance now specifies that the most up-to-date standardized risk register template should be used and should reflect all the changes resulting from the risk assessment process. The completed standardized risk register template must be kept and maintained by the risk entity. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1240. **In paragraph 75 of its report, the Board recommended that UN-Women update the correct designation of risk focal points and risk owners, ensuring that no risk entity has one or both roles undesignated or designated to separated personnel in order to avoid the misplacement of responsibilities.**

Department responsible: Strategy, Planning, Resources and Effectiveness Division

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

1241. UN-Women has put in place a process to regularly update the correct designation of risk focal points and risk owners in the risk management system in OneApp and ensure that no risk entity has one or both roles undesignated or designated to separated personnel.

1242. **In paragraph 76 of its report, the Board recommended that UN-Women perform on a regular basis reviews of the users assigned in the platform to the roles of risk focal point and risk owner, increasing the current frequency of the reviews with the purpose of keeping information up to date.**

Department responsible: Strategy, Planning, Resources and Effectiveness Division

Status: Closure requested

Priority: Medium

Target date: Not applicable

1243. UN-Women has taken steps to perform regular reviews of users assigned in the risk management system in OneApp and to ensure that risk focal points and risk owners are correctly designated with appropriate rights. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1244. **In paragraph 77 of its report, the Board recommended that UN-Women enhance its risk management system for the optimal inclusion of all evaluated risks in the enterprise risk management OneApp platform in order to improve the visibility of all risks and facilitate the quality assurance process.**

<i>Department responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

1245. UN-Women has begun the process of considering several options to enhance or overhaul its risk management system for the optimal inclusion of evaluated risks in the risk management system in OneApp. The aim of this process is to support better reporting and performance monitoring, improve the visibility of critical risks and enhance the performance of the quality assurance processes. The wider context of the system requirements for UN-Women to meet its organizational needs in an integrated manner will be one of the considerations.

1246. **In paragraph 85 of its report, the Board recommended that UN-Women establish that the Chief Risk Officer, working with the risk management function, determine the guidelines on those cross-cutting risks in UN-Women and implement a review at the central level through the headquarters risk management function and the regional office risk management functions, analysing and determining to which risks UN-Women is exposed.**

<i>Department responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2021

1247. UN-Women has established a process that ensures that the Chief Risk Officer, working with the risk management function, determines the guidelines to ensure that a review is undertaken of the cross-cutting risks in UN-Women. The aim of this process is to facilitate the review and analysis, at the central level through the headquarters risk management function and the regional office risk management functions, to determine the risks to which UN-Women is exposed. These reviews have commenced and continue as an ongoing process.

1248. **In paragraph 86 of its report, the Board recommended that UN-Women ensure that the risk owners and risk focal points examine the procedures regarding how the controls or mitigation actions for risks are identified to ensure that they include clear, measurable, quantifiable and time-bound actions to guarantee that the likelihood and/or the impact of the risk identified can be sufficiently reduced or mitigated.**

<i>Department responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2023

1249. UN-Women has put in place the process to ensure that risk owners and risk focal points examine the procedures regarding how the controls or mitigation actions for risks are identified. The process requires that risk entities include clear, measurable, quantifiable and time-bound actions, thereby guaranteeing that the likelihood and/or the impact of the risk identified can be sufficiently reduced or mitigated.

1250. In paragraph 103 of its report, the Board recommended that UN-Women implement a review process on the information reported to the Secretariat to ensure that it is consistent with the signed donor agreements.

<i>Department responsible:</i>	Division of Management and Administration
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1251. UN-Women revised the existing standard operating procedure on the 1 per cent coordination levy in December 2020. Improvements to the process include: (a) the addition of comments to the reports to specify the reason for repeating agreements in different quarterly reports; (b) the requirement of approval of the agreement in the donor agreement management system before its inclusion in the reports; and (c) a verification step before the submission of the reports to the Secretariat. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1252. In paragraph 115 of its report, the Board recommended that UN-Women continue to refine its accounting policies and revise its contribution recognition procedures, specifically multi-year donor agreements, and add receivables and revenue, where necessary, establishing an enhanced criterion for decision-making on recognizing non-exchange transactions, in line with IPSAS.

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

1253. UN-Women retroactively amended its revenue recognition policy, which had the impact of revising its 2020 financial statements and restating the 2019 and 2018 comparatives.

1254. UN-Women notes that the IPSAS Board, which promulgates and issues IPSAS, has been working very closely with the inter-agency Task Force on Accounting Standards for the past two years on the revision of the current IPSAS 23

to promote clarity and minimize differences in the interpretation of the standard. A recent survey conducted by the Task Force indicated that there were up to four different revenue recognition policies in use across United Nations entities that had been endorsed by their respective auditors. The current IPSAS 23 is expected to be replaced by one or two revised standards in December 2021, which may again require a change in the revenue recognition policy of UN-Women.

1255. In paragraph 127 of its report, the Board recommended that UN-Women identify and take the measures necessary to perform the deprovisioning and updating of user accounts and the monitoring in all its systems in a timely manner.

Department responsible: Division of Management and Administration
Status: Closure requested
Priority: Medium
Target date: Not applicable

1256. UN-Women promulgated a new ICT access control management procedure in June 2021, which has strengthened the procedure around user accounts. Following the promulgation of the new procedure, UN-Women has made adjustments in the system implementing certain deprovisioning processes.

1257. In addition, the UN-Women Information Systems and Telecommunications Section has organized a monthly meeting to review user accounts. The meeting has representation from the applications team, the platform team (operations) and the information security team. In the meetings, the following activities are carried out: (a) account discrepancies and critical user tickets are reviewed; (b) possible procedural or system automations or improvements are discussed; and (c) any additional action items are proposed. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1258. In paragraph 142 of its report, the Board recommended that UN-Women carry out and formalize the end-to-end programme partner policies and procedures, especially with regard to strengthening the monitoring mechanisms applied to programme partners in situations of crisis when no mandatory on-site monitoring activities are possible, in order to ensure that they are effectively undertaken.

Department responsible: Policy, Programme and Intergovernmental Division
Status: Under implementation
Priority: Medium
Target date: First quarter of 2023

1259. UN-Women is progressing and on target with its work to formalize the end-to-end programme partner management policy and procedures. The policy and procedures will include the strengthening of monitoring mechanisms applied to programme partners in situations of crisis when no mandatory on-site monitoring activities are possible, in order to ensure that programme implementation is effectively undertaken.

1260. **In paragraph 150 of its report, the Board recommended that the UN-Women West and Central Africa Regional Office, notwithstanding the COVID-19 pandemic, ensure compliance with the policy on cash advances and other cash transfers to partners, in order to reflect the periodicity of implementing partner and/or responsible party reports within the terms established therein.**

Department responsible: West and Central Africa Regional Office

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2021

1261. The UN-Women West and Central Africa Regional Office is on target in addressing the issue noted by the Board. Programme managers have been reminded to strengthen the monitoring of implementing partners and ensure the compliance of implementing partners with the quarterly reporting requirements of UN-Women. The Regional Office is putting in place a tracking system for effective monitoring.

1262. **In paragraph 161 of its report, the Board recommended that UN-Women ensure compliance with the delivery of the letter of confirmation for the certification of expenditure, demonstrating the proper percentages assigned for the documented review of expenditure for liquidation of the partner advance, in accordance with the current policy.**

Departments responsible: Division of Management and Administration and Policy, Programme and Intergovernmental Division

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2022

1263. UN-Women has taken action to communicate globally the importance of ensuring compliance with regard to the submission of the letter of confirmation for the certification of expenditure as evidence for the assignment of proper percentages and the documented review of expenditures for liquidation of the partner advance, in accordance with the current policy.

1264. **In paragraph 169 of its report, the Board recommended that UN-Women make the final evaluations to the partners so that their performance is considered in new projects.**

Department responsible: Policy, Programme and Intergovernmental Division

Status: Closure requested

Priority: High

Target date: Not applicable

1265. UN-Women has included the programme partner final performance evaluation in the policy, procedures and guidance framework. This final performance evaluation

is required at the end of all programme partner agreements with government, intergovernmental and civil society organizations. The partner and grant agreement management system has been modified to include this evaluation as part of the closure process of the partner agreement. The partner selection procedure has been revised to include the final performance evaluation as one of the observation criteria in the partner evaluation process. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1266. In paragraph 170 of its report, the Board recommended that UN-Women register and share positive or negative results obtained by the partners between UN-Women offices.

<i>Department responsible:</i>	Policy, Programme and Intergovernmental Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

1267. UN-Women has included the programme partner final performance evaluation in the policy, procedures and guidance framework. This final performance evaluation is required at the end of all programme partner agreements with government, intergovernmental and civil society organizations. The partner and grant agreement management system has been modified to include this evaluation as part of the closure process of the partner agreement. This evaluation is available to all UN-Women offices and staff through the partner and grant agreement management system. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1268. In paragraph 178 of its report, the Board recommended that UN-Women update its procedure for the preparation of donor reports in order to reflect the actual process that should be performed by all offices during the preparation and the quality control of donor reports.

<i>Departments responsible:</i>	Policy, Programme and Intergovernmental Division and Division of Management and Administration
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2022

1269. UN-Women is finalizing the review and promulgation of the procedure for the preparation and submission of donor reports. The procedure also includes updated donor reporting narrative templates to make the reports more standardized and results-oriented. The updated procedure has been reviewed by all relevant divisions and is ready for promulgation.

1270. In paragraph 191 of its report, the Board recommended that UN-Women comply with the deadline stipulated in its financial regulations and rules and in the Division of Management and Administration's finance manual and standard operating procedure (extract for field offices) for operational and financial closure, giving due consideration to the project agreements dates.

<i>Department responsible:</i>	Division of Management and Administration
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2022

1271. UN-Women had 12 projects that were not financially closed as at 31 December 2020 and continues to support compliance with month-end closure instructions and follow-up by the oversight team. The accounting actions that occur after financial closure and reporting to the donor that are due to limitations of the Atlas enterprise resource planning system may be overcome with the implementation of the new Oracle enterprise resource planning system, which is due to be rolled out in early 2022.

1272. In paragraph 192 of its report, the Board recommended that UN-Women clarify the existing procedures regarding closure steps specifically for project reopening.

<i>Department responsible:</i>	Division of Management and Administration
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Third quarter of 2021

1273. UN-Women has revised its finance manual and standard operating procedures to enhance clarity around the process and the circumstances under which the reopening of closed projects may be required.

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

1274. In the annex to its report for the year ended 31 December 2020 (A/76/5/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 six recommendations that were determined 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.

1275. Table 41 summarizes the overall situation as of August 2021.

Table 41

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 Management and Administration	1	–	1	–	–	–
Fiji multi-country office	2	–	1	1	1	–
Office of the Deputy Executive Director for Resource Management, Sustainability and Partnerships	1	–	–	1	1	–

<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>
Policy, Programme and Intergovernmental Division	1	–	1	–	–	–
Multiple offices	1	–	–	1	1	–
Total	6	–	3	3	3	–

Report of the Board for the year ended 31 December 2017⁵⁸

1276. In paragraph 44 of its report, the Board recommended that UN-Women: (a) ensure that conclusive assessments of the prior year's qualified audit report financial findings are conducted to determine the causes and prevent recurrence of the weaknesses identified; and (b) consider introducing policies that address weaknesses in project management that lead to ineligible expenditure and that guide the administration on the proper accounting for ineligible expenditure to avoid potential misstatements in the financial statements.

<i>Departments responsible:</i>	Division of Management and Administration and Policy, Programme and Intergovernmental Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

1277. Part (a) of the recommendation has been determined by the Board as implemented. With regard to part (b) of the recommendation, UN-Women submitted further explanations to the Board on 8 June 2021 regarding two points raised from its earlier assessment, which included: (a) the steps and actions taken by UN-Women and the external auditors to determine whether the financial findings in the audit reports identified ineligible expenditure that required journal entries; (b) the decision tree workflow process circulated with the new procedure to facilitate understanding and compliance by UN-Women staff; and (c) the necessary accounting entries in the new procedure.

1278. UN-Women has worked extensively on the revision of the procedure for the resolution of audit recommendations arising from project partner audits. The original procedure was revised from March 2018 through October 2020 following discussions with stakeholders, namely the Programme Support and Management Unit, the Financial Management Section, the Legal Office, the Risk Management Unit, the Audit Coordination Unit, the Internal Audit Service and the Advisory Committee on Oversight, and with consultation with the Quality Management Unit in the Division for Management Services of UNFPA. New areas that were revised and/or added are: (a) roles and responsibilities; (b) a risk assurance matrix for addressing audit findings; (c) timing for completion of the actions in the action plans by 31 December of the year in which the audit was completed; (d) the accounting steps to be taken after the assessment of financial findings; and (e) a decision tree for ease of use by UN-Women offices and sections.

⁵⁸ A/73/5/Add.12, chap. II.

Report of the Board for the year ended 31 December 2018⁵⁹

1279. **In paragraph 21 of its report, the Board recommended that UN-Women consider establishing, at the programme formulation stage, obligatory reporting on the procurement plans of projects that are executed under programmes.**

<i>Department responsible:</i>	Policy, Programme and Intergovernmental Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

1280. UN-Women promulgated the appraisal and approval of project documents and the preparatory assistance procedure in May 2021, which includes guidance on project procurement plans that are required to be included at the programme formulation stage. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2019⁶⁰

1281. **In paragraph 22 of its report, the Board recommended that UN-Women formalize the categorization of its offices, establishing the definition of the functional set-up of each presence type, including minimum functions, positions and resources for both resident and non-resident modalities, as well as the various types of services to be provided. Furthermore, an accurate and updated registry of all offices should be maintained.**

<i>Department responsible:</i>	Office of the Deputy Executive Director for Resource Management, Sustainability and Partnerships
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2021

1282. The Board determined that UN-Women had implemented its recommendation to formalize the categorization of its offices, establishing the definition of the functional set-up of each presence type, including minimum functions, positions and resources for both resident and non-resident modalities, as well as the different types of services to be provided. To ensure that the registry of all offices is accurate and up-to-date, the enterprise data management system, the Entity's single source of information relating to its country presence, has undergone a clean-up and will be migrated to the new Oracle cloud enterprise resource planning system before integration with other Information Systems and Telecommunications Section systems.

1283. **In paragraph 58 of its report, the Board recommended that the UN-Women multi-country office in Fiji monitor the implementing partners or responsible parties closely so that funding authorization and certificate of**

⁵⁹ A/74/5/Add.12, chap. II.

⁶⁰ A/75/5/Add.12, chap. II.

expenditure forms are received on time, project expenditures are recorded appropriately and the monitoring role in their activities is fulfilled.

Department responsible: Fiji multi-country office
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1284. The Fiji multi-country office has considerably improved the monitoring and tracking of partner advances, including the timely recording of project expenditures. Project managers are working closely with partners to strengthen their capacities in preparing and submitting funding authorization and certificate of expenditure financial reports in accordance with corporate requirements.

1285. In paragraph 69 of its report, the Board recommended that the UN-Women multi-country office in Fiji ensure that, in the process of reviewing supporting documentation for projects in execution, proper authorization and reliable information regarding the supporting receipts for the liquidation of an advance are obtained in a timely manner.

Department responsible: Fiji multi-country office
Status: Closure requested
Priority: Medium
Target date: Not applicable

1286. The Fiji multi-country office considers that actions to address this recommendation have been completed. The potential delays observed between the time a partner submits a funding authorization and certificate of expenditure form and the reflection in the UN-Women accounting records are primarily a result of the iterative quality assurance review control and due diligence process exercised by the Fiji multi-country office following the initial submission by the partner of the funding authorization and certificate of expenditure form for advance liquidation together with the supporting documents. This is in line with the corporate cash advance policy and generic partner agreement provisions, which state that the project manager shall accept only eligible expenditures that are identifiable and verifiable. Furthermore, in 2021, the Fiji multi-country office has developed and started to use a generic template for expenditure listing by partners. This has further improved the timeliness of the review, approval and recording of expenditures in the UN-Women accounting system. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1287. In paragraph 75 of its report, the Board recommended that UN-Women ensure that the risk factor of implementing partners is reflected in the process of reviewing a sample of expenditures through the funding authorization and certificate of expenditure forms.

<i>Department responsible:</i>	Division of Management and Administration
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Target date:</i>	Not applicable

1288. The policy on cash advances and other cash transfers to partners includes a requirement to ensure that the risk factor of implementing partners is reflected in the process of reviewing a sample of expenditures through the funding authorization and certificate of expenditure forms. A reminder email has been sent to all country offices and headquarters sections to promote compliance with the policy. UN-Women considers this recommendation to have been 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 2020⁶¹

1289. Table 42 summarizes the status of implementation of the main recommendations of the Board as of August 2021.

Table 42

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>
Registry	5	–	2	3	3	–
Total	5	–	2	3	3	–

1290. Table 43 summarizes the status of implementation of all recommendations of the Board as of August 2021.

Table 43

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	11	–	5	6	6	–
Total	11	–	5	6	6	–

1291. In paragraph 28 of its report, the Board recommended that the Mechanism streamline its activities for the relocation of the released and acquitted persons, by drafting and approving an action plan including the activities to be performed and their responsible staff and timing, allowing the

⁶¹ A/76/5/Add.15, chap. II.

Mechanism to schedule such activities, monitor their progress and track their effectiveness, thus promoting the effective fulfilment of its objectives.

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

1292. The International Residual Mechanism for Criminal Tribunals (IRMCT) has adopted both strategic and operational plans in 2021 regarding relocation. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

1293. In paragraph 37 of its report, the Board recommended that the Mechanism strengthen the budget planning process on position matters and determine the subsequent requirements for general temporary assistance positions, by properly reporting these requirements and improving the available documentation.

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

1294. The Mechanism has improved the process of substantiation and documentation of approvals to changes in general temporary assistance positions that constitute fluctuations in operational requirements in the course of a budget period. This substantiation has guided and supported the formulation of the next budget proposal of the Mechanism. IRMCT considers this recommendation to have been implemented and requests its closure by the Board.

1295. 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
Target date: Not applicable

1296. The Human Resources Section of IRMCT has implemented a regular schedule of broadcasts reminding managers and supervisors of the need to complete the various stages of the performance management cycle. IRMCT considers this recommendation to have been implemented and requests its closure by the Board.

1297. 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
Target date: Fourth quarter of 2021

1298. The Human Resources Section of IRMCT has implemented a review of all staff official status files to ensure that the required educational certificates for the appointed post are included.

1299. In paragraph 57 of its report, the Board recommended that the Mechanism take measures to ensure that letters of appointment are signed before the date of entry into duty or within a period of no more than 30 days thereafter, in order to comply with the Staff Regulations and Rules of the United Nations and reduce the related risks.

Department responsible: Registry
Status: Closure requested
Priority: Medium
Target date: Not applicable

1300. The Human Resources Section of IRMCT has implemented a tracking process to ensure that signed letters of appointment are received within 30 days of the beginning of functions or contract extension. IRMCT considers this recommendation to have been implemented and requests its closure by the Board.

1301. In paragraph 58 of its report, the Board recommended that the Mechanism strengthen its internal control procedures related to electronic records, with an emphasis on the letters of appointment registered in Umoja, with the purpose of improving the integrity of the information.

Department responsible: Registry
Status: Closure requested
Priority: Medium
Target date: Not applicable

1302. The Human Resources Section of IRMCT has implemented a tracking process to ensure that signed letters of appointment are linked to the corresponding personnel actions in Umoja. IRMCT considers this recommendation to have been implemented and requests its closure by the Board.

1303. 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
Target date: Fourth quarter of 2021

1304. As IRMCT is not considered part of the Secretariat, the language in the letters of appointment automatically generated by Umoja does not meet the requirements of the Mechanism. IRMCT has contacted the Umoja help desk to explore possible solutions to this issue.

1305. 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: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1306. The Human Resources Section of IRMCT is issuing regular reminders to all staff to document in Umoja all alternate working arrangements and flexible working arrangements in the context of the COVID-19 pandemic.

1307. In paragraph 75 of its report, the Board recommended that the Mechanism strengthen the monitoring of the assignments of recovery dates and properly report any issues detected, in order to maintain a standard recovery timeline for all personnel and improve compliance with the corresponding administrative instruction.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1308. The Human Resources Section of IRMCT notes that Umoja sometimes automatically assigns an incorrect recovery date. The Section is engaging with the Umoja help desk to correct such system issues instead of IRMCT correcting them manually.

1309. In paragraph 88 of its report, the Board recommended that the Mechanism document and formalize the planning and preparation of the acquisition plan and demand plan forms, in order to fully comply with the provisions of the United Nations Procurement Manual.

Department responsible: Registry
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1310. The Mechanism will adopt a more formalized approach with regard to demand planning and periodic reviews in accordance with the guidelines of the Procurement Manual.

1311. 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: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1312. The Mechanism continues to work towards completing recruitment for this key position.

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

1313. In the annex to its report for the year ended 31 December 2020 (A/76/5/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 21 recommendations that were determined 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.

1314. Table 44 summarizes the overall situation as of August 2021.

Table 44

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	21	–	5	16	16	–
Total	21	–	5	16	16	–

Report of the Board for the year ended 31 December 2017⁶²

1315. In paragraph 20 of the Board's report, the Mechanism agreed with the Board's recommendation to supervise the architectural firm tasked with reviewing the control system for air quality, temperature and relative humidity

⁶² A/73/5/Add.15, chap. II.

of the archive repositories in the Lakilaki facility and modifying the system to ensure that it meets standard requirements.

Department responsible: Registry
Status: Under implementation
Priority: High
Target date: Second quarter of 2022

1316. The heating, ventilation and air conditioning remediation project is currently at the tendering stage. The project is expected to be completed by the end of June 2022.

1317. In paragraph 24 of the Board's report, the Mechanism agreed with the Board's recommendation to present the three variation orders to the local committee on contracts and, subsequently, to the Procurement Division for their ex post facto review and approval.

Department responsible: Registry
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1318. The Mechanism expects these cases to be submitted to the local committee on contracts and to have them cleared by the end of 2021.

1319. In paragraph 28 of the Board's report, the Mechanism agreed with the Board's recommendation to ensure that unused assets and other assets that are out of order are physically disposed of in a timely manner.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1320. The disposal of the remaining assets in Kigali was further delayed and hampered by the periodic and restrictive lockdowns in Rwanda owing to the COVID-19 pandemic. The disposal process will resume once lockdowns are lifted and the General Services Section of IRMCT is able to engage with contractors.

1321. In paragraph 60 of the Board's report, the Mechanism agreed with the Board's recommendation to develop a new ICT strategy aligned with the Mechanism's overall strategy and the overall ICT strategic initiatives of the United Nations.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1322. The process of drafting and review has been delayed owing to the exigent reprioritization of information technology resources as a result of the COVID-19 pandemic. The process is expected to be completed by the end of 2021.

Report of the Board for the year ended 31 December 2018⁶³

1323. 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.

Department responsible: Registry
Status: Under implementation
Priority: High
Target date: Second quarter of 2022

1324. Following the Secretariat's enterprise risk management exercise, the Mechanism will conduct appropriate fraud risk assessments by the second quarter of 2022.

1325. In paragraph 45 of its report, the Board recommended that the Mechanism update the enterprise risk management document, in accordance with the internal memorandum (MICT/A/IOR/2016/855) and the framework of the Committee of Sponsoring Organizations of the Treadway Commission.

Department responsible: Registry
Status: Under implementation
Priority: High
Target date: Second quarter of 2022

1326. Following the Secretariat's enterprise risk management exercise, the Mechanism will update its risk management document by the second quarter of 2022.

Report of the Board for the year ended 31 December 2019⁶⁴

1327. In paragraph 21 of its report, the Board recommended that the Mechanism coordinate with the Secretariat to assess and start the management of the portfolio of real estate infrastructure in the respective Umoja module.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1328. In response to an iNeed ticket raised by the General Services Section of IRMCT, the data in the data collection template for real estate objects have been populated, as instructed by the Estate Management Unit in the Global Asset Management Policy Service of the Secretariat. The Property Management Unit of the

⁶³ A/74/5/Add.15, chap. II.

⁶⁴ A/75/5/Add.15, chap. II.

General Services Section will continue to liaise with the Global Asset Management Policy Service and comply with instructions to update the real estate data in Umoja in a manner that allows for the ongoing management of the data.

1329. In paragraph 30 of its report, the Board recommended that the Mechanism update the information on capitalized assets in Umoja, including the assignment of their respective users at the Mechanism and proper functional location, in the real estate management module in Umoja.

Department responsible: Registry
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1330. The update of functional locations was completed in July 2021. An iNeed ticket was raised to report some technical issues. Out of 929 items, only 29 are pending and will be updated once they are verified, as the process is ongoing. The Mechanism has adapted the assignment of commonly used equipment to the responsible offices in accordance with the guidelines issued by the Global Asset Management Policy Service of the Secretariat.

1331. In paragraph 31 of its report, the Board recommended that the Mechanism review and update the master data in Umoja for non-capitalized property, in order to update the users who are no longer working at the Mechanism.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1332. The majority of the records were updated to reflect the current functional locations and users. In order to prevent discrepancies, a process of proper check-out has been implemented to ensure the update of records, accountability and control of the property. The update of the few remaining records is in progress.

1333. 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.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1334. A survey was conducted on the property for the assets that are unserviceable and obsolete that are currently in stock and earmarked for write-off. The General Services Section of IRMCT is coordinating with the self-accounting units to have the

required notifications sent in Umoja. The Property Management Unit is making the effort to locate the non-located property during this physical verification cycle.

1335. In paragraph 46 of its report, the Board recommended that the Mechanism identify all its assets with their respective tag number and proper description, keeping this information updated in Umoja.

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

1336. A total of 100 fixed assets were acquired in 2020 and their data were updated in Umoja. IRMCT considers this recommendation to have been implemented and requests its closure by the Board.

1337. In paragraph 56 of its report, the Board recommended that the Mechanism perform a verification of the actual use of assets, in order to evaluate residual values and useful lives of property, plant and equipment items, where applicable.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1338. At the end of 2020, 640 fixed assets were fully depreciated, 2 of which were clearly marked as recommended for write-off in the submitted physical verification report used to determine assets for the 10 per cent depreciation calculation. The Property Management Unit will further review the status of the assets in question with the Global Asset Management Policy Service of the Secretariat.

1339. In paragraph 69 of its report, the Board recommended that the Mechanism implement a control of the commitments in order to ensure that the expenses are recorded in the correct accounting period.

Department responsible: Registry
Status: Closure requested
Priority: Medium
Target date: Not applicable

1340. A systematic approach to reviewing commitments has been put in place, whereby requisitioners, the Finance Section and the Procurement Section keep track of all obligations and perform timely liquidations and rejections of unutilized shopping carts. IRMCT considers this recommendation to have been implemented and requests its closure by the Board.

1341. In paragraph 70 of its report, the Board recommended that the Mechanism examine and evaluate the purchase order reports used by the

Mechanism, notifying iNeed of the differences detected, aimed at ensuring that the information is appropriately registered in Umoja.

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

1342. The Procurement Section of IRMCT, in conjunction with the Procurement Division of the Secretariat, carried out a purchase order reconciliation exercise based on purchase order reports in Umoja, following the closing of the financial period. As of the 2020 financial year, no discrepancies were noted during the verification exercise. IRMCT considers this recommendation to have been implemented and requests its closure by the Board.

1343. In paragraph 83 of its report, the Board recommended that the Mechanism improve and strengthen the control mechanisms concerning annual and home leave, for both the staff members and their supervisors, in order to improve compliance with the correspondent regulation.

Department responsible: Registry
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1344. The Mechanism is increasing the support it provides to managers to ensure compliance with the regulatory framework.

1345. 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.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1346. The related standard operating procedure on documenting and approving leave is currently under review.

1347. 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.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2021

1348. The Mechanism continues to implement this recommendation to incorporate training plans as part of the annual budget process.

1349. 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.

Department responsible: Registry
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2021

1350. The related standard operating procedure on documenting and approving leave is currently under review.

1351. 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.

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

1352. The supporting documentation agreed upon has been provided and is placed on file on an ongoing basis. IRMCT considers this recommendation to have been implemented and requests its closure by the Board.

1353. 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
Target date: Fourth quarter of 2021

1354. The Mechanism has completed 80 per cent of a comprehensive ICT infrastructure update and, upon completion, will conduct the first disaster recovery exercise in the fourth quarter of 2021.

1355. In paragraph 146 of its report, the Board recommended that the Mechanism formalize the approval of the risk register of the projects in order to maintain a formal and updated risk register for the audiovisual preservation and access project, in accordance with the provisions of the project initiation document (R01 D05).

Department responsible: Registry
Status: Closure requested
Priority: Medium
Target date: Not applicable

1356. The work to finalize the risk register for the audiovisual preservation and access project was delayed owing the COVID-19 pandemic but was completed in March 2021. With the submission of the finalized risk register to the Board, IRMCT considers this recommendation to have been implemented and requests its closure by the Board.
