General Assembly

Seventy-sixth session
Agenda item 135
**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 2021

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.

Contents

I. Introduction

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

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

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

(b)   Resolution 76/235 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 are two or more years old; and in paragraph 10, the Assembly reiterated its request to the Secretary-General to indicate in future reports an expected time frame for the implementation of the recommendations of the Board, as well as the priorities for their implementation and the office holders to be held accountable.

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

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

II. International Trade Centre

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2021[1]

5.   Table 1 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

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[1] A/77/5 (Vol. III), chap. II.

Table 1
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Country Programmes	1	–	–	1	1	–
Division of Programme Support	3	–	–	3	3	–
Total	**4**	**–**	**–**	**4**	**4**	**–**

6.   Table 2 summarizes the status of implementation of all recommendations of the Board as of August 2022.

Table 2
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Country Programmes	1	–	–	1	1	–
Division of Programme Support	4	–	–	4	4	–
Strategic Planning, Performance and Governance Section	2	–	–	2	2	–
Total	**7**	**–**	**–**	**7**	**7**	**–**

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

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

8.   ITC will review the outstanding advances and request the relevant project managers and certifying officers to ensure that implementing partner agreements with outstanding advances are either cleared through expense reports or fully refunded to ITC within the time period defined in the agreements.

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

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

10.   ITC will review and clear the residual cash balance of closed grants within a reasonable period and issue a guideline for project managers for future follow-ups with donors.

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

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

12.   ITC is conducting research on the tools and systems for workforce planning available on the market, as well as those used by other international organizations.

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

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

14.   Dashboards have been created and managers have access to the relevant information. The measures taken to strengthen performance management include mandatory goals for managers to establish key performance indicators and just-in-time training on best practices at each stage of the performance management cycle.

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

Department responsible:	Division of Country Programmes
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

16.   ITC is developing a country engagement and communication strategy, which will enable the organization to increase and enhance its physical field presence in a more strategic way. Guidelines for opening project offices will also be developed in

conjunction with the strategy and in alignment with the recommendations of the Office of Internal Oversight Services in its audit on ITC field operation support. To that end, ITC headquarters plans to have consultations with country managers and other personnel who have experience in launching and/or operating field offices.

17.   **In paragraph 53 of its report, the Board reiterated its recommendation that ITC take measures to submit project completion reports in a timely manner and to improve their quality in order to fulfil their role as an important self-evaluation instrument.**

Department responsible:	Strategic Planning, Performance and Governance Section
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

18.   ITC has taken measures to ensure that the deadlines for the submission of project completion reports are respected and to improve their quality. Those measures will be reinforced through the provision of the list of reports due to the Senior Management Committee on a quarterly basis and the provision of biannual training on project completion reports for the project teams concerned.

19.   **In paragraph 58 of its report, the Board recommended that ITC take measures to improve its follow-up on evaluation recommendations and the application of evaluation results.**

Department responsible:	Strategic Planning, Performance and Governance Section
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

20.   In conformity with the ITC evaluation policy, the Independent Evaluation Unit will conduct a biannual follow-up on the recommendations and share the analysis with the Senior Management Committee. Follow-up will also be supported through the creation of a steering group that regularly reviews progress on action plans.

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

21.   In the annex to its report for the year ended 31 December 2021 (A/77/5 (Vol. III)), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 12 recommendations that were 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.

22.   Table 3 summarizes the overall situation as of August 2022.

Table 3
**Status of implementation of recommendations from prior periods considered
not fully implemented**
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Programme Support	5	–	2	3	3	–
Senior Management Committee	5	–	4	1	1	–
Division of Country Programmes	2	–	–	2	2	–
Total	**12**	**–**	**6**	**6**	**6**	**–**

Report of the Board for the year ended 31 December 2016[2]

23. **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:	Closure requested
Priority:	Medium
Original target date:	Fourth quarter of 2017
Revised target date:	Not applicable

24. 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. ITC considers this
recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2018[3]

25. **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
Original target date:	Second quarter of 2020
Revised target date:	First quarter of 2023

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[2] A/72/5 (Vol. III), chap. II.
[3] A/74/5 (Vol. III), chap. II.

26.	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 is in the process of implementing the action points.

27.	**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:	Closure requested
Priority:	High
Original target date:	First quarter of 2020
Revised target date:	Not applicable

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

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

Department responsible:	Division of Country Programmes
Status:	Under implementation
Priority:	High
Original target date:	Second quarter of 2020
Revised target date:	First quarter of 2023

30.	ITC adopted the grant memorandum of understanding template submitted by its legal team. In the most recent template version, which was 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.

Report of the Board for the year ended 31 December 2019[4]

31.	**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.**

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[4] A/75/5 (Vol. III), chap. II

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	High
Original target date:	First quarter of 2021
Revised target date:	First quarter of 2023

32. The business continuity plan is being updated as recommended and will be completed by the first quarter of 2023.

33. **In paragraph 54 of its report, the Board recommended that 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:	Closure requested
Priority:	High
Original target date:	Second quarter of 2021
Revised target date:	Not applicable

34. 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. ITC considers this recommendation to have been implemented and requests its closure by the Board.

35. **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:	Closure requested
Priority:	High
Original target date:	Second quarter of 2021
Revised target date:	Not applicable

36. In the first quarter of 2020, ITC established a standard operating procedure for a formal ex post facto 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. ITC considers this recommendation to have been implemented and requests its closure by the Board.

37. **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.

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

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

Report of the Board for the year ended 31 December 2020[5]

39. **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
Original target date:	First quarter of 2022
Revised target date:	First quarter of 2023

40. The Human Resources office will continue to monitor the duration of contracts of consultants.

41. **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:	Closure requested
Priority:	High
Original target date:	First quarter of 2022
Revised target date:	Not applicable

42. ITC has updated the policy. Practices have been modified to ensure that fees are within the fee range structure. ITC considers this recommendation to have been implemented and requests its closure by the Board.

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

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[5] A/76/5 (Vol. III), chap. II.

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	High
Original target date:	First quarter of 2022
Revised target date:	First quarter of 2023

44.   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 2023.

45.   **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:	Closure requested
Priority:	High
Original target date:	First quarter of 2022
Revised target date:	Not applicable

46.   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. ITC considers this recommendation to have been implemented and requests its closure by the Board.

III.   United Nations University

A.   Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2021[6]

47.   Table 4 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

Table 4
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Administration	8	–	–	8	8	–
Total	8	–	–	8	8	–

48.   Table 5 summarizes the status of implementation of all recommendations of the Board as of August 2022.

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[6] A/77/5 (Vol. IV), chap. II.

Table 5
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Office of the Rector	3	–	–	3	3	–
Campus Computing Centre	1	–	–	1	1	–
United Nations University Institute for Environment and Human Security (UNU-EHS)	5	–	2	3	3	–
United Nations University Vice-Rectorate in Europe (UNU-ViE)	1	–	–	1	1	–
Administration	12	–	–	12	12	–
Multiple offices	1	–	–	1	1	–
Total	**23**	**–**	**2**	**21**	**21**	**–**

49. **In paragraph 30 of its report, the Board recommended that the United Nations University (UNU) take measures to encourage its institutes to address in their respective strategic plans all the matters included in the UNU strategic plan, especially those related to the objective that refers to investing in a dynamic, innovative and diverse institutional culture.**

Department responsible: Office of the Rector

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2022

50. UNU is revising its organizational performance handbook to further encourage its institutes to treat in their respective strategic plans matters included in the UNU strategic plan, especially those related to the objective that refers to investing in a dynamic, innovative and diverse institutional culture. Moreover, an agenda item on this topic has been set for the next Conference of Directors, which is scheduled for November 2022. It should be noted, however, that both the strategic plans of the individual institutes and the UNU strategic plan are only periodically updated. Alignment will therefore be accomplished with the next iterations of the UNU strategic plan (2025–2029) and the strategic plans of the institutes.

51. **In paragraph 31 of its report, the Board recommended that UNU take measures to ensure that institutes describe in their strategic plans at least the objectives that will be part of their performance benchmark framework.**

Department responsible: Office of the Rector

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2022

52. Please refer to the comments in paragraph 50 above relating to the recommendation in paragraph 30 of the Board's report.

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

Department responsible:	UNU-EHS
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

54. A strategic plan for UNU-EHS is under development. The UNU-EHS management team has held two retreats to develop the Institute's strategy.

55. **In paragraph 40 of its report, the Board recommended that UNU-EHS develop a fundraising strategy that considers donor diversification among its objectives and the disclosures suggested by the document on key elements of institute strategic plans in order to include this strategy in the UNU-EHS strategic plan.**

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

56. A resource mobilization strategy was developed at the end of 2021, which will accompany the next UNU-EHS strategic plan. UNU considers this recommendation to have been implemented and requests its closure by the Board.

57. **In paragraph 47 of its report, the Board recommended that UNU-EHS develop a key performance indicators system that includes baselines, benchmarks, goals and time frames, considering the provisions of the UNU organizational performance handbook and in alignment with its institute strategic plan.**

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

58. The existing key performance indicators were updated in May 2022 to include baselines, benchmarks, targets and data spanning a five-year period for comparison. They have also been aligned with the benchmarks and indicators framework template provided by UNU headquarters and with the UNU organizational performance handbook. UNU considers this recommendation to have been implemented and requests its closure by the Board.

59. **In paragraph 56 of its report, the Board recommended that UNU-EHS and the UNU Vice-Rectorate in Europe (UNU-ViE) include performance measures in their annual workplans, such as objectives, indicators, targets baselines and**

deadlines, taking into consideration the provisions of the UNU organizational performance handbook.

Departments responsible:	UNU-EHS and UNU-ViE
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

60. The annual performance appraisal report workplans of UNU-EHS and UNU-ViE personnel now include targets, indicators and deadlines aligned with the institutional performance indicators and the overarching vision and mission. The next annual workplans will be completed by the first quarter of 2023. This will coincide with the beginning of the UNU performance appraisal report cycle for 2023, which will be the best time to align the Institute's key performance indicators.

61. **In paragraph 57 of its report, the Board recommended that UNU-EHS include a specific reference to all of its key performance indicators in its annual workplans, in order to reflect the measures to be taken during the respective period to implement them and in consideration of the provisions of the organizational performance handbook.**

Department responsible:	UNU-EHS
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

62. Annual workplans take into consideration the institutional key performance indicators and include actions geared towards their fulfilment. UNU-EHS streamlined the key performance indicators according to the handbook and will align the workplans beginning in 2023. The next annual workplans will be completed by the first quarter of 2023.

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

Department responsible:	UNU-EHS
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

64. UNU will ensure that all efforts are made to address the recommended alignment in future activity reports and workplans.

65. **In paragraph 68 of its report, the Board recommended that UNU develop and implement an official procedure that specifies the review of end-of-service census data between UNU and the United Nations Development Programme**

(UNDP), which includes, at least, the validations and/or controls, the tolerable thresholds for any deviation, the responsible officials and the deadlines associated with this review, as well as details of the communications that will be carried out between UNU and UNDP.

Department responsible:	Administration
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

66. UNU will develop and implement an official procedure that specifies the review of end-of-service census data between UNU and UNDP.

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

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

68. UNU will issue a report with the results of the review and adjustments made to the end-of-service census data for the financial year 2022.

69. **In paragraph 70 of its report, the Board recommended that UNU review the appropriateness of including all academic staff under fixed-term appointments in the after-service health insurance census data.**

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

70. Considering the six-year limit for academic staff, UNU will evaluate the reasonableness of including all academic staff under fixed-term appointments in the after-service health insurance census data.

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

Department responsible:	Administration
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

72. As part of the year-end exercise, UNU will perform a reconciliation of the annual leave balance in Atlas eServices and remind leave monitors of their duty to ensure that all personnel sign their annual leave record cards.

73. **In paragraph 95 of its report, the Board recommended that UNU ensure that annual leave requests are entered and approved through the Atlas eServices system in a timely manner.**

Department responsible:	Administration
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

74. UNU has reminded the institutes of the need to ensure that all leave requests are entered and approved in the enterprise resource planning system in a timely manner. A follow-up reminder will be sent to the leave monitors to explain the process that they will need to undertake each year.

75. **In paragraph 107 of its report, the Board recommended that the UNU Centre establish uniform criteria for the required levels (based on the complexity of the assignment and the degree of specialization, knowledge, qualifications, experience and skills required), in order to standardize the type of work the consultant performs, which shall be documented at the time of formalizing a contract.**

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

76. UNU will revise its consultant policy in 2023, with a view to establishing a harmonized process across the organization.

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

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

78. This review is ongoing in some institutes. However, UNU institutes will review their fee ranges to align them with the requirements of the consultant policy, which is to be revised in 2023.

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

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

80. As part of the review of the consultant policy and current practices, UNU Centre will review the current fee ranges to ensure they meet the criteria.

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

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

82. UNU will review the use of the consultant modality and the duration limits as part of the policy review in 2023.

83. **In paragraph 118 of its report, the Board recommended that UNU evaluate the positions for which the consultant modality is used that are recurrent and necessary for the operation of the institutes, in order to ensure that the contract modality used is appropriate.**

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

84. UNU will review the use of the consultant modality as part of the policy review in 2023.

85. **In paragraph 129 of its report, the Board recommended that UNU revise its consultant policy to formally establish the assessment methodology and criteria for gender balance and geographical distribution, in order to ensure the evaluation of both topics in the selection process, along with supporting documentation of the assessment performed during the process.**

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

86.   The consultant policy will be revised in 2023 to address the recommendation.

87.   **In paragraph 143 of its report, the Board recommended that UNU develop a mechanism of control for the agreements that are being negotiated in order to effectively monitor the status of each one of the institutes and prevent delays in negotiation and amendments or prevent potential errors when recording contributions.**

Department responsible:	Office of the Rector
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

88.   UNU is developing a mechanism of control for the agreements that are being negotiated in order to effectively monitor the status of each one of the institutes and prevent delays in negotiation and amendments or prevent potential errors when recording contributions.

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

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

90.   The solution for the recording of contributions on the date of the revenue recognition is being tested in Quantum (the enterprise resource planning solution replacing Atlas), which is expected to go live in the first quarter of 2023.

91.   **In paragraph 152 of its report, the Board recommended that the Campus Computing Centre officially issue its information and communications technology (ICT) terms of reference at the headquarters level, including the Campus Computing Centre responsibility in relation to the UNU enterprise resource planning system (Atlas).**

Department responsible:	Campus Computing Centre
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

92.   The UNU ICT governance framework defines the Campus Computing Centre's roles and responsibilities and its relationship with the institutes. A more detailed version of it is available on the UNU main website. With Atlas undergoing a significant upgrade to a new enterprise resource planning platform, the Centre's role vis-à-vis the enterprise resource planning system needs to be revised, taking into account the new service-level agreement with UNDP, which is still being finalized.

93.   **In paragraph 153 of its report, the Board recommended that UNU-ViE establish ICT terms of reference at the local level, including, at minimum, the scope of its objectives, purpose, responsibilities, meeting schedules, and its governance and reporting lines, in accordance with the ICT priorities of the institutes and the UNU ICT governance framework.**

Department responsible:	UNU-ViE
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

94.   An ICT framework document is being developed for UNU-ViE and UNU-EHS reflecting local ICT terms of reference and alignment with the global UNU ICT strategy.

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

95.   In the annex to its report for the year ended 31 December 2021 (A/77/5 (Vol. IV)), the Board provided a summary of the status of implementation of recommendations for previous 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.

96.   Table 6 summarizes the overall situation as of August 2022.

Table 6
Status of implementation of recommendations from prior periods considered not fully implemented
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Administration	3	–	2	1	1	–
Multiple offices	1	–	1	–	–	–
Total	**4**	**–**	**3**	**1**	**1**	**–**

Report of the Board for the year ended 31 December 2016[7]

97.   **In paragraph 97 of its report, the Board recommended that that UNU-EHS and UNU-ViE plan, formalize and carry out all activities for business continuity**

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[7] A/72/5 (Vol. IV), chap. II.

and disaster recovery for any event of disruption. This plan is to be reviewed periodically.

Departments responsible:	UNU-EHS and UNU-ViE
Status:	Closure requested
Priority:	High
Original target date:	Third quarter of 2018
Revised target date:	Not applicable

98. The implementation of this recommendation for both processes and documentation was completed during the second quarter of 2022, and information in that regard was submitted to the Board on 17 June 2022. UNU-EHS and UNU-ViE consider this recommendation to be implemented and request its closure by the Board.

Report of the Board for the year ended 31 December 2019[8]

99. **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
Original target date:	Fourth quarter of 2020
Revised target date:	First quarter of 2023

100. The development of the new travel solution in the UNDP UNall service platform and Quantum (the new enterprise resource planning system) are currently being tested and are expected to be operational by the first quarter of 2023.

Report of the Board for the year ended 31 December 2020[9]

101. **In paragraph 30 of its report, the Board recommended that 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:	Closure requested
Priority:	High
Original target date:	Fourth quarter of 2021
Revised target date:	Not applicable

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[8] A/75/5 (Vol. IV), chap. II.
[9] A/76/5 (Vol. IV), chap. II.

102. The UNU Endowment Fund policy issued on 1 April 2022 includes a section on the restricted and prohibited industries. UNU considers this recommendation to be implemented and requests its closure by the Board.

103. **In paragraph 31 of its report, the Board recommended that 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:	Closure requested
Priority:	High
Original target date:	Fourth quarter of 2021
Revised target date:	Not applicable

104. The transfer to environmental, social and governance assets was executed on 1 March 2022. The performance of the UNU Endowment Fund investments is now measured using the environmental, social and governance benchmarks. UNU considers this recommendation to be implemented and requests its closure by the Board.

IV. United Nations Development Programme

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2021[10]

105. Table 7 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

Table 7
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Bureau for Management Services	1	–	–	1	1	–
Office of Financial Resources Management	2	–	–	2	2	–
Procurement Services Unit	3	–	–	3	3	–
Multiple offices	5	–	–	5	5	–
Total	**11**	**–**	**–**	**11**	**11**	**–**

106. Table 8 summarizes the status of implementation of all recommendations of the Board as of August 2022.

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[10] A/77/5/Add.1, chap. II.

Table 8
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Bureau for Management Services	3	–	–	3	3	–
Office of Financial Resources Management	3	–	–	3	3	–
Procurement Services Unit	8	–	–	8	8	–
Office of Legal Services	1	–	–	1	1	–
Office of Information Management and Technology	1	–	–	1	1	–
Office of Human Resources	1	–	–	1	1	–
Regional bureaux	3	–	–	3	3	–
Multiple offices	13	–	–	13	13	–
Total	**33**	**–**	**–**	**33**	**33**	**–**

107. **In paragraph 28 of its report, the Board recommended that UNDP take measures to enhance appropriate recording of purchase orders and receipts of goods and services.**

> *Departments responsible*: Regional bureaux
>
> *Status*: Under implementation
>
> *Priority*: Medium
>
> *Target date*: First quarter of 2023

108. UNDP agreed with the recommendation.

109. **In paragraph 37 of its report, the Board recommended that UNDP streamline and clarify policies for the recording of expenses reported by partners to ensure that expenses are accounted for in the correct period.**

> *Department responsible*: Office of Financial Resources Management
>
> *Status*: Under implementation
>
> *Priority*: Medium
>
> *Target date*: Third quarter of 2023

110. UNDP agreed with the recommendation.

111. **In paragraph 56 of its report, the Board recommended that UNDP perform regular reviews of prices used for cost recovery for global services rendered under a contractual arrangement and adjust prices as identified by those reviews to avoid material shortcomings.**

Department responsible:	Bureau for Management Services
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

112. UNDP agreed with the recommendation.

113. **In paragraph 57 of its report, the Board recommended that UNDP define clear responsibility for the review of prices used for cost recovery for global services rendered under a contractual arrangement.**

Department responsible:	Bureau for Management Services
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

114. UNDP agreed with the recommendation.

115. **In paragraph 65 of its report, the Board recommended that UNDP use prices for cost recovery based on actual work performed, relying on tracked data of actual service provisions instead of using lump sums, to ensure transparency and that neither profits nor losses occur.**

Department responsible:	Office of Legal Services
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

116. UNDP agreed with the recommendation.

117. **In paragraph 69 of its report, the Board recommended that UNDP aim to re-establish a contractual arrangement for all services, including legal services provided to United Nations entities at the headquarters level, with a view to determining arrangements for price adjustments as necessary and ensuring full cost recovery in line with the principles for costing and pricing services.**

Department responsible:	Bureau for Management Services
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

118. UNDP agreed with the recommendation.

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

Departments responsible:	Directorate and regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

120. UNDP agreed with the recommendation.

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

Departments responsible:	Office of Legal Services and regional bureaux
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

122. UNDP agreed with the recommendation.

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

Department responsible:	Office of Financial Resources Management
Status:	Under implementation
Priority:	High
Target date:	Third quarter of 2023

124. UNDP agreed with the recommendation.

125. **In paragraph 103 of its report, the Board recommended that UNDP maintain evidence of the spot checks of quality assurance reports.**

Departments responsible:	Regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

126. UNDP agreed with the recommendation.

127. **In paragraph 114 of its report, the Board recommended that UNDP assess whether guidelines for oversight established for Global Environment Facility projects could be applied to other UNDP projects.**

Departments responsible:	Bureau for Policy and Programme Support and regional bureaux
Status:	Under implementation
Priority:	High
Target date:	Third quarter of 2023

128. UNDP agreed with the recommendation.

129. **In paragraph 115 of its report, the Board recommended that UNDP facilitate the sharing of tools and best practices between regional bureaux.**

Departments responsible:	Regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

130. UNDP agreed with the recommendation.

131. **In paragraph 125 of its report, the Board recommended that UNDP ensure timely completion of the annual performance reviews.**

Departments responsible:	All bureaux
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

132. UNDP agreed with the recommendation.

133. **In paragraph 152 of its report, the Board recommended that UNDP, in line with established good practices and international standards, continue to integrate sustainability into the organization's procurement policy and strategy.**

Department responsible:	Procurement Services Unit
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

134. UNDP agreed with the recommendation.

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

Department responsible:	Procurement Services Unit
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

136. UNDP agreed with the recommendation.

137. **In paragraph 163 of its report, the Board recommended that UNDP include sustainable procurement-related goals that are specific, measurable, attainable, relevant and time-bound in individual performance management agreements for all procurement support unit staff.**

Departments responsible:	Procurement Services Unit and regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

138. UNDP agreed with the recommendation.

139. **In paragraph 164 of its report, the Board recommended that UNDP develop and distribute examples of sustainable procurement-related individual performance goals for key internal stakeholders of the procurement process such as local heads of procurement, programme managers and operations managers.**

Department responsible:	Procurement Services Unit
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

140. UNDP agreed with the recommendation.

141. **In paragraph 174 of its report, the Board recommended that UNDP review existing guidance on sustainable procurement practices and continue to enable its staff to implement existing sustainable procurement requirements stipulated in UNDP programme and operations policies and procedures.**

Department responsible:	Procurement Services Unit
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

142. UNDP agreed with the recommendation.

143. **In paragraph 185 of its report, the Board recommended that, based on a sustainability risk analysis, UNDP develop and continuously update sustainable procurement specifications and regularly communicate those specifications to its requisitioners.**

Department responsible:	Procurement Services Unit
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

144. UNDP agreed with the recommendation.

145. **In paragraph 196 of its report, the Board recommended that UNDP establish a control mechanism to ensure that country offices request non-hydrofluorocarbon refrigerants, where available and feasible, with an ultra-low global warming potential so as to comply with related provisions of UNDP social and environmental standards.**

Departments responsible:	Procurement Services Unit and regional bureaux
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

146. UNDP agreed with the recommendation.

147. **In paragraph 206 of its report, the Board recommended that UNDP revise its corporate templates for requests for proposal to include mandatory and optional sustainability criteria in all templates.**

Department responsible:	Procurement Services Unit
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

148. UNDP agreed with the recommendation.

149. **In paragraph 207 of its report, the Board recommended the inclusion of clear instructions and requirements on the use of mandatory and optional sustainability criteria for evaluation of offers in the related policy.**

Department responsible:	Procurement Services Unit
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

150. UNDP agreed with the recommendation.

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

Department responsible:	Procurement Services Unit
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

152. UNDP agreed with the recommendation.

153. **In paragraph 220 of its report, the Board recommended that UNDP report greenhouse gas emissions related to the contracted freight forwarding services in its greenhouse gas inventory and offset them.**

Departments responsible:	Procurement Services Unit and Office of Information Management and Technology
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

154. UNDP agreed with the recommendation.

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

Departments responsible:	Office of Information Management and Technology and regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

156. UNDP agreed with the recommendation.

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

Departments responsible:	Office of Information Management and Technology and regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

158. UNDP agreed with the recommendation.

159. **In paragraph 246 of its report, the Board recommended that UNDP evaluate the appropriateness of the authorization process in the identified cases and follow up with corrective measures.**

Departments responsible:	Bureau for Management Services, Global Shared Service Centre and regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

160. UNDP agreed with the recommendation.

161. **In paragraph 247 of its report, the Board recommended that UNDP review its oversight functions and internal controls in place to ensure compliance with the stipulations for danger pay due to the coronavirus disease (COVID-19) pandemic.**

Departments responsible:	Office of Human Resources and Global Shared Service Centre
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

162. UNDP agreed with the recommendation.

163. **In paragraph 264 of its report, the Board recommended that UNDP review and update its policy on termination indemnities in line with the Staff Regulations and Rules of the United Nations to ensure that additional termination indemnities are paid according to clearly defined criteria.**

Department responsible:	Office of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

164. UNDP agreed with the recommendation.

165. **In paragraph 279 of its report, the Board recommended that UNDP ensure compliance with the existing policy.**

Departments responsible:	All bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

166. UNDP agreed with the recommendation.

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

Departments responsible:	Office of Human Resources and Office of Information Management and Technology
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

168. UNDP agreed with the recommendation.

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

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

170. UNDP agreed with the recommendation.

171. **In paragraph 314 of its report, the Board recommended that UNDP further enhance the close monitoring for cost recovery of Quantum-related costs and strengthen efforts to ensure timely billing for all Quantum services provided to other United Nations entities.**

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

172. UNDP agreed with the recommendation.

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

173. In the annex to its report for the year ended 31 December 2021 (A/77/5/Add.1), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 17 recommendations that were determined by the Board to be either under implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

174. Table 9 summarizes the overall situation as of August 2022.

Table 9
Status of implementation of recommendations from prior periods considered not fully implemented
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Directorate	1	–	–	1	1	–
Office of Financial Resources Management	2	–	–	2	2	–
Office of Information Management and Technology	1	–	–	1	1	–
Procurement Services Unit	1	–	–	1	1	–
Multiple offices	12	–	2	10	10	–
Total	**17**	**–**	**2**	**15**	**15**	**–**

Report of the Board for the year ended 31 December 2018[11]

175. **In paragraph 85 of its report, the Board recommended that 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.**

Departments responsible:	Office of Financial Resources Management and regional bureaux
Status:	Closure requested
Priority:	Medium
Original target date:	Second quarter of 2020
Revised target date:	Not applicable

176. UNDP is of the opinion that, in order to emphasize the need for a comprehensive approach for effective internal financial controls, the Board has rephrased the recommendation in paragraph 292 of the current report (A/77/5/Add.1). UNDP therefore considers this recommendation to have been overtaken by events and requests its closure by the Board.

Report of the Board for the year ended 31 December 2019[12]

177. **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.**

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[11] A/74/5/Add.1, chap. II.
[12] A/75/5/Add.1, chap. II.

Department responsible:	Directorate
Status:	Under implementation
Priority:	High
Original target date:	Third quarter of 2021
Revised target date:	Second quarter of 2023

178. The Board considered this recommendation to be under implementation since, in its assessment, UNDP did not provide evidence of increased inclusion of fraud risks recorded in risk logs across its business units. The Bureau for Management Services will further discuss this recommendation with the Board to agree on the specific actions required in order to close this recommendation.

179. **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, central and regional bureaux
Status:	Under implementation
Priority:	Medium
Original target date:	First quarter of 2021
Revised target date:	Second quarter of 2023

180. The Board considered this recommendation to be under implementation owing to a lack of evidence of local mitigation measures that respond to fraud risks identified at the country office level. The Bureau for Management Services will further discuss this recommendation with the Board to agree on the specific actions needed in order to close this recommendation.

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
Original target date:	Second quarter of 2021
Revised target date:	Second quarter of 2023

182. UNDP has added the anti-fraud link to all its local websites, which are linked to the UNDP accountability page, and the link is shared with relevant stakeholders. Templates used with external parties, such as implementing partners, have also been updated to include fraud-related information. The Bureau for Management Services will continue to implement this recommendation by including the UNDP zero-tolerance message, the UNDP vendor protest mechanism, the United Nations Supplier Code of Conduct and the anti-fraud policy on the local procurement websites.

183. **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 has been identified.**

Departments responsible:	Procurement Services Unit, Office of Human Resources, and Global Shared Service Centre
Status:	Under implementation
Priority:	High
Original target date:	Second quarter of 2021
Revised target date:	Fourth quarter of 2023

184. UNDP has clustered several of the country office functions in the Global Shared Service Centre. In addition, the Finance Unit of the Centre is offering rotation within the Centre for capacity-building, and the Centre will systemize this process further. With the implementation of the UNDP mobility policy, a few more calendar cycles will be required for a more global rotation of staff to occur.

185. **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.**

Departments responsible:	Global Shared Service Centre and Office of Human Resources
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Second quarter of 2023

186. As part of the human resources clustering, the Global Shared Service Centre has been responsible for managing the entries into the system. The review of supporting documents and data entries is now centrally managed by the human resources team of the Centre for all personnel except service contract holders in some country offices. The process for those service contract holders will also be centralized once they have transitioned to the national personnel services agreement contract modality.

Report of the Board for the year ended 31 December 2020[13]

187. 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.

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[13] A/76/5/Add.1, chap. II.

Department responsible:	General Operations Unit
Status:	Under implementation
Priority:	Medium
Original target date:	Second quarter of 2022
Revised target date:	Second quarter of 2023

188. Quantum, the new UNDP enterprise resource planning system, to which UNDP is currently migrating, will provide account derivation logic and a direct facility funding (asset use) field. This should help to address the issue noted by the Board.

189. **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:	Office of Financial Resources Management and regional bureaux
Status:	Under implementation
Priority:	High
Original target date:	Second quarter of 2022
Revised target date:	Second quarter of 2023

190. The new enterprise resource planning system will provide automatic billing functionality, which will lead to fewer manually created general ledger journal entries, thus helping to address the underlying cause of the issue.

191. **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.**

Department responsible:	Office of Financial Resources Management
Status:	Under implementation
Priority:	High
Original target date:	Second quarter of 2022
Revised target date:	Second quarter of 2023

192. UNDP is exploring options to further enhance automated internal controls as part of the transition to Quantum.

193. **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.**

Departments responsible:	Office of Financial Resources Management and regional bureaux
Status:	Under implementation
Priority:	Medium
Original target date:	Second quarter of 2022
Revised target date:	Second quarter of 2023

194. UNDP followed up with individual offices where cases of non-compliance were noted. A further review will be held as part of the annual assertion review exercise.

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

Departments responsible:	Office of Legal Services and Office of Information Management and Technology
Status:	Under implementation
Priority:	High
Original target date:	Third quarter of 2022
Revised target date:	Second quarter of 2023

196. UNDP is exploring the possibility of integrating the delegation of authority template as part of the transition to Quantum.

197. **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.**

Department responsible:	Office of Information Management and Technology
Status:	Under implementation
Priority:	Medium
Original target date:	Second quarter of 2022
Revised target date:	Third quarter of 2023

198. UNDP has implemented controls in recruitment and procurement sourcing. Controls across the rest of the platform will be implemented with the launch of Quantum.

199. **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:	Office of Budget, Performance and Compliance and regional bureaux
Status:	Under implementation
Priority:	High
Original target date:	First quarter of 2022
Revised target date:	Fourth quarter of 2023

200. UNDP introduced the new Quantum+ system in April 2022 and is working to transition risk registers into the new platform.

201. **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:	Office of Budget, Performance and Compliance and regional bureaux
Status:	Under implementation
Priority:	Medium
Original target date:	First quarter of 2022
Revised target date:	First quarter of 2023

202. Following the launch of the risk module in the Quantum+ system, the country offices are entering their risk registers into the new application. They are then reviewed by the regional bureaux. The risk assessment is a dynamic process, and the country offices are required to update their risks regularly. The risks that are outside of the country offices' risk appetite statements are escalated to the regional bureaux through the system.

203. **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
Original target date:	Second quarter of 2022
Revised target date:	Third quarter of 2023

204. UNDP is exploring the possibility of integrating the main control activities in the harmonized approach to cash transfers into Quantum.

205. **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
Original target date:	First quarter of 2022
Revised target date:	First quarter of 2023

206. With the launch of the supplier portal in Quantum, UNDP will have a robust input system that will prevent duplication of suppliers and ensure completeness of data through built-in controls and validations. In addition, UNDP will be shifting towards a single supplier database instead of decentralized databases, which will be easier to manage, control and maintain.

207. **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.**

Departments responsible:	Procurement Services Unit and Office of Information Management and Technology
Status:	Closure requested
Priority:	Medium
Original target date:	Second quarter of 2022
Revised target date:	Not applicable

208. UNDP has introduced a generic procurement team email in the solicitation template in the new Quantum sourcing platform that is now used globally. UNDP considers this recommendation to have been implemented and requests its closure by the Board.

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 2020[14]

209. Table 10 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

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[14] A/77/5/Add.2, chap II.

Table 10
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Directorate and Office of Finance and Management Services	5	–	–	5	5	–
Total	**5**	**–**	**–**	**5**	**5**	**–**

210. Table 11 summarizes the status of implementation of all recommendations of the Board as of August 2022.

Table 11
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Directorate and Office of Finance and Management Services	7	–	–	7	7	–
Total	**7**	**–**	**–**	**7**	**7**	**–**

211. **In paragraph 28 of its report, the Board recommended that the United Nations Capital Development Fund (UNCDF) streamline risk reporting into the existing platform and establish an assurance mechanism to ensure that all risks are recorded and regularly updated in the dedicated risk management platform.**

Departments responsible:	Directorate and Office of Finance and Management Services
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

212. UNCDF is in the process of establishing a monitoring system to ensure all risks are recorded and updated on a regular basis.

213. **In paragraph 29 of its report, the Board recommended that UNCDF remind all managers of their role and responsibilities within the context of the three lines of defence model and their accountability for risk management within their area of responsibility.**

Departments responsible:	Directorate and Office of Finance and Management Services
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

214. UNCDF is taking steps to remind all managers of their role and responsibilities.

215. **In paragraph 40 of its report, the Board recommended that UNCDF enhance the assessment of grant-related risks within the established enterprise risk management process.**

Departments responsible:	Directorate and Office of Finance and Management Services
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

216. UNCDF is taking steps to incorporate grant-related risks into the established enterprise risk management process.

217. **In paragraph 51 of its report, the Board recommended that UNCDF revise its document management in the future grants module and related requirements in the operations manual.**

Departments responsible:	Directorate and Office of Finance and Management Services
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

218. UNCDF has submitted revised requirements to the Quantum implementation team for relevant action.

219. **In paragraph 57 of its report, the Board recommended that UNCDF find a standardized means of entering grant data completely into the future grants module and formalize this approach.**

Departments responsible:	Directorate and Office of Finance and Management Services
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

220. UNCDF is taking steps to find a standardized way to enter grant data into the new grants module.

221. **In paragraph 63 of its report, the Board recommended that UNCDF analyse shortcomings in the monitoring and evaluation tab of the grants module and take corrective measures.**

Departments responsible:	Directorate and Office of Finance and Management Services
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

222. UNCDF is taking steps to analyse shortcomings in the monitoring and evaluation tab of the grants module in order to take corrective measures.

223. **In paragraph 69 of its report, the Board recommended that UNCDF analyse the completeness and quality of the data entered into the grants module and enhance the use of the grants module in day-to-day grants management.**

Departments responsible:	Directorate and Office of Finance and Management Services
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

224. UNCDF has submitted revised requirements to the Quantum implementation team to integrate the grants module with other modules in the new enterprise resource planning system. In the view of UNCDF, this approach will ensure the completeness and accuracy of the data in the new grants module.

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

225. In the annex to its report for the year ended 31 December 2021 (A/77/5/Add.2), the Board provided a summary of the status of implementation of recommendations for the previous financial period. As confirmed in the assessment by the Board, UNCDF had implemented all nine of the recommendations that were outstanding from the period.

VI. United Nations Children's Fund

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2021[15]

226. Table 12 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

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[15] A/77/5/Add.3, chap. II.

Table 12
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Data, Analytics, Planning and Monitoring	2	–	–	2	2	–
Division of Financial and Administrative Management	3	–	2	1	1	–
Private Fundraising and Partnerships Division	1	–	–	1	1	–
Multiple offices	1	–	–	1	1	–
Total	**7**	**–**	**2**	**5**	**5**	**–**

227. Table 13 summarizes the status of implementation of all recommendations of the Board as of August 2022.

Table 13
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Data, Analytics, Planning and Monitoring	2	–	–	2	2	–
Division of Financial and Administrative Management	3	–	2	1	1	–
Office of Emergency Programmes	4	–	–	4	4	–
Global Shared Service Centre	2	–	–	2	2	–
Information and Communications Technology Division	1	–	–	1	1	–
Mozambique country office	1	–	–	1	1	–
Private Fundraising and Partnerships Division	3	–	–	3	3	–
Supply Division	2	–	–	2	2	–
South Sudan country office	2	–	2	–	–	–
Multiple offices	3	–	2	1	1	–
Total	**23**	**–**	**6**	**17**	**17**	**–**

228. **In paragraph 33 of its report, the Board recommended that the United Nations Children's Fund (UNICEF) obtain specific authority from the General Assembly in the event of borrowing funds from any source external to the Organization.**

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

229. UNICEF will obtain the specific authority of the General Assembly prior to borrowing funds from any external source in the future. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

230. **In paragraph 34 of its report, the Board recommended that UNICEF comply in a strict manner with current regulations whenever using financing instruments for fundraising that may raise a financial liability.**

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

231. UNICEF will comply in a strict manner with current regulations whenever using financial instruments for fundraising that may raise a financial liability. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

232. **In paragraph 47 of its report, the Board recommended that the Division of Data, Analytics, Planning and Monitoring develop guidance on the action points for follow-up, in order to ensure that the actions taken have been properly completed in eTools.**

Department responsible:	Division of Data, Analytics, Planning and Monitoring
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

233. UNICEF is currently reviewing its implementing partnership management procedures, guidance and tools to provide more clarity on action points related to follow-ups.

234. **In paragraph 48 of its report, the Board recommended that the Division of Data, Analytics, Planning and Monitoring assess whether ineligible expenditures reported in an action point should be impaired through the regional harmonized approach to cash transfers focal point, in line with UNICEF policy.**

Department responsible:	Division of Data, Analytics, Planning and Monitoring
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

235. UNICEF is currently revising its implementing partnership management procedures, guidance and tools to provide further guidelines on ineligible expenditures and impairments, among other things.

236. **In paragraph 49 of its report, the Board recommended that UNICEF make sure that the actions taken by the South Sudan and Yemen country offices appropriately address the findings and recommendations resulting from closed assurance activities.**

Departments responsible:	South Sudan and Yemen country offices
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

237. The South Sudan and Yemen country offices will ensure that any unresolved action points closed in 2021 go through further review to determine appropriate action to recover or impair related amounts in accordance with UNICEF policies and procedures.

238. **In paragraph 60 of its report, the Board recommended that the Private Fundraising and Partnerships Division require National Committees and country offices to improve the number of reports submitted in a timely manner, in accordance with the reporting calendars.**

Department responsible:	Private Fundraising and Partnerships Division
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

239. UNICEF is working with National Committees and country offices to ensure timely submission of reports.

240. **In paragraph 74 of its report, the Board recommended that the Private Fundraising and Partnerships Division duly develop and approve private sector plans in coordination with the country offices and in compliance with the applicable timeline.**

Department responsible:	Private Fundraising and Partnerships Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

241. UNICEF is already taking steps to institute compliance with the timelines for the preparation, quality review and final approval of private sector plans by the end of April each year.

242. **In paragraph 75 of its report, the Board recommended that the Private Fundraising and Partnerships Division elaborate formal documentation for meetings held with regional offices and/or country offices and distribute it among stakeholders.**

Department responsible:	Private Fundraising and Partnerships Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

243. UNICEF will implement this recommendation accordingly by the second quarter of 2023.

244. **In paragraph 85 of its report, the Board recommended that UNICEF strengthen and describe the monitoring of conflicting roles assigned when segregation is not possible, to ensure that compensating control mechanisms are effective.**

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

245. UNICEF is committed to periodic monitoring of the compensating controls in place.

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

Department responsible:	Information and Communications Technology Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2023

247. A full disaster recovery exercise will be conducted in 2023 after the transition of the UNICEF headquarters data centres to Valencia, Spain, and Brindisi, Italy.

248. **In paragraph 109 of its report, the Board recommended that UNICEF headquarters make the necessary arrangements in order to maintain its emergency preparedness plans and minimum preparedness standards up to date and approved.**

Department responsible:	Office of Emergency Programmes
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

249. UNICEF will make the necessary arrangements to maintain its headquarters preparedness plan to ensure it is up to date and approved.

250. **In paragraph 110 of its report, the Board recommended that UNICEF strengthen its emergency preparedness planning process with the lessons learned from COVID-19, in order to anticipate possible hazards.**

Department responsible:	Office of Emergency Programmes
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

251. UNICEF will strengthen the emergency preparedness planning process as recommended.

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

Department responsible:	Office of Emergency Programmes
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

253. UNICEF will ensure that the minimum preparedness standards are updated by the first quarter of 2023.

254. **In paragraph 126 of its report, the Board recommended that UNICEF headquarters provide further training to regional offices, with the goal of strengthening the oversight and quality control exercised by the regional offices.**

Department responsible:	Office of Emergency Programmes
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

255. UNICEF is committed to providing training to the regional offices by the first quarter of 2023.

256. **In paragraph 137 of its report, the Board recommended that the Middle East and North Africa Regional Office and the Mozambique country office make the necessary arrangements in order to approve and update the documents and steps that comprise the emergency preparedness planning process on the emergency preparedness platform in due time.**

Departments responsible:	Middle East and North Africa Regional Office and Mozambique country office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

257. UNICEF confirms that information was updated and approved in the emergency preparedness plan. The emergency preparedness plan of the Mozambique country office was approved by the country representative in February 2022 and the preparedness score is 81 per cent. The emergency preparedness plan of the Middle East and North Africa Regional Office was approved in June 2022 and the preparedness score is 100 per cent. UNICEF considers this recommendation to be implemented and requests its closure by the Board.

258. **In paragraph 145 of its report, the Board recommended that the Mozambique country office apply the end-user monitoring review for supplies delivered by implementing partners, in agreement with the Mozambique country office standard operating procedure for end-user monitoring of supplies.**

Department responsible:	Mozambique country office
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

259. The Mozambique country office will monitor supplies based on the standard operating procedure and formal follow-up instruments

260. **In paragraph 146 of its report, the Board recommended that the South Sudan country office, in coordination with the Eastern and Southern Africa Regional Office, finalize the end-user supply monitoring process review and adopt a procedure to strengthen the end-user monitoring of supplies delivered by implementing partners.**

Departments responsible:	South Sudan country office and Eastern and Southern Africa Regional Office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

261. UNICEF confirms that the South Sudan country office, with the support of the Eastern and Southern Africa Regional Office, revised the standard operating procedures for field monitoring and end-user monitoring, held an orientation and briefing session on the revised standard operating procedures for all concerned offices, developed and piloted an end-user monitoring checklist and trained field monitors, including implementing partners, on the checklist and inventory management. UNICEF considers this recommendation to be implemented and requests its closure by the Board.

262. **In paragraph 154 of its report, the Board recommended that the South Sudan country office monitor its supply plans and update them in line with the programmatic needs.**

Department responsible:	South Sudan country office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

263. The South Sudan country office has instituted quarterly monitoring and updating of its supply plan. The 2022 supply plan for the office was monitored, reviewed and updated in June 2022 in line with programme needs. UNICEF considers this recommendation to be implemented and requests its closure by the Board.

264. **In paragraph 155 of its report, the Board recommended that the Programme Section of the South Sudan country office, with the support of the Supply Section, continue to strengthen its monitoring of the procurement process.**

Department responsible:	South Sudan country office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

265. UNICEF has taken various measures to strengthen the monitoring of the procurement process, including the development of a comprehensive supply plan for 2021–2022 for all essential commodities to avoid non-compliance with programme execution. UNICEF considers this recommendation to be implemented and requests its closure by the Board.

266. **In paragraph 165 of its report, the Board recommended that the Supply Division verify that the documentation utilized for the calculation of the current replacement cost is aligned with the methodology to calculate the actual cost that the entity would incur to acquire the asset at the reporting date.**

Department responsible:	Supply Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

267. UNICEF is taking steps to implement this recommendation by the first quarter of 2023.

268. **In paragraph 166 of its report, the Board recommended that the Supply Division update its methodology indicating minimum criteria and necessary supporting documentation whenever the calculation of the current replacement cost is determined through discussions with product experts.**

Department responsible:	Supply Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

269. UNICEF is taking steps to implement this recommendation by the first quarter of 2023.

270. **In paragraph 177 of its report, the Board recommended that the Global Shared Service Centre resolve the pending third-party reconciliation requests in accordance with the UNICEF policy.**

Department responsible:	Global Shared Service Centre
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

271. The Global Shared Service Centre is working in coordination with the concerned divisions and offices to reduce any unnecessary outstanding amounts.

272. **In paragraph 178 of its report, the Board recommended that the Global Shared Service Centre identify the underlying reasons for overpayments by country offices and explore solutions to reduce them and raise the awareness of those UNICEF offices with regard to the management of personal advances and recoveries accountabilities to avoid financial losses.**

Department responsible:	Global Shared Service Centre
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

273. UNICEF is exploring solutions, while reinforcing communication with its country offices, in order to reduce cases of overpayment.

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

274. In the annex to its report for the year ended 31 December 2021 (A/77/5/Add.3), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the five 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.

275. Table 14 summarizes the overall situation as of August 2022.

Table 14
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Financial and Administrative Management	2	–	–	2	2	–
Information and Communications Technology Division	2	–	–	2	2	–
Multiple offices	1	–	–	1	1	–
Total	**5**	**–**	**–**	**5**	**5**	**–**

Report of the Board for the year ended 31 December 2019[16]

276. **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.**

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	High
Original target date:	First quarter of 2021
Revised target date	Second quarter of 2023

277. Following challenges in the performance of the budget formulation tool, the implementation of the tool has been suspended. The suspension was the result of a review of the budget planning processes and the need to develop a tool that would support a less complicated and more user-friendly process.

278. **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.**

Department responsible:	Information and Communications Technology Division
Status:	Under implementation
Priority:	Medium
Original target date:	Third quarter of 2021
Revised target date	Second quarter of 2023

279. UNICEF has completed the identification of a strategic data warehouse platform. A new data hub in line with the strategic data warehouse platform is in place to support the COVID vaccine dashboards. Work is in progress to enhance data presentation capabilities and to migrate data from the current data warehouse to the new platform.

280. **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.**

Department responsible:	Information and Communications Technology Division
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2020
Revised target date	Second quarter of 2023

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[16] A/75/5/Add.3, chap. II.

281. UNICEF data centres are protected by firewalls and security services provided by external vendor companies that are leaders in security services. UNICEF issued a procedure on local ICT security operations in 2021 to provide guidance on penetration testing to all offices, which clearly recommends yearly penetration tests for large offices, where possible. This exercise will be completed in the second quarter of 2023 after the transition of the UNICEF headquarters data centres to Valencia and Brindisi.

282. **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:	Under implementation
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date	Second quarter of 2023

283. UNICEF has identified and put in place, in eZHACT 1.0, a mechanism to eliminate the risk that implementing partners could be overpaid. UNICEF is currently launching eZHACT 2.0, which will eliminate the creation of unnecessary new funding authorization and certificate of expenditure forms.

Report of the Board for the year ended 31 December 2020[17]

284. **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
Original target date:	Fourth quarter of 2021
Revised target date	First quarter of 2023

285. The review of grants for technical closure has been changed from an annual to a quarterly basis, and this has resulted in quicker technical closure of grants and a reduction in the number, as well as closer follow-up, of pending long-outstanding cases.

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[17] A/76/5/Add.3, chap. II.

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

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2021[18]

286. Table 15 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

Table 15
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Central Support Services Division	2	1	–	1	1	–
Department of Health	2	–	–	2	2	–
Department of Microfinance	2	1	–	1	1	–
Multiple offices	3	–	–	3	3	–
Total	**9**	**2**	**–**	**7**	**7**	**–**

287. Table 16 summarizes the status of implementation of all recommendations of the Board as of August 2022.

Table 16
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Central Support Services Division	3	1	1	1	1	–
Gaza field office	2	–	1	1	1	–
Department of Health	3	–	–	3	3	–
Department of Relief and Social Services	2	–	–	2	2	–
Department of Human Resources	2	–	–	2	2	–
Executive Office	1	–	–	1	1	–
Department of Planning	1	–	–	1	1	–
Department of Information Management and Technology	3	–	–	3	3	–
Department of Microfinance	5	1	–	4	4	–
Multiple offices	6	–	–	6	6	–
Total	**28**	**2**	**2**	**24**	**24**	**–**

288. **In paragraph 32 of its report, the Board recommended that UNRWA further enhance the internal control procedures, such as storage and transportation management, to improve the efficiency of food use.**

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[18] A/77/5/Add.4, chap. II.

Department responsible:	Central Support Services Division
Status:	Not accepted
Priority:	High
Target date:	Not applicable

289. UNRWA disagrees with this recommendation, since this area is well managed by the Agency. The Agency is fully committed to following effective and efficient stock management operations and aims to manage food distribution efficiently with minimal damage. The low value of loss is an indicator of the strength of its management in this area.

290. **In paragraph 45 of its report, the Board recommended that UNRWA enhance batch management of canned sardine, sunflower oil and white crystal sugar by flagging them as batch managed items in the REACH system and recording the necessary information accurately, completely and on a timely basis, so to ensure the accuracy of the issuance time sequence of food in stock and make food procurement and distribution plans more reasonable.**

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

291. UNRWA has already taken corrective actions to prevent new transactions for the three items that do not contain the expiration date as a mandatory field. Acquisitions of items under those material codes have been blocked and new material codes were created in REACH as batch-managed items with the aim of transferring available stocks to the newly created batch-managed material codes. UNRWA will provide the relevant documents to the Board during the next audit cycle. UNRWA considers this recommendation to be implemented and requests its closure by the Board.

292. **In paragraph 54 of its report, the Board recommended that UNRWA distribute food inventories on a first-expiry-first-out basis, with detailed documentation, to improve the management of inventories.**

Department responsible:	Gaza field office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

293. The Agency highlights that the first-expiry-first-out principle is applied and controlled through the current SAP system. Supporting documentation will be provided to the Board during its next audit. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

294. **In paragraph 60 of its report, the Board recommended that UNRWA review the property management manual and update it according to the current situation.**

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

295. UNRWA is taking the actions necessary to seek both the financial and the human resources for the update of the property management manual.

296. **In paragraph 73 of its report, the Board recommended that UNRWA take measures to strengthen the management of the whole supply chain system for medicines, especially for expired medicines, from the request to the distribution to the patient, to ensure that expired medicines are removed from available stock in a timely manner so as to absolutely avoid the issuance of expired medicines to refugees.**

Department responsible:	Department of Health
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

297. UNRWA is taking steps to improve the supply chain management of medicines and vaccines by evaluating the processes.

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

Department responsible:	Department of Health
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

299. UNRWA is taking steps to improve the supply chain management of medicines and vaccines by evaluating the processes.

300. **In paragraph 81 of its report, the Board recommended that UNRWA ensure that its West Bank field office takes measures to strengthen the management of expired medicines, with complete survey reports prepared and accurate electronic records maintained, and that the values of medicines destroyed or donated to other institutions are promptly written off.**

Departments responsible:	Department of Health and West Bank field office
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

301. UNRWA is taking steps to improve the management of medicines and vaccines by evaluating the processes.

302. **In paragraph 88 of its report, the Board recommended that UNRWA issue specific guidelines on conducting and reporting medical referral audits to ensure that biannual audits of hospitalization referrals are regularly performed, properly documented and well reported.**

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

303. The Agency is exploring the mechanism for biannual audits of the hospital referrals and will work with the field offices to strengthen the routine monitoring of the hospitalization referral processes.

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

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

305. UNRWA is taking steps to implement of this recommendation by reviewing the processes.

306. **In paragraph 101 of its report, the Board recommended that UNRWA exert more effort to expand communication and promote the knowledge of the hotline service among beneficiaries for better utilization of the hotline.**

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

307. UNRWA is taking steps to implement this recommendation.

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

Departments responsible:	Department of Health and Department of Finance
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

309. UNRWA is following up with the relevant United Nations agency to settle the outstanding receivables.

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

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

311. UNRWA management is reviewing and cleaning the historic data in order to implement the recommendation.

312. **In paragraph 122 of its report, the Board recommended that UNRWA ensure that its West Bank field office and Gaza field office formulate feasible training plans and expedite their implementation, particularly of the mandatory training plans, so as to continuously improve the capacity of their staff.**

Department responsible:	Department of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

313. UNRWA is taking steps to implement this recommendation.

314. **In paragraph 129 of its report, the Board recommended that UNRWA have compact letters issued on a timely basis following a strict annual cycle in order to strengthen management and facilitate performance evaluation.**

Department responsible:	Executive Office
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

315. UNRWA accepts the recommendation to issue compact letters on an annual basis and will revise the format of the compact letters ahead of issuing the letters for 2023.

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

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

317. UNRWA is evaluating the time frame of its annual operational planning cycle and will update organizational directive No. 21 accordingly.

318. **In paragraph 138 of its report, the Board recommended that UNRWA conduct a feasibility study to introduce a clearly stated clause of liquidated damages in contracts for the procurement of goods and services to ensure that the liquidated damages clause is applied in accordance with the procurement manual.**

Departments responsible:	Gaza field office and Central Support Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

319. UNRWA has launched an internal feasibility study proposal for all concerned departments to introduce a clearly stated clause of liquidated damages in contracts for the procurement of goods and services.

320. **In paragraph 139 of its report, the Board recommended that UNRWA strengthen the management of purchase orders and accelerate the progress of execution to reduce delays in delivery.**

Departments responsible:	Gaza field office and Central Support Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

321. UNRWA has launched an internal feasibility study proposal for all concerned departments to introduce a clearly stated clause of liquidated damages in contracts for the procurement of goods and services.

322. **In paragraph 145 of its report, the Board recommended that UNRWA ensure that its Gaza field office conducts regular performance evaluations of existing vendors to facilitate the management of vendors.**

Department responsible:	Gaza field office
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

323. UNRWA has started the process of preparing a specific standard operating procedure to enhance controls over regular performance evaluations of existing vendors. The standard operating procedure will be shared with field offices and relevant training will be provided on the importance of having systematic performance evaluations of vendors.

324. **In paragraph 153 of its report, the Board recommended that UNRWA revise and release the new terms of reference of the Governance Board within a time-**

bound framework and convene the Governance Board meetings as required for it to perform its responsibilities related to ICT governance.

Department responsible:	Department of Information Management and Technology
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

325. New terms of reference for the Digital Transformation Strategy Steering Committee have been prepared and shared with the Senior Management Team for review. The Steering Committee will replace the Information and Communications Technology Governance Board, as explained in the terms of reference.

326. **In paragraph 159 of its report, the Board recommended that UNRWA further assess the existing systems and applications that could be migrated and integrated to the cloud and update the outputs of the cloud strategy with a road map of implementation to match its five-year period.**

Department responsible:	Department of Information Management and Technology
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2023

327. UNRWA is undertaking a review of the existing systems and cloud strategy and developing a road map of implementation.

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

Department responsible:	Department of Information Management and Technology
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

329. UNRWA is providing training on business continuity.

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

Departments responsible:	Gaza field office and Department of Education
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

331. The construction of four schools is ongoing and should be completed by the third quarter of 2023.

332. **In paragraph 177 of its report, the Board recommended that UNRWA ensure that its Gaza field office examines the causes of delay, approves the extension to contractors in a timely manner and issues the extension of time approvals as early as possible during or after the unforeseen or emergency circumstances.**

Departments responsible:	Gaza field office and Department of Infrastructure and Camp Improvement
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

333. UNRWA is taking measures to implement contract extensions in a timely manner.

334. **In paragraph 188 of its report, the Board reiterated its recommendation that UNRWA work on the reduction of the Microfinance Department's interest rates for the three basic loan products, incorporating considerations of cutting operating expenses and improving its loan productivity.**

Department responsible:	Department of Microfinance
Status:	Not accepted
Priority:	High
Target date:	Fourth quarter of 2022

335. UNRWA disagreed with this recommendation. Management reviews interest rates on an ongoing basis and, according to the results of the review, evaluates its rates. Management will submit its review to the Board for its consideration during the next audit cycle.

336. **In paragraph 196 of its report, the Board recommended that UNRWA continue to expand its outreach to young refugees.**

Department responsible:	Department of Microfinance
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

337. UNRWA continues to explore ways to increase loans to young people.

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

Department responsible:	Department of Microfinance
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

339. UNRWA is working to implement this recommendation by strengthening compliance with the operational manuals and enhancing controls over guarantors.

340. **In paragraph 212 of its report, the Board recommended that UNRWA establish a specific investment strategy for excessive cash of the Microfinance Department to enhance the efficiency of fund utilization.**

Department responsible:	Department of Microfinance
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

341. UNRWA is working to implement a specific investment strategy.

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

Department responsible:	Department of Microfinance
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

343. UNRWA is working to implement the use of the expected credit loss calculator to avoid manual errors.

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

344. In annex I to its report for the year ended 31 December 2021 (A/77/5/Add.4, chap II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 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.

345. Table 17 summarizes the overall situation as of August 2022.

Table 17
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Central Support Services Division	2	–	–	2	2	–
Department of Relief and Social Services	8	–	2	6	6	–
Department of Human Resources	1	–	1	–	–	–
Department of Information Management and Technology	5	–	–	5	5	–
Department of Planning	1	–	–	1	1	–
Department of Health	3	–	–	3	3	–
Department of Microfinance	1	–	1	–	–	–
Total	**21**	**–**	**4**	**17**	**17**	**–**

Report of the Board for the year ended 31 December 2016[19]

346. **In paragraph 31 of the Board's report, UNRWA agreed with the Board's recommendation that it: (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 fleet management system records.**

Department responsible:	Central Support Services Division
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2017
Revised target date:	Fourth quarter of 2022

347. The barcode system is now available to all the field offices and is pending implementation in one field office, after which all parts of the recommendations will be considered implemented.

Report of the Board for the year ended 31 December 2017[20]

348. **In paragraph 138 of its report, UNRWA agreed with the Board's recommendation that it: (a) closely follow up with the guarantors of loan defaulters to recover the long-outstanding loans 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**

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[19] A/72/5/Add.4, chap. II.
[20] A/73/5/Add.4, chap. II.

(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
Original target date:	First quarter of 2019
Revised target date:	Second quarter of 2023

349. The Board has considered parts (a) and (c) of the recommendation to be implemented. Owing to the current severe socioeconomic conditions and tension within the Palestine community, the negotiations have not yet started to implement part (b). Negotiations might take place after the socioeconomic survey is conducted in Lebanon and will be based on the results of the survey and the new update of the social safety net programme.

350. **In paragraph 142 of its 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.**

Department responsible:	Department of Relief and Social Services
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2018
Revised target date:	Fourth quarter of 2022

351. The Microfinance Department will conduct an evaluation and assessment of the system, which will be concluded by the end of 2022.

Report of the Board for the year ended 31 December 2018[21]

352. **In paragraph 84 of its report, the Board recommended that UNRWA take action to lower the percentage of annual and advance annual leave starting prior to approval and to allow the situation to occur only in special cases, in order 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:	Closure requested
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date:	Not applicable

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[21] A/74/5/Add.4, chap. II.

353. UNRWA has taken multiple actions in 2021 and 2022 to increase staff compliance with not taking annual and advance annual leave prior to approval. The non-compliance rate dropped from 76 per cent in the third quarter of 2021 to 59 per cent in the first quarter of 2022, indicating a better implementation rate. A 100 per cent implementation rate is not a realistic target for the Agency. Based upon the enhanced performance, UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2019[22]

354. **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
Original target date:	First quarter of 2021
Revised target date:	Fourth quarter of 2022

355. The review of roles in the refugee registration system is currently being validated in a workshop with field registration staff and will be finalized before the end of 2022.

356. **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
Original target date:	First quarter of 2021
Revised target date:	Fourth quarter of 2022

357. The review of roles in the refugee registration system is currently being validated in a workshop with field registration staff and will be finalized before the end of 2022.

358. **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.**

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[22] A/75/5/Add.4, chap. II.

Department responsible:	Department of Information Management and Technology
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2020
Revised target date:	Fourth quarter of 2022

359. Roles in the supply chain have been updated so that single roles are no longer assigned to users. Discussions with other relevant departments are currently under way in this regard.

360. **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
Original target date:	Fourth quarter of 2020
Revised target date:	Fourth quarter of 2023

361. Upon further review, it was determined that the implementation of this recommendation would require additional resources, which will be requested accordingly. Given the Agency's financial situation, this recommendation cannot be implemented before the fourth quarter of 2023.

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

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

363. Upon further review, it was determined that the implementation of this recommendation would require additional resources, which will be requested accordingly. Given the Agency's financial situation, this recommendation cannot be implemented before the fourth quarter of 2023.

Report of the Board for the year ended 31 December 2020[23]

364. **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
Original target date:	Third quarter of 2022
Revised target date:	Fourth quarter of 2023

365. The Agency has started the process of mobilizing additional capacity through the United Nations Volunteers to support the development of the emergency response handbook because, in March 2022, the United Nations Volunteer who was supporting the development of the handbook tendered her resignation.

366. **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:	Under implementation
Priority:	Medium
Original target date:	Third quarter of 2021
Revised target date:	First quarter of 2023

367. UNRWA has completed the training of all procurement staff on In-Tend (the e-tendering system) in all field offices and conducted a series of orientation seminars for major suppliers in the field on how to register as an UNRWA supplier on the United Nations Global Marketplace portal and how to participate in procurement notices and tenders via the e-tendering system. UNRWA will continue to provide the support necessary to procurement staff and suppliers. E-tendering is fully deployed at UNRWA headquarters in Amman and in the Syrian Arab Republic and West Bank field offices. Technical challenges have been encountered in the full deployment in the Lebanon and Gaza fields offices which are attributed to a lack of technical knowledge, skills and tools on the part of certain categories of suppliers, coupled with the continuous power outages in those field offices. However, UNRWA continues to encourage a hybrid version of receiving bids both electronically and through hardcopies to allow vendors to get used to e-tendering in a progressive manner. UNRWA is targeting the end of first quarter of 2023 for full deployment of the e-tendering system.

368. **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.**

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[23] A/76/5/Add.4, chap. II.

Department responsible:	Department of Information Management and Technology
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

369. Both organization directive No. 26 and the information security policy have been developed and updated and are now pending approval.

370. **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
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

371. The disaster recovery policy document is under review and is expected to be released soon. The disaster recovery plans will be updated in accordance with the new policy once it is issued.

372. **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
Original target date:	Fourth quarter of 2023
Revised target date:	Fourth quarter of 2023

373. The work is under way, and the planned link of the hospitalization management system to e-Health and eventually to REACH is targeted to be completed by the end of 2023.

374. **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
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

375. The field offices will provide the relevant updated instructions by the end of 2022. There was a delay owing to the need to review the technical instructions in the current context.

376. **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
Original target date:	Second quarter of 2022
Revised target date:	Fourth quarter of 2022

377. The audit activity for medical referrals will take place after the implementation of the field-specific technical instruction, which is scheduled to be completed by the fourth quarter of 2022. There was a delay owing to the need to review the technical instructions in the current context.

378. **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:	Closure requested
Priority:	High
Original target date:	Second quarter of 2022
Revised target date:	Not applicable

379. All the identified UNRWA employees have been excluded from the social safety net programme since the first quarter of 2021, and consistent instructions were given to the field offices to stop including UNRWA employees in the programme, in line with the consolidated eligibility and registration instructions. Recovery of the transfers to identified UNRWA employees was not possible owing to significant hardships, such as deteriorating economic environments and high inflation rates in Jordan, Lebanon and the Syrian Arab Republic. No UNRWA employee was eligible for the universal food assistance rolled out in 2021. UNRWA continues to implement

its policy that no UNRWA employee shall benefit from relief assistance. The Agency does not foresee that any further efforts for recovery can be made. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

380. **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:	Closure requested
Priority:	Medium
Original target date:	Second quarter of 2022
Revised target date:	Not applicable

381. UNRWA is continuing with the annual process of deactivating records of refugees over 100 years old and will again provide supporting information to the Board in this regard, if requested. UNRWA considers this recommendation to be implemented and requests its closure by the Board.

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

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

383. Owing to the current severe socioeconomic conditions and tension within the Palestinian community, the negotiations have not yet started. Negotiations might take place based on the results of the socioeconomic survey that will be conducted in Lebanon and the update of the social safety net programme. This recommendation is expected to be implemented by the second quarter of 2023.

384. **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
Original target date:	Fourth quarter of 2022
Revised target date:	Fourth quarter of 2022

385. The recruitment of a consultant to support the review is currently in process. The review will be conducted once the consultant has been recruited.

386. **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:	Closure requested
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Not applicable

387. The results of the review completed in 2021 indicated that the Microfinance Department could not reduce its interest rate on the three products for the year. UNRWA continues to review the interest rates as part of its operations. Supporting documentation will be provided to the Board during its next audit. UNRWA considers this recommendation to be implemented and requests its closure by the Board.

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 2021[24]

388. Table 18 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

Table 18
Status of implementation of the main recommendations

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division for Strategic Planning and Performance	3	–	3	–	–	–
Division for Operations	1	–	1	–	–	–
Multiple offices	2	–	–	2	2	–
Total	**6**	**–**	**4**	**2**	**2**	**–**

389. Table 19 summarizes the status of implementation of all recommendations of the Board as of August 2022.

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[24] A/77/5/Add.5, chap. II.

Table 19
Status of implementation of all recommendations

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division for Strategic Planning and Performance	4	–	4	–	–	–
Division for Operations	5	–	1	4	4	–
Multiple offices	2	–	–	2	2	–
Total	**11**	**–**	**5**	**6**	**6**	**–**

390. **In paragraph 34 of its report, the Board recommended that the United Nations Institute for Training and Research (UNITAR) establish a formal policy for projects involving the sale of data, taking into consideration aspects such as the regulatory instruments and templates to be used and accounting standards to be followed, and how they fit operationally into the Institute's model.**

    Departments responsible: Division for Strategic Planning and Performance and Division for Operations

    Status: Under implementation

    Priority: High

    Target date: Second quarter of 2023

391. The transition of the Sustainable Cycles Programme (SCYCLE) from UNU to UNITAR was initiated in 2019 by means of a letter of intent. It was fully transitioned effective 1 January 2022 through a transition agreement. Currently, UNITAR is in touch with UNU heads of finance and legal departments to seek information pertaining to the business processes of the Programme and the nature of SCYCLE data, as well as the applicable financial policies and accounting practices that were in place when SCYCLE was a part of UNU. Based on the outcome of these consultations, UNITAR management will make an assessment about the types of policies and regulatory instruments that would best respond to the requirements of UNITAR.

392. **In paragraph 35 of its report, the Board recommended that UNITAR improve its budget formulation for proposals for projects involving the sale of data, taking into consideration aspects such as the formal valuation of data and the information to be disclosed in the budget to clearly indicate what the donor pays for.**

    Departments responsible: Division for Strategic Planning and Performance and Division for Operations

    Status: Under implementation

    Priority: High

    Target date: Second quarter of 2023

393. Based on the outcome of consultations with UNU, as referred to above in the response to the recommendation in paragraph 34 of the Board's report, UNITAR management will incorporate appropriate considerations in the formulation of

budgets in the project proposals to ensure transparency with the donors (including aspects such as valuation of data) where the project deliverables involve the sale of data.

394. **In paragraph 36 of its report, the Board recommended that UNITAR proceed in accordance with the policy guidelines for agreements on the acceptance of contributions for specific purposes ("grants-in") regarding the existing unspent balances for such projects, taking into consideration the principle of transparency with donors.**

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

395. All of the projects described in the Board's report have been financially closed, after having been subjected to the provisions of the policies regarding unspent balances. UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

396. **In paragraph 48 of its report, the Board recommended that UNITAR develop measures to prevent and correct issues in the events management system that are causing problems such as beneficiary repetition, non-assignment of gender, unreported nationalities and lack of certification for learning-related events.**

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

397. On 21 June 2022, the Executive Director of UNITAR issued a memorandum with guidance on preventing and correcting issues that are causing problems in the events management system. The memorandum contains operational guidance for directors and managers to ensure that the events management system records are complete and accurate. UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

398. **In paragraph 49 of its report, the Board recommended that UNITAR ensure that programme units and/or divisions register the event information in a complete, accurate and timely manner by certifying that a review process of the quarterly reporting data was conducted.**

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

399. Please refer to the comments in paragraph 397 above relating to the recommendation in paragraph 48 of the Board's report. UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

400. **In paragraph 50 of its report, the Board recommended that UNITAR add a formal centralized control instance of the information in order to improve the reliability of the data and metrics of the indicators presented by the Institute.**

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

401. Please refer to the comments in paragraph 397 above relating to the recommendation in paragraph 48 of the Board's report. UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

402. **In paragraph 58 of its report, the Board recommended that UNITAR operationalize a downloadable and consolidated database containing relevant information about implementing partners, such as assigned projects and amounts, historical results of the overall performance rating and risk rate, among other things.**

Department responsible:	Division for Strategic Planning and Performance
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

403. The project tracking tool functionality has been revised to provide a downloadable and consolidated database containing relevant implementing partner information such as assigned projects and amounts, historical results of performance ratings and risk rate. UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

404. **In paragraph 69 of its report, the Board recommended that UNITAR generate formal records on how fee levels are determined and keep them for consultation and transparency purposes.**

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

405. Preliminary discussions have been held with programme managers to review practical and operational issues with respect to how fee levels are determined. Plans have been developed and the implementation of this recommendation began in September 2022.

406. **In paragraph 70 of its report, the Board recommended that UNITAR implement a formal control, such as a requirement for a note or form signed by**

the hiring manager explaining how the fee was determined, to be submitted it to the Human Resources Unit together with the request for outside expertise or a professional special service agreement.

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

407. Please refer to the comments in paragraph 405 above relating to the recommendation in paragraph 69 of the Board's report.

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

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

409. Preliminary discussions are being held with programme managers to review the operational issues associated with maintaining the accountabilities and monitoring the compliances related to mandatory training. Plans have been developed to begin implementation in September 2022.

410. **In paragraph 83 of its report, the Board recommended that UNITAR implement a monitoring and control mechanism on the completion of mandatory training courses in order to mitigate the risks of non-compliance with these personnel obligations in a preventive manner, encouraging the engagement of all levels of governance.**

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

411. Please refer to the comments in paragraph 409 above relating to the recommendation in paragraph 82 of the Board's report.

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

412. In the annex to its report for the year ended 31 December 2021 (A/77/5/Add.5, chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the two recommendations that were 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.

413. Table 20 summarizes the overall situation as of August 2022.

Table 20
**Status of implementation of recommendations from prior periods considered
not fully implemented**

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division for Operations	1	–	–	1	1	–
Division for Strategic Planning and Performance	1	–	–	1	1	–
Total	**2**	**–**	**–**	**2**	**2**	**–**

Report of the Board for the year ended 31 December 2017[25]

414. **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.**

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2019
Revised target date:	First quarter of 2023

415. UNITAR implemented an e-recruitment tool in March 2021, and a manager's training was organized in May 2021. Subsequently, the Human Resources Unit conducted several consultations with the company that developed the e-recruitment tool to determine options that could be developed to link the evaluation of consultants with the roster generated by the tool. The project was delayed due to the COVID-19 pandemic. In the meantime, UNDP announced the migration of the existing enterprise resource planning system to a cloud-based system called Quantum effective 1 July 2022. In preparation for the new system, UNITAR conducted a series of consultations with the technical team in charge of the supply chain management module. During the system integration testing phase, the possibility of integrating consultants and individual contractors in the system, along with evaluations, appeared to be very promising. The team reviewed the various UNITAR evaluation forms and procedures to determine how to incorporate them in the new enterprise resource planning system. Based on the information obtained at that stage, the solution proposed using Quantum seemed to be the most appropriate. It is expected that during the user acceptance testing phase, it will become clear whether any further configurations will be required. In the meantime, the information related to evaluations and ratings of consultants and individual contractors has been made available to managers on a shared drive to enable them to refer to past performance and take decisions. The migration of UNDP to Quantum has been further delayed, in the light of which UNITAR has set the revised target date for the implementation of this recommendation as the first quarter of 2023.

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[25] A/73/5/Add.5, chap. II.

Report of the Board for the year ended 31 December 2020 [26]

416. **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 the programme manager.**

Department responsible:	Division for Strategic Planning and Performance
Status:	Under implementation
Priority:	High
Original target date:	Second quarter of 2022
Revised target date:	Fourth quarter of 2022

417. During 2021, UNITAR management discussed the changes that were needed from an information technology perspective and has budgeted the costs in the 2022–2023 programme budget. UNITAR management has now designed a system to respond to this recommendation and is discussing it internally with the relevant information technology units.

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 2021 [27]

418. Table 21 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

Table 21
Status of implementation of the main recommendations

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Financial and Administrative Management	3	–	–	3	3	–
Division of Human Resources	2	–	–	2	2	–
Division of Strategic Planning and Results	3	–	–	3	3	–
Transformation and Change Service	1	–	–	1	1	–
Division of Resilience and Solutions	1	–	–	1	1	–
Division of External Relations	1	–	–	1	1	
Evaluation Service	1	–	–	1	1	
Division of Emergency, Security and Supply	1		1	–	–	–
Business transformation programme	1	–	–	1	1	
Total	**14**	**–**	**1**	**13**	**13**	**–**

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[26] A/76/5/Add.5, chap. II.
[27] A/77/5/Add.6, chap. II.

419. Table 22 summarizes the status of implementation of all recommendations of the Board as of August 2022.

Table 22
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Human Resources	15	–	–	15	15	–
Division of Strategic Planning and Results	14	–	1	13	13	–
Division of Financial and Administrative Management	7	–	–	7	7	–
Division of Emergency, Security and Supply	5	–	1	4	4	–
Division of Resilience and Solutions	4	–	–	4	4	–
Business transformation programme	3	–	–	3	3	–
Division of Information Systems and Telecommunications	1	–	–	1	1	–
Division of External Relations	1	–	–	1	1	–
Evaluation Service	1	–	–	1	1	–
Inspector General's Office	1	–	–	1	1	–
Transformation and Change Service	1	–	–	1	1	–
Total	**53**	**–**	**2**	**51**	**51**	**–**

420. **In paragraph 27 of its report, the Board recommended that the Office of the United Nations High Commissioner for Refugees (UNHCR) follow up on the impact and costs of the decentralization and regionalization reform through the completion of a comprehensive evaluation that would establish if intended results foreseen in 2019 framework decisions on decentralization and regionalization have been achieved.**

  Department responsible: Evaluation Service

  Status: Under implementation

  Priority: High

  Target date: Second quarter of 2024

421. A comprehensive evaluation of the decentralization and regionalization reform is included in the work programme for 2023–2024 of the Evaluation Service. As an interim stock-taking action, a management advisory report commissioned by UNHCR with the Office of Internal Oversight Services was completed in October 2021.

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

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

423. During the ongoing review of its strategies and plans for 2023–2024, UNHCR is assessing the costs and benefits of the re-allocation of various positions among headquarters, regional bureaux and country operations in order to achieve optimal value added and to ensure managerial coherence.

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

Department responsible:	Transformation and Change Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2023

425. UNHCR has revised the documents on roles, accountabilities and authorities for country offices and regional bureaux that were originally issued in 2019. Furthermore, specific roles, accountabilities and authorities were developed for headquarters divisions and entities. Taking into account the ongoing review of accountability frameworks by the Joint Inspection Unit, UNHCR will integrate roles, accountabilities and authorities and other normative guidance into one framework that will constitute the formal accountability framework of the organization.

426. **In paragraph 44 of its report, the Board recommended that UNHCR strengthen the tracking and transparent follow-up of recommendations from advisory reports by including them in the existing internal tracking tools.**

Department responsible:	Inspector General's Office
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

427. UNHCR has already established an automated overall tracking tool for recommendations from internal and external auditors, evaluation services and the Joint Inspection Unit. UNHCR will further explore ways to strengthen the tracking and follow-up of recommendations from the advisory reports.

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

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	High
Target date:	Third quarter of 2023

429. UNHCR has designed a multi-year process for the full transformation envisioned with COMPASS, including the orientation toward multi-year strategic planning. UNHCR has already put in place several improvements to streamline the guidance for 2022, improve the processes and approach and further support country operations in strengthening the quality of their plans, including by improving the training. Guidance will continue to be developed and readjusted based on feedback received in the first two years of implementation, with an emphasis on processes and system to further encourage the operations to develop their strategies from a multi-year perspective. The guidance will be included in the programme handbook that is currently under development.

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

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

431. UNHCR is developing the reporting functionalities, which include a business intelligence tool that will allow both global and detailed COMPASS data analysis as well as the creation of custom reports for specific needs. These are expected to be available in early 2023.

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

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

433. UNHCR has been improving and enhancing the COMPASS tool, taking into account, in particular, the lessons learned as collected through a global survey and workshops held in 2021. This has allowed the organization to capture end-user feedback and identify areas for improvement, which are mainly focused on performance, stability, user experience and reporting capabilities. During the first quarter of 2022, in the key areas of budgeting and results management, positive feedback has been received from end-users for user-friendliness improvements that were implemented. Functional and reporting improvements to the position management functionality are expected to be available in the fourth quarter of 2022.

The remaining enhancements are included in the scope of work of the COMPASS realignment project and are planned to be completed by the third quarter of 2023.

434. **In paragraph 97 of its report, the Board recommended that UNHCR enhance the communication and strengthen the capacities related to the monitoring and evaluation concept under the new results-based-management approach and ensure organization-wide coherence.**

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

435. UNHCR has made efforts to strengthen monitoring and evaluation capacities and coherence, including through a dedicated workshop with regional monitoring and evaluation colleagues in June 2022, dedicated training webinars and the expansion of the monitoring community of practice, which includes colleagues from field operations, regional bureaux and UNHCR headquarters divisions and entities, to provide an easily accessible platform for exchange of good practices and useful resources. UNHCR plans to continue to strengthen monitoring and evaluation capacities and achieve coherence by including guidance and tools on aspects of monitoring and evaluation in the future revision of the programme manual.

436. **In paragraph 101 of its report, the Board recommended that UNHCR streamline the measurement of programme results by interconnecting sectoral information available in other systems, such as CashAssist and the Project Reporting, Oversight and Monitoring Solution (PROMS), to feed into the new results-based management tool COMPASS.**

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

437. With the coordination of the Global Data Service and oversight by the Senior Data Advisory Board, UNHCR is implementing its data transformation strategy, which will consolidate programmatic and operational data from different systems and applications, including PROMS and CashAssist, for the purpose of cross-sectoral analysis and reporting. The availability of such consolidated data will assist in streamlining the measurement of programme results, as recommended by the Board.

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

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2023

439. UNHCR is in the process of monitoring the use of good practice and user-defined indicators to understand how this flexibility has been utilized, taking into account the fact that this was a key requirement from field operations at the time when the new results-based management system was developed. This will feed into the organizational efforts for more streamlined indicator management in the future and will be captured in the programme handbook.

440. **In paragraph 112 of its report, the Board recommended that UNHCR continue to review and monitor the selection and use of output indicators, with a view to considering developing a subset of relevant output indicators for global aggregation and reporting.**

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2023

441. UNHCR will monitor the selection and use of output indicators as part of the review of good practice and user-defined indicators and will explore options for aggregating a small set of output indicators. Details on such output indicators will be reflected in the programme handbook.

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

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

443. To ensure the comparability of core indicator data, UNHCR will make efforts to ensure that context-specific issues are appropriately taken into consideration. UNHCR is reviewing the availability of baseline data for the core indicators, with the understanding that, while core indicators come with a defined methodology, each UNHCR operation specifies the means of verification in its monitoring and evaluation plan, based on its local context.

444. **In paragraph 136 of its report, the Board recommended that UNHCR carefully review the interdependencies of upcoming projects and intended go-live dates to avoid additional, unnecessary integration and realignment costs and report on the cost-efficiency to its governing bodies in case of further delays and changes.**

Department responsible:	Business transformation programme
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

445. During its monthly project management reviews and at its Project Executive Committee meetings, UNHCR thoroughly reviews the budget performance of the business transformation programme and other elements, including the go-live dates. UNHCR will continue to regularly review the budget performance of the programme and the various elements, including the go-live dates, as well as the interdependencies between systems.

446. **In paragraph 146 of its report, the Board recommended that UNHCR establish a comprehensive accounting policy and guidance on the accounting treatment of its cloud-based technologies and business transformation programme-related transactions that consider the criteria mentioned by the Board.**

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

447. UNHCR already has in place a policy on intangible assets and is in the process of revising that policy to include more specific information regarding the cloud technologies. In the interim, UNHCR has developed a decision tree to assist in the identification of those cases for which cloud-based technology was used and capitalization might be required.

448. **In paragraph 161 of its report, the Board recommended that UNHCR enhance and strengthen its cost controlling of the business transformation programme related expenditures by ensuring clear instructions and criteria for the use of unique identifiers in the enterprise resource planning system.**

Department responsible:	Business transformation programme
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

449. UNHCR has put in place mechanisms for proper tracking and monitoring of all programme-related costs for each cost centre and project and will continue to ensure that the unique item identifiers are consistently and correctly used.

450. **In paragraph 162 of its report, the Board recommended that UNHCR review its business transformation programme-related expenses against the newly established policy and guidance and ensure that items that meet the definition of an intangible asset are capitalized in the future accounting cycles.**

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

451. UNHCR is continuing to ensure that programme costs are capitalized appropriately in accordance with the policy on intangible assets.

452. **In paragraph 173 of its report, the Board recommended that UNHCR ensure that the requirements of the Committee on Contracts for up-front and complete supporting documentation are fulfilled in cases of extension of frame agreements that are outdated in terms of content or age when procuring additional services without going through tendering.**

Department responsible:	Division of Emergency, Security and Supply
Status:	Closure requested
Priority:	High
Target date:	Not applicable

453. UNHCR has put in place a practice whereby frame agreements are not extended beyond five years. However, there are situations in which extensions are well justified, such as for monopoly vendors. In such situations, frame agreements tend to be consistently renewed. UNHCR considers this recommendation to have been implemented and requests its closure by the Board.

454. **In paragraph 181 of its report, the Board recommended that UNHCR enhance its centralized warehouse processes by including a standardized escalation process in cases where warehouses receive repeated red ratings for their overall warehouse management.**

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

455. UNHCR has put in place monitoring indicators in the form of dashboards and maintains regular communications with the regional supply officers, who in turn coordinate with the country operations to identify and implement corrective measures. UNHCR will put in place further escalation mechanisms for those country offices flagged through the dashboards.

456. **In paragraph 190 of its report, the Board recommended that UNHCR improve the item catalogue for operations and enable them to select appropriate item identifiers for different types of inventory to reflect the accurate value of inventory on hand and of distribution expenses.**

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

457. UNHCR will address this recommendation by configuring its new cloud-based enterprise resource planning system to include clear categories of various items and to minimize the use of generic items. In the interim, UNHCR will issue an official internal communication requesting buyers to exercise additional care in selecting the most appropriate item identifiers.

458. **In paragraph 197 of its report, the Board recommended that UNHCR issue official corporate guidance to clarify the accounting approach for items with the initial intention of transfer of ownership and the types of documents considered sufficient and necessary to evidence a transfer of ownership in various situations.**

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

459. UNHCR will issue further instructions to clarify the accounting approach and the types of documents necessary and suitable to evidence the transfer of ownership of assets.

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

Department responsible:	Division of Information Systems and Telecommunications
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2023

461. UNHCR made a large procurement of equipment in response to teleworking needs during the COVID-19 pandemic. The impact of the pandemic on the global supply chain and restrictions imposed by various countries contributed to delays in the receipt of equipment from the manufacturers and the distribution of items to various field locations. In addition, because of the remote working mode, the availability of receiving staff in field locations was limited. UNHCR is exploring ways to design an improved system for tracking assets in the new cloud-based enterprise resource planning system.

462. **In paragraph 217 of its report, the Board reiterated its recommendation that UNHCR ensure that the cost components of intangible assets are separately**

identifiable to enable the separate capitalization of intangibles where appropriate and feasible and as required by the International Public Sector Accounting Standards (IPSAS) (A/76/5/Add.6, chap. II, para. 163).

Department responsible:	Business transformation programme
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

463. UNHCR has already established a procedure that ensures that the costs of intangible assets are separately identified to enable the separate capitalization of such assets in accordance with the requirements of IPSAS. UNHCR will ensure that the project managers consistently review the project activities based on the decision tree provided by the Division of Financial and Administrative Management to ensure better identification and reporting of various components of intangible assets.

464. **In paragraph 224 of its report, the Board recommended that UNHCR incorporate an explicit confirmation request in the year-end closure reporting by which private sector partnership offices that carry out local fundraising are requested to confirm to the Division of External Relations the existence or non-existence of donor contribution agreements and pledges signed at local level.**

Department responsible:	Division of External Relations
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

465. UNHCR will include an additional confirmation request in the year-end closure instructions to be disseminated to the field offices asking those offices that have conducted fundraising activities, particularly those with private sector partnership activities, to confirm that all agreements and pledges signed at the local level have been duly communicated to UNHCR headquarters and properly recorded in the integrated system.

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

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

467. At the forthcoming digital human resources training for human resources administrators across its offices worldwide, UNHCR will highlight the areas in which timeliness of human resources actions could be enhanced.

468. **In paragraph 235 of its report, the Board recommended that UNHCR ensure the timely recognition of special post allowances and salary increases**

after promotion to higher staff categories in the new enterprise resource planning system.

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

469. Please refer to the comments in paragraph 467 above relating to the recommendation in paragraph 234 of the Board's report.

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

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

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

472. **In paragraph 247 of its report, the Board recommended that UNHCR ensure that the automated feature to retroactively amend salary computations is also available in the new enterprise resource planning system to mitigate the risk of manual error.**

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

473. UNHCR is in the process of migrating to a new enterprise resource planning system. The new system offers the opportunity to integrate all payroll accounting procedures, including the automation of retroactive calculations, in the payroll subledger and enhance the automation of the payroll journal entries that are currently posted manually. It is therefore expected that the risk of manual errors will be significantly mitigated through these enhanced features.

474. **In paragraph 255 of its report, the Board recommended that UNHCR ensure that payslips state the date of issuance to enhance transparency.**

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

475. UNHCR will design the new enterprise resource planning system to display the date of issuance on the payslips.

476. **In paragraph 259 of its report, the Board recommended that UNHCR provide up-to-date information in its Staff Administration and Management Manual and future manuals or systems.**

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

477. As UNHCR is implementing a new enterprise resource planning system for human resources management (Digital HR) scheduled to go live in the fourth quarter of 2022, the Manual will cease to exist. Several standard operating procedures and job aids summarizing the new human resources policy and processes, along with new or revised administrative instructions, will be available in Digital HR, replacing the Manual.

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

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

479. UNHCR will take measures to streamline the data sources for staff in between assignments and will present information in a manner that addresses the needs of several target audiences.

480. **In paragraph 274 of its report, the Board recommended that UNHCR review its existing provisions and the current practice regarding the salary parts that are paid to staff on special leave with full pay.**

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

481. UNHCR processes the salary and allowances of staff on special leave with full pay in accordance with the applicable rules. To ensure that the correct entitlements are included in the calculation, a guidance document will be released on the administration of staff in between assignments, which will also cover the computation of salaries for staff on special leave with full pay.

482. **In paragraph 280 of its report, the Board recommended that UNHCR establish a clear decision on the transfer of legacy insurance reserves to the global fleet's Self-Financing Activities Fund and review the level of insurance rates levied by the Fund.**

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

483. UNHCR is in the process of establishing a framework for transferring the insurance reserves to the new Self-Financing Activities Fund.

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

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

485. UNHCR will update the strategy and guidelines regarding core treasury management (liquidity, foreign exchange and investments) and the related treasury risk management methodologies and assessments to be used.

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

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

487. UNHCR will identify a few performance indicators that can be calculated on the basis of data recorded in the system and can be relevant in assessing the

functioning of various controls. Those indicators will be used to complement the information collected through the self-certified internal control questionnaire, as part of the process to prepare the statement of internal control.

488. **In paragraph 306 of its report, the Board recommended that UNHCR ensure that country operations finalize partner agreements prior to the project start.**

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2024

489. UNHCR has addressed this recommendation by issuing an administrative instruction entitled "COMPASS get results: annual implementation planning" that was promulgated in the third quarter 2022. It will be implemented by field operations at the beginning of 2023, when new partner agreements are signed. With the launch of the PROMS software solution during the second half of 2023, the signing of partner agreements will be further streamlined. For operational reasons, it may not be possible to finalize all agreements prior to the implementation start date. The instruction will require that any such exceptional circumstances be documented by the relevant operation.

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

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2024

491. UNHCR is implementing the PROMS software solution, which is expected to automate the main partnership management processes and reduce manual intervention in the posting of financial transactions.

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

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2024

493. UNHCR has improved the link between performance review and financial verification leading to requests for new instalments. The process for requesting

instalments is intended to be automated within the PROMS software solution. This automation will significantly enhance partnership management in this area.

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

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2024

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

496. **In paragraph 327 of its report, the Board recommended that UNHCR ensure that no partnership agreement is signed if a partner's separate bank account is non-existent or, in cases where pooled accounts are used, that partners are required to enable UNHCR access to the banking information in the same manner as is done for a separate project bank account and that affected transactions can be identified in a reasonable time.**

Department responsible:	Division of Strategic Planning and Results
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

497. UNHCR partnership agreements stipulate that the use of pooled bank accounts is possible in cases in which the partner ensures that contribution accounting is transparent, traceable and auditable for each transaction and accessible to UNHCR and any other entity duly authorized by UNHCR. UNHCR is aware of a few cases in which partners that used pooled bank accounts were unable or unwilling to initially provide access to the pooled bank statements, but these were exceptions. UNHCR has assessed the related risks as manageable and has addressed this point in the administrative instruction entitled "COMPASS get results: annual implementation planning" that was promulgated in the third quarter of 2022. UNHCR considers this recommendation to have been implemented and requests its closure by the Board.

498. **In paragraph 333 of its report, the Board recommended that UNHCR review the nature of agreements with implementing partners to identify those agreements that do not fit into the category of implementing partner expenditures and re-categorize those expenditures to categories that suit the substance of the services received.**

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

499. UNHCR will assess the accounting for the expenses of the various types of implementing partners and suppliers once the applicable IPSAS standard that is in progress is issued.

500. **In paragraph 347 of its report, the Board recommended that UNHCR expand its guidance on designing field presences by including recommended benchmarks and parameters for determining minimum required staffing levels of cash-based intervention programmes**

Department responsible:	Division of Resilience and Solutions
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

501. Information on the functions required at the field level related to the cash-based intervention programmes will be elaborated in the handbook for designing field presences to be issued by the Division of Human Resources. UNHCR will continue to determine the grades of positions through the evaluation and classification of the job descriptions using the International Civil Service Commission Master Standard methodology.

502. **In paragraph 356 of its report, the Board recommended that UNHCR put a stronger emphasis on the documented inclusion of exit strategies with regard to cash-based intervention programming wherever feasible in view of the operational context.**

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

503. UNHCR will add a section on potential exit strategies in the updated cash-based intervention standard operating procedures, taking into account the complexities and specificities of each unique context.

504. **In paragraph 363 of its report, the Board recommended that UNHCR summarize lessons learned from the exit of cash-based intervention programmes and the handover of such programmes to make the best use of them for subsequent exit scenarios.**

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

505. UNHCR will summarize the lessons learned from its recent experience, emphasizing that such handovers would remain highly context-specific in that they would be tied to the host countries policies, regulatory frameworks, the capacities of national social protection programmes and the financial resources available, among other things.

506. **In paragraph 370 of its report, the Board recommended that UNHCR continue to further expand the year-to-year trend analysis in post-distribution dashboards and reports where relevant.**

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

507. UNHCR will continue to analyse trends, including the possibility of running year-to-year country comparisons in the post-distribution monitoring dashboard, while recognizing that comparison may not always be possible, as the programme and contextual characteristics might significantly vary from year to year and from one geographical location to another.

508. **In paragraph 375 of its report, the Board recommended that UNHCR finalize and publish the updated chapter 8 of the UNHCR manual, on supply management, to ensure consistency with the UNHCR procurement rules and regulations.**

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

509. UNHCR is well advanced in the process of drafting an updated chapter 8 of the UNHCR manual, on supply management. The procurement part of the chapter is expected to be released by the third quarter of 2022, the supply orchestration part by the end of 2022 and the logistics and inventory part by the end of the first quarter of 2023.

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

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

511. Guidance related to construction projects is currently available in various documents. UNHCR is planning to capture all of this guidance in a consolidated manner as part of the new programme handbook currently under development. It is expected that this consolidated guidance will contribute to improved consistency and harmonization of practices for recording and monitoring the construction in progress across the field operations.

512. **In paragraph 386 of its report, the Board recommended that UNHCR track and consolidate the expenditures for consultancies engaged in an advisory or consultative capacity and stressed the need to review the categorization of its item identifiers and relevant item descriptions.**

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

513. UNHCR will review the categorization and description of item identifiers in the new enterprise resource planning system that is under implementation.

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

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

515. UNHCR piloted its workforce planning approach during 2021 and 2022 with some key functions and offices and will adjust it where required and further roll it out in 2023. This will then inform and constitute an important element of the larger workforce planning framework.

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

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

517. A number of functional areas in UNHCR have already designed and communicated widely their own functional benchmarks. UNHCR will work further to develop a comprehensive and holistic set of functional benchmarks that take into account different operation types and contexts.

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

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

519. UNHCR will establish sample key performance indicators to help operations monitor the implementation of their human resources action plans.

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

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

521. UNHCR will review its approach in the light of the observations in the audit report.

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

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

523. UNHCR will review those plan access control roles that relate to the human resources partner functions and will determine whether and which updates need to be made in COMPASS.

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

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

525. UNHCR is building the capacity of human resources staff and human resources partners in the area of workforce planning, at the field operation and bureau levels, with the aim of achieving their more effective participation in the planning process. The participation of human resources partners in the budget and annual programme review process will be formalized in the programme handbook and forthcoming administrative instructions on multi-year planning.

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

526. In the annex to its report for the year ended 31 December 2021 (A/77/5/Add.6, chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 24 recommendations that were determined by the Board to be either under implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

527. Table 23 summarizes the overall situation as of August 2022.

Table 23
Status of implementation of recommendations from prior periods considered not fully implemented
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Emergency, Security and Supply	1	–	–	1	1	–
Division of Financial and Administrative Management	11	–	1	10	10	–
Division of Human Resources	2	–	–	2	2	–
Division of Strategic Planning and Results	6	–	1	5	5	–
Global Data Service	1	–	–	1	1	–
Division of Resilience and Solutions	1	–	–	1	1	–
Division of Information Systems and Telecommunications	2	–	–	2	2	–
Total	**24**	**–**	**2**	**22**	**22**	**–**

Report of the Board for the year ended 31 December 2020[28]

528. **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.**

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2025
Revised target date:	Fourth quarter of 2025

529. 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 in accordance with the decision of the Committee at its seventy-first session (see A/AC.96/1209), in which it endorsed a review of the impact of changes to the budgetary structure and periods on management efficiencies and the ability of UNHCR to deliver on its mandate, with a view to any revisions if needed, to be presented to the Committee no later than 2025, with preliminary reviews as needed.

530. In October 2021 the Executive Committee approved the programme budget for 2022 (A/AC.96/1213/Rev.1), the first one to reflect the new global results framework. The programme budget for 2023 will be submitted for review by the relevant United Nations and UNHCR committees. Those reviews will provide a new opportunity to assess whether Member States have any concerns about the new budgetary structure, including its transparency and quality.

531. **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
Original target date:	Second quarter of 2022
Revised target date:	Fourth quarter of 2022

532. In 2021, UNHCR conducted a desk review of fuel management in 21 operations. The review confirmed the need for harmonization and standardization of fuel management structures in UNHCR. A standardized tendering package for fuel procurement is already in place. The terms of reference for a fuel management consultant and two support staff were advertised in April 2022, and the selection

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[28] A/76/5/Add.6, chap. II.

process is in the final stage. An administrative instruction on fuel management is currently being prepared. The findings and recommendations of the fuel management consultant will need to be incorporated in the upcoming administrative instruction, which triggered the need to extend the implementation period beyond the date originally estimated to allow for completion of the work by the consultant.

533. **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
Original target date:	Fourth quarter of 2022
Revised target date:	Fourth quarter of 2022

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

535. A fuel stock measurement/control pilot study has been initiated in one country operation with new technology for fuel level monitoring. The findings of the pilot study will inform the broader study.

536. **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
Original target date:	Fourth quarter of 2022
Revised target date:	Fourth quarter of 2022

537. UNHCR is in the process of reviewing its current processes for vendor data management, assessing which service delivery model will produce a more efficient, 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.

538. **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
Original target date:	Fourth quarter of 2022
Revised target date:	Fourth quarter of 2023

539. UNHCR plans to issue a consolidated guidance document for the implementing partnership management processes by the end of 2022. However, given the ongoing changes designed as part of the business transformation programme, the launch of the new programme handbook and the partnership management policy have been postponed until mid-2023, thus necessitating the revision of the target date for implementation of this recommendation.

540. **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
Original target date:	First quarter of 2022
Revised target date:	Fourth quarter of 2022

541. UNHCR is working on changing job titles for affiliates, where applicable, taking a gradual approach. It is not envisaged, however, that standard job titles will be applied to 100 per cent of the affiliate workforce. With the implementation of the new system, Digital HR, the job title of an affiliate will have to be set at the time of the creation of the job requisition, enabling the requisition creator to select the job title from the UNHCR job catalogue, which will have a listing of all the standard job titles. The go-live date for the new system was postponed to the fourth quarter of 2022, resulting in a delay in the implementation of this recommendation.

542. **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
Original target date:	Fourth quarter of 2023
Revised target date:	Fourth quarter of 2023

543. With the roll-out of the new human resources system, it will be possible for UNHCR 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 the appropriate staff on how to produce them in the new system. To define key indicators, UNHCR will source benchmarks relevant to international humanitarian organizations. It is envisaged that the advanced analytics will be available about 18 months after the deployment of the new system.

544. **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
Original target date:	Fourth quarter of 2022
Revised target date:	Fourth quarter of 2022

545. UNHCR has put in place various measures to ensure the quality of data recorded in FleetWave. For example, as of January 2021, the Global Mobility and Infrastructure Service in the Division of Financial and Administrative Management provides monthly updates on FleetWave data entries to all operations via the regional bureaux and requests their cooperation in reviewing the updates and signalling 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. In 2022, a new process flow for identifying and correcting FleetWave data was introduced. The new process flow is implemented through a service provider. The pilot project on the use of electronic logbooks and fuel applications in three operations has been finalized.

546. The Division of Financial and Administrative Management, in partnership with its service provider, has conducted a study to determine why some operations are more successful in providing data than others. The findings of the study have informed the project proposal for improving the FleetWave data. The proposal also addresses technological adjustments in the fleet management system to support the objective. The implementation of the project will begin once the newly identified service provider has been awarded a contract.

547. **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.**

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	High
Original target date:	Second quarter of 2022
Revised target date:	Fourth quarter of 2022

548. UNHCR, together with the FleetWave service provider, has been making considerable changes and enhancements to the tool since 2019. A list of improvements, a flowchart for analyses of faulty records and new user guides were provided to the Board of Auditors during the audit exercise. As indicated in the comments in paragraphs 545 and 546 above relating to the recommendation in paragraph 311 of the Board's report, further pilot projects will be conducted, taking into consideration the lessons learned from earlier pilot projects, and a project proposal for further improvements will be implemented. The integration of FleetWave with the new enterprise resource planning system was considered, but was assessed as not feasible.

549. **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.**

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	Medium
Original target date:	First quarter of 2022
Revised target date:	Fourth quarter of 2022

550. In its global fleet management strategy 2021–2025, UNHCR will include milestones in the progress of data quality in FleetWave. Further to the report on the pilot project concluded in March 2022, the authorization of a few partners to enter data into FleetWave in 2021 with the support of a service provider contributed to an increase in the overall quantity of data recorded in the system. New pilot projects will be conducted with the adjusted scope and fine-tuned applications based on the lessons learned from the initial pilot project. In addition, a new project proposal contains a matrix of key performance indicators for planned improvements in the quality and quantity of FleetWave data. The suggested indicators cover each operational aspect (fuel, service and repair, ageing and utilization), and the corresponding suggested targets have been set with incremental improvements over a three-year period.

Report of the Board for the year ended 31 December 2019[29]

551. **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.**

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[29] A/75/5/Add.6, chap. II.

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	Medium
Original target date:	First quarter of 2024
Revised target date:	Second quarter of 2023

552. Implementation of the recommendation will be addressed through the incorporation of the necessary functionality in the design of the new enterprise resource planning system. Asset recognition will be significantly streamlined in the new system. For example, the capitalization threshold accounting will be automated by rule. The system is designed to make batch recording of asset capitalizations from accounts payable data with a minimum of manual effort. The target date for this recommendation has been revised to align with the projected dates for implementation of the new enterprise resource planning system.

553. **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
Original target date:	First quarter of 2024
Revised target date:	Second quarter of 2023

554. 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 the discussions on the design of the new system, and ideas for simplification of the methodology for the allocation of transport costs of assets have already been raised. While decisions will be made, as applicable, during the design phase, implementation will take effect after the go-live live date of the new system, and this has necessitated the revision of the target date of implementation of this recommendation.

555. **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.**

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

556. The Global Fleet Management Section in the Division of Financial and Administrative Management is creating a Fuel Management Unit, which will be positioned in the field, with the primary task of defining weaknesses in the current practices and, based on those findings, to propose a systematic approach to the procurement, storage and distribution of fuel in UNHCR. It is expected that the Unit will contribute to the strengthening of controls over fuel management across the organization and will enhance fuel monitoring mechanisms. This recommendation will also be addressed through the actions described in paragraph 531 above in respect of the recommendation in paragraph 171 of the report of the Board for the year ended 31 December 2020 (A/76/5/Add.6).

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

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	High
Original target date:	First quarter of 2024
Revised target date:	Second quarter of 2023

558. UNHCR has already incorporated this feature in the design of the access controls and delegation of authority automated processes in the new enterprise resource planning system, which will allow for significant improvements in this area. UNHCR confirms that this critical area remains part of the design scope. The access controls and financial controls foundational design documents of the new system were provided to the Board and will be implemented on the go-live date of the new system. Accordingly, the target date for implementation of this recommendation has been revised to align with the projected go-live date.

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

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	Medium
Original target date:	First quarter of 2024
Revised target date:	Second quarter of 2023

560. This recommendation will be addressed through the actions described in paragraph 558 above in respect of the recommendation in paragraph 88 of the Board's report. Consequently, the target date for implementation has been revised to align with the target date of that recommendation.

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:	Closure requested
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date:	Not applicable

562. As part of the decentralization and regionalization process, UNHCR has adopted a standardized approach to reflecting roles within the regulatory framework by systematically including a description of specific roles in the relevant administrative instructions. This approach is aligned with the functions of the respective organizational entities throughout the organization. Furthermore, the budget planning instructions for the 2022 cycle provide guidance to operations on developing context-specific results frameworks as part of their strategies linked to the global results framework. Other actions described in the responses to the recommendations in paragraphs 118, 126 and 141 of the Board's report, which have been assessed by the Board as implemented or overtaken by events (see A/77/5/Add.6, chap. II, annex), have also contributed to addressing this recommendation. With the actions already taken, UNHCR considers this recommendation to have been implemented and requests its closure by the Board.

563. **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
Original target date:	Fourth quarter of 2022
Revised target date:	Fourth quarter of 2023

564. UNHCR is in the process of implementing the Project Reporting, Oversight and Monitoring Solution (PROMS). This tool will greatly reduce the organization's 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 in this new online system. PROMS is scheduled to be launched during the second half of 2023. Consequently, the target implementation date for this recommendation has been revised to align with the PROMS implementation date.

565. **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
Original target date:	Second quarter of 2021
Revised target date:	Fourth quarter of 2023

566. UNHCR is in the process of reviewing and updating policies and practices regarding multi-year agreements in the light of the multi-year planning reforms that are under way as a part of the roll-out of the new results-based management system. Owing to the complexity of these areas, more discussions are planned for 2022. As the result of the consultations that have taken place thus far, the templates for the multi-year partnership agreements will be further updated in 2022 to take into consideration the budget cycles covered by the agreements and the requirements for monitoring and auditing. The multi-year agreements are being designed to take into account the limitations related to donor funding and the need to report related expenditures annually.

567. As the implementation of this recommendation depends on the implementation of PROMS and other business transformation programmes (most notably the cloud-based enterprise resource planning system), which will continue until 2023, the target date for implementation of this recommendation has been revised to align with the implementation dates for the new systems.

568. **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
Original target date:	Second quarter of 2021
Revised target date:	Fourth quarter of 2023

569. 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 roll-out of the new results-based management system. New templates for all types of partnership agreements, including multi-year partnership agreements, need to be developed for the new cloud-based system that will be in place in the course of 2023. UNHCR is using that opportunity to create a clearer distinction between agreements to collaborate/partner over multiple years and the negotiated terms and conditions for the immediate financial year. The multi-year agreements will include provisions that provide clarity with respect to the process of negotiating the second and subsequent years of the collaboration and how to transition from one year to the next. Given the limited life remaining for the existing enterprise resource planning system, UNHCR will not be investing significant time and resources in adjustments to the multi-year partnership agreement templates that are embedded in that system.

570. **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.**

Department responsible:	Division of Resilience and Solutions
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2020
Revised target date:	Fourth quarter of 2022

571. UNHCR continues its efforts to roll out CashAssist to as many operations implementing cash assistance programmes as feasible. Currently, CashAssist is used in 40 countries, and, in an additional 20 countries, personnel have been trained and are in the process of implementing CashAssist in their daily cash-based intervention processes. 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. Significant action has also been taken to improve connectivity between financial service providers and CashAssist, as described in the response to the recommendation in paragraph 205 of the Board's report for the year ended 31 December 2020 (A/76/5/Add.6), which has been assessed by the Board as implemented (see A/77/5/Add.6, chap. II, annex). The actions taken in response to recommendations 203 and 205 of the 2020 report will also contribute to addressing this recommendation and enhancing the stability of the payment platform and reconciliation between CashAssist and financial service providers.

572. UNHCR will clarify the criteria and conditions on the use of CashAssist in the upcoming administrative instruction on financial management of cash-based interventions.

573. **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.**

Department responsible:	Global Data Service
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2020
Revised target date:	Fourth quarter of 2022

574. UNHCR is developing an administrative instruction that will be more inclusive of other policy and procedural aspects related to the Population Registration and Identity Management EcoSystem (PRIMES). 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 for the year ended 31 December 2019 (A/75/5/Add.6)) 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. Consultations are under way with the Records and Archives Section to securely transfer backups for archiving prior to decommissioning proGres v3 instances. This has extended the process for developing the administrative instruction, which is now targeted for finalization in

the third quarter of 2022. Meanwhile, work is under way to obtain the necessary notification of the decommissioning of proGres v3 instances from the country operations.

Report of the Board for the year ended 31 December 2018[30]

575. **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 was used only insofar as to complement applicable IPSAS requirements.**

Department responsible:	Division of Financial and Administrative Management
Status:	Closure requested
Priority:	High
Original target date:	Ongoing
Revised target date:	Not Applicable

576. UNHCR did not concur with this recommendation. UNHCR explained at that time that it was considering revising the net asset presentation when the new IPSAS on revenue recognition was published. UNHCR foresees that the new IPSAS will lead to a fairer presentation of net assets. UNHCR remains of the opinion that its current approach to presentation of net assets provides essential additional information on the components of net assets under the current accounting standard, and it therefore requests closure of this recommendation by the Board.

577. **In paragraph 343 of its report, the Board recommended that UNHCR establish mandatory UNHCR-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
Original target date:	First quarter of 2019
Revised target date:	Fourth quarter of 2022

578. UNHCR is in the process of preparing its information security policy, which will include requirements on the minimum information security standards. It is expected that the policy will be issued during the fourth quarter of 2022. The delay in implementation of this recommendation was necessitated by the wide consultations required in the development of the new policy and in the context of the new cloud-based systems currently being implemented under the business transformation programme.

579. **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 recommended that UNHCR redefine and describe the role and tasks of the Chief**

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[30] A/74/5/Add.6, chap. II.

Information Security Officer in an overarching information security mandatory guideline that defines the 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
Original target date:	Second quarter of 2020
Revised target date:	Fourth quarter of 2022

580. UNHCR has appointed a Chief Information Security Officer within the Division of Information Systems and Telecommunications, reporting to the Chief Information Officer. The Chief Information Security Officer is already providing information security reports to senior leadership on a regular basis, and information security is now a semi-annual topic on the agenda of the Senior Management Committee. The role and tasks of the Chief Information Security Officer will be described in the new information security policy, which is scheduled to be issued before the end of 2022. The delay in implementation of this recommendation was necessitated by the wide consultations required in the development of the new policy and in the context of the new cloud-based systems currently being implemented under the business transformation programme.

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 2021[31]

581. Table 24 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

Table 24
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Corporate Services Division	6	–	–	6	6	–
Policy and Programme Division	2	–	–	2	2	–
Total	**8**	**–**	**–**	**8**	**8**	**–**

582. Table 25 summarizes the status of implementation of all recommendations of the Board as of August 2022.

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[31] A/77/5/Add.7, chap. II.

Table 25
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Corporate Services Division	16	–	–	16	16	–
Policy and Programme Division	5	–	–	5	5	–
Secretariat of the Convention on Biological Diversity	3	–	–	3	3	–
Executive Office	1	–	–	1	1	–
Total	**25**	**–**	**–**	**25**	**25**	**–**

583. **In paragraph 28 of its report, the Board recommended that UNEP develop corporate guidance in its monitoring policy on when and how to collect relevant data to establish baselines for programme of work indicators.**

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

584. As part of the development of the monitoring and reporting policy, UNEP will draw on best practice from other organizations, especially other United Nations entities, and on the lessons learned from their experiences to develop corporate guidance on when and how to collect relevant data for the establishment of baselines for the programme of work indicators.

585. **In paragraph 35 of its report, the Board recommended that UNEP strengthen the monitoring of the development of workplans and formulate a guideline on the development of the workplans with specific requirements regarding format, contents and timelines, among others.**

Department responsible:	Executive Office
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

586. UNEP is in the process of strengthening the monitoring of the development of workplans and formulating guideline templates for the development of workplans in order to ensure that submissions are timely and of good quality.

587. **In paragraph 44 of its report, the Board recommended that the secretariat of the Convention on Biological Diversity accelerate the finalization of the development of the decision-tracking tool and the manual for users of the tool and establish a mechanism to make good use of the information and keep it up to date.**

Department responsible:	Secretariat of the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

588. The secretariat of the Convention on Biological Diversity has made considerable efforts over the past months to finalize the decision-making tool and the user manual and will present them to the parties for consideration at the upcoming Conference of the Parties to the Convention, to be held from 7 to 19 December 2022 in Montreal, Canada.

589. **In paragraph 50 of its report, the Board recommended that UNEP create a plan to enhance the monitoring of non-subprogramme indicators and to improve its target achievement rate at the end of the biennium.**

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

590. UNEP is already taking steps to enhance non-subprogramme indicator monitoring. A detailed plan to further strengthen monitoring and improve performance will be completed by the end of 2022. It will include quarterly tracking and capacity development for indicator focal points.

591. **In paragraph 59 of its report, the Board recommended that the secretariat of the Convention on Biological Diversity make efforts to mobilize voluntary contributions to improve the level of adequate, predictable, effective and efficient programme support cost funding for its administrative activities.**

Department responsible:	Secretariat of the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

592. The secretariat of the Convention on Biological Diversity has been successful in mobilizing voluntary contributions for the meetings of the Open-Ended Working Group on the Post-2020 Global Biodiversity Framework, held in Geneva in March 2022 and Nairobi in June 2022, along with other related meetings and workshops. The secretariat of the Convention is also actively soliciting voluntary contributions for the upcoming Conference of the Parties to be held in Montreal from 7 to 19 December 2022, which will help to improve the situation related to programme support cost funding for administrative activities.

593. **In paragraph 65 of its report, the Board recommended that UNEP review ageing and not expensed advance transfers to implementing partners on a case-**

by-case basis and clear those pending advances in coordination with the United Nations Office at Nairobi.

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

594. UNEP is undertaking a review of each of the 110 long-outstanding advances, with the aim of clearing them.

595. **In paragraph 71 of its report, the Board recommended that UNEP, in coordination with the United Nations Office at Nairobi, investigate the 147 payment exception items and resolve blocked payments in a timely manner.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

596. UNEP, in conjunction with the United Nations Office at Nairobi, is undertaking a review of the 147 cases, with the aim of resolving them.

597. **In paragraph 78 of its report, the Board recommended that the secretariat of the Convention on Biological Diversity actively communicate with donors in a timely manner and expedite the process of clearing up the outstanding balances of closed grants.**

Department responsible:	Secretariat of the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

598. The secretariat of the Convention on Biological Diversity has been actively communicating with donors with a view to clearing up the outstanding balances of closed grants, and it aims to complete this by the end of 2022.

599. **In paragraph 86 of its report, the Board recommended that UNEP review 143 agreements with 57 implementing partners on a case-by-case, in compliance with the $200,000 threshold.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

600. UNEP is undertaking a review of each of the 143 agreements, with the aim of addressing the recommendation.

601. **In paragraph 94 of its report, the Board recommended that UNEP ensure that the prescribed comparative analysis is properly conducted in conformity with UNEP policy.**

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

602. The United Nations Secretariat has deployed the Umoja implementing partnership portal for the purpose of regulating the selection and approval process for implementing partners. The Umoja grantor management module was launched in December 2018, and deployment to partners continues as part of the overall system adoption. UNEP will continue to perform due diligence of partners and will include comparative reviews of at least two additional partners in the Umoja grantor module.

603. **In paragraph 101 of its report, the Board recommended that UNEP review the information gap between the Programme Information Management System and Umoja and develop a plan for integrated planning, monitoring and reporting.**

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

604. In June 2022, UNEP finalized the review, in which it identified nine critical information gaps. The Policy and Programme Division elaborated a plan to address the gaps, which will be implemented by December 2022, when project managers will report on the identified critical information gap areas.

605. **In paragraph 108 of its report, the Board recommended that UNEP modify the programme and project management manual to provide corporate guidance on how to determine the project status in line with the new categories in the integrated planning, management and reporting module and to clarify accountability in terms of the various steps in the project cycle.**

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

606. The revised programme and project management manual is expected to be finalized by December 2022. It will include corporate guidance on how to determine the project status in line with the new categories in the integrated planning, management and reporting module and to clarify accountability for the different steps in the project cycle.

607. **In paragraph 113 of its report, the Board recommended that UNEP create a plan to monitor financial information as a means of alerting project managers when potential financial risks may occur.**

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

608. UNEP is implementing a system to monitor financial information that will alert project managers when potential financial risks occur. The system is expected to be rolled out by 30 September 2022. Each project manager will receive a monthly overview in the form of a dashboard that shows the budget spent, time used and activities completed for the project. A colour code will be used to highlight whether the project is on track, needs further attention or requires management intervention. In addition, a monthly report will be sent to UNEP divisions and regions providing an overview of the status of their projects, including those projects that require management intervention.

609. **In paragraph 120 of its report, the Board recommended that UNEP update active projects with supporting implementation files in the integrated planning, management and reporting module, and review and standardize project cycle management tools as a complement to the module.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

610. UNEP will be issuing a set of guidelines to ensure that the Global Environment Facility (GEF) project enrichment and creation process in the integrated planning, management and reporting module is more consistent and harmonized. The corporate guidance for GEF projects will be issued by the end of September 2022. UNEP will endeavour to have the bulk of its existing GEF portfolio accurately captured in the module by March 2023.

611. **In paragraph 127 of its report, the Board recommended that UNEP establish an internal mechanism to flag, review and report on the slow implementation of GEF projects.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

612. UNEP will use project monitoring tools, progress reports and project implementation reports to flag underperforming projects and take corrective measures. UNEP continues to ensure close monitoring of GEF expenditures against project budgets and to undertake adaptive project management as needed.

613. **In paragraph 133 of its report, the Board recommended that UNEP take effective action to accelerate the pre-inception activities of UNEP-Green Climate Fund projects and promote the approved projects' implementation.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

614. UNEP will issue further guidance in relation to the pre-inception activities in order to facilitate accelerated implementation. However, it should be noted that some pre-inception activities require the engagement of third parties. There may therefore be elements that are beyond the control of UNEP.

615. **In paragraph 139 of its report, the Board recommended that UNEP use project monitoring tools to flag underperforming UNEP-Green Climate Fund projects and provide guidance to bring them back on track.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

616. UNEP will use project monitoring tools and the progress reports to flag underperforming projects and take corrective measures. UNEP will continue to ensure close monitoring of Green Climate Fund expenditures against project budgets and to undertake adaptive project management as needed, with a view to reducing significant underexpenditure on projects that are financed by the Green Climate Fund.

617. **In paragraph 148 of its report, the Board recommended that UNEP follow the information system's monitoring technical procedure and perform periodic testing and reviews of the system's monitoring operations and capabilities.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

618. UNEP is establishing a plan to perform periodic tests and will review the system's monitoring operations and capabilities.

619. **In paragraph 156 of its report, the Board recommended that UNEP formulate the application decommissioning plan, accelerate the process of systems integration and update the system information in Unite apps as changes occur.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

620. The respective application business owners and the Enterprise Solutions Section within UNEP have started to formulate the decommissioning plan, particularly for the Anubis platform and the Programme Information and Management System. Systems information updates in Unite apps have been decentralized to the respective technical teams in the organization to facilitate the immediate update of changes.

621. **In paragraph 163 of its report, the Board recommended that UNEP strengthen the monitoring of approved and funded vacant posts and advise hiring managers of the need to fill posts, where applicable, taking into account the availability of funding and hiring freezes.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	Third quarter of 2023

622. UNEP has developed a business intelligence dashboard of the staffing table and positions management that has strengthened its monitoring process for approved and funded vacant positions. In addition, UNEP is sending periodic reminders to senior managers to advise them about the status of the vacant positions.

623. **In paragraph 169 of its report, the Board recommended that UNEP take measures to improve recruitment efficiency, in line with the benchmark of 120 days for filling a post, from the time of issuance of the job opening to selection.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2023

624. UNEP has enhanced its monitoring of the 120-day key performance indicator through a live recruitment tracker and position status dashboard. Periodic reminders are being sent to hiring offices to ensure compliance with recruitment timelines.

625. **In paragraph 178 of its report, the Board recommended that UNEP strengthen the management and supervision of consultants and individual contractors by reinforcing the use of the verification process.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

626. UNEP has developed a business intelligence dashboard to track the number of active consultants and individual contractors and their contract periods. In addition, UNEP is revising the standard operating procedures for consultants and individual contractors to reinforce the verification process with respect to the duration of contracts.

627. **In paragraph 184 of its report, the Board recommended that UNEP monitor the low-value acquisition procurement process to ensure adherence to relevant regulations and rules.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

628. UNEP has started to monitor the usage of the low-value acquisition procurement process, with the objective of consolidating it into contracts wherever possible. A dashboard has been developed to facilitate the monitoring. It will be used to further consolidate requirements as and where appropriate. The procurement management dashboard for low-value acquisitions is being finalized and will be fully completed before the end of 2022.

629. **In paragraph 191 of its report, the Board recommended that UNEP clarify the responsibilities of the parties involved, formulate the acquisition plan in a timely manner and actively explore the opportunities under supply chain reform of the United Nations to improve its procurement management.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

630. Acquisition planning is being implemented within the supply chain planning tool deployment of the United Nations Secretariat. UNEP agreed with the United Nations Secretariat that the scope of the supply chain planning tool was not in line with UNEP operational modalities. Hence, UNEP is proceeding to execute planning based on Excel submissions that are received and analysed in the tool.

631. **In paragraph 197 of its report, the Board recommended that UNEP ensure the correct and complete input of essential factors when creating purchase orders.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

632. UNEP has changed the operational model of the supply chain management team in the past year. Instead of following over 200 requisitioners and buyers, the team has decided to scale down on the number of distributed requisitioner and buyer roles. This means that it will be concentrating on a limited number of roles for each UNEP entity.

This model will ensure that the limited resources of the team can be focused on guidance for and improving the quality of outputs of a more manageable pool of requisitioners.

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

633. In the annex to its report for the year ended 31 December 2021 (A/77/5/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 27 recommendations that were determined by the Board to be either under implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

634. Table 26 summarizes the overall situation as of August 2022.

Table 26
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Corporate Services Division	6	–	1	5	5	–
Policy and Programme Division	2	–	1	1	1	–
Secretariat of the Convention on Biological Diversity	5	–	2	3	3	–
Evaluation Office	1	–	1	–	–	–
Secretariat for the Basel, Rotterdam and Stockholm Conventions	2	–	–	2	2	–
Multiple offices	11	–	2	9	9	–
Total	**27**	**–**	**7**	**20**	**20**	**–**

Report of the Board for the year ended 31 December 2015[32]

635. **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:	Closure requested
Priority:	Medium
Original target date:	Fourth quarter of 2016
Revised target date:	Not applicable

636. This recommendation is under implementation by the Department of Management Strategy, Policy and Compliance at United Nations Headquarters. The

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[32] A/71/5/Add.7, chap. II.

recommended range of useful lives identified from the multi-agency approach will be used as a starting point to ensure that the resulting changes in useful life meet the requirements of the Organization. The Department has communicated to the Board that the process of updating the useful lives in Umoja is to be done centrally, and it will take effect on 1 January 2023. UNEP will not be part of the process of reviewing and updating the useful lives. Accordingly, UNEP considers this recommendation to have been overtaken by events and requests its closure by the Board.

Report of the Board for the year ended 31 December 2018[33]

637. **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
Original target date:	First quarter of 2021
Revised target date:	Fourth quarter of 2022

638. UNEP is of the opinion that this recommendation does not require a full staffing review. The assessment of the relationship between the positions of supervisor and project manager as part of the work distribution will be included in the UNEP programme and project management manual. The revision of the manual began in September 2021. However, to ensure alignment with the new delivery model, the details of which are still being discussed, it was decided that the manual would be finalized by the end of 2022, once the new delivery model is fully operational.

639. **In paragraph 43 of its report, the Board recommended that UNEP regulate the supervisor position, setting out its obligations and responsibilities in the UNEP programme manual, in accordance with what the agency had indicated.**

Department responsible:	Policy and Programme Division
Status:	Under implementation
Priority:	Medium
Original target date:	First quarter of 2020
Revised target date:	Fourth quarter of 2022

640. The revision of the programme and project management manual, in which roles and responsibilities have been updated, began in September 2021. However, to ensure alignment with the new delivery model, it was decided that the manual would be finalized by the end of 2022, once the new delivery model is fully operational.

641. **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**

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[33] A/74/5/Add.7, chap. II.

necessary information to ensure adequate accountability and programme management.

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Original target date:	First quarter of 2021
Revised target date:	Fourth quarter of 2022

642. The development of a single automatically consolidated database that contains information on every GEF project is under implementation. The financial information related to all active projects for GEF as at 31 December 2021 is in Umoja, and the integrated planning, management and reporting module enhancement is expected to cover the programmatic information for the projects. The inclusion of the projects is ongoing for the GEF portfolio, with expected completion by the fourth quarter of 2022. The expectation is that once all active projects are fully updated in the integrated planning, management and reporting module, relevant reports on projects will be available.

643. **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.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Original target date:	First quarter of 2021
Revised target date:	Fourth quarter of 2022

644. The development of a single automatically consolidated database that contains information on every GEF project is under implementation. The financial information related to all active projects for GEF as at 31 December 2021 is in Umoja, and the integrated planning, management and reporting module enhancement is expected to cover the programmatic information for the projects. The inclusion of the projects is ongoing for the GEF portfolio, with expected completion by the fourth quarter of 2022.

Report of the Board for the year ended 31 December 2019[34]

645. **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.**

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[34] A/75/5/Add.7, chap. II.

Departments responsible:	Corporate Services Division, Regional Office for Latin America and the Caribbean and Regional Office for Africa
Status:	Under implementation
Priority:	High
Original target date:	First quarter of 2021
Revised target date:	Fourth quarter of 2022

646. The Programme's updated partnerships policy and procedures were released in a pilot phase in October 2020 for selected divisions, Regional offices and multilateral environment agreement secretariats. It was planned that the pilot phase would end in March 2021, but it was extended until 31 August 2021. Some aspects of the updated policy have been successfully implemented, such as the creation of a dedicated calls for proposals website. Various comments and inputs were gathered at the end of the pilot phase. UNEP has been working on synthesizing the comments received, with ae view to finalizing the policy and preparing its launch. However, this work has been put on hold owing to the development by the Office of the Controller of the United Nations Secretariat of a United Nations policy on implementing partners and a partners portal. UNEP has been involved in all of the meetings on the development of these initiatives and has therefore put the finalization of the UNEP policy on hold in order to ensure that there is no discrepancy with the proposed common policy framework and procedures.

647. **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.**

Departments responsible:	Policy and Programme Division, Regional Office for Latin America and the Caribbean, Regional Office for Africa and Corporate Services Division
Status:	Closure requested
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date:	Not applicable

648. 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. The Board agreed with UNEP that the integrated planning, management and reporting tool has the functionality to segregate project information by country. UNEP therefore considers this recommendation to have been implemented and requests its closure by the Board.

649. **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.

Departments responsible:	Secretariat of the Convention on Biological Diversity and Law Division
Status:	Under implementation
Priority:	High
Original target date:	First quarter of 2021
Revised target date:	Fourth quarter of 2023

650. The roles and responsibilities are set out in the revised administrative arrangements between UNEP and the secretariat of the Convention on Biological Diversity. However, the secretariat of the Convention, in coordination with UNEP, expects to initiate development of a service-level agreement once the Conference of the Parties has been held, in the fourth quarter of 2022.

651. **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.**

Departments responsible:	Secretariat of the Convention on Biological Diversity and Law Division
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2023

652. The roles of UNEP and the secretariat of the Convention on Biological Diversity are set out in the revised administrative arrangements between them. UNEP provided further documentation to clarify the delegation of authority and framework for management in regard to the administration of multilateral environmental agreements. However, the secretariat of the Convention, in coordination with UNEP, expects to initiate development of a service-level agreement once the Conference of the Parties has been held, in the fourth quarter of 2022.

653. **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.**

Department responsible:	Secretariat of the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date:	Fourth quarter of 2022

654. The format of the biannual report of the Secretariat of the Convention on Biological Diversity on the administration of the Convention has been changed to comply with this recommendation. The new results-based budgeting framework has been used for the preparation of the 2023–2024 budget document, which is to be presented to the Conference of the Parties in the third quarter of 2022.

655. **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.**

Departments responsible:	Secretariat of the Convention on Biological Diversity and Law Division
Status:	Under implementation
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date:	Fourth quarter of 2022

656. The secretariat of 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, a new results-based budgeting framework, which includes performance indicators and outcomes to be monitored and evaluated in line with United Nations standards, has been prepared with a view to standardizing the secretariat's reporting processes, and it is envisaged that it will replace the biannual report. It is due to be presented to the Conference of the Parties in the third quarter of 2022.

657. **In paragraph 199 of its report, the Board recommended that UNEP assess and correct the grants posted in its BHL and BXL trust funds.**

Department responsible:	Secretariat of the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date:	Fourth quarter of 2022

658. The secretariat of the Convention on Biological Diversity has made significant progress in closing grants under the trust funds and the work is ongoing. The

remaining balance will be transferred to the main trust fund after a proposal is made to the Conference of the Parties on its disposal and utilization.

659. **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 of the Convention on Biological Diversity and Law Division
Status:	Under implementation
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date:	Fourth quarter of 2022

660. At the request of the parties, the name of the long-term strategic framework for capacity-building beyond 2020 was changed to long-term strategic framework for capacity-building and development to support the implementation of the post-2020 global biodiversity framework. The secretariat of the Convention on Biological Diversity prepared a document containing draft elements of the long-term strategic framework. It is expected to be adopted during the second part of the Conference of the Parties, in the fourth quarter of 2022.

661. **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 of the Convention on Biological Diversity and Law Division
Status:	Closure requested
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date:	Not applicable

662. The format of the biannual report of the secretariat of the Convention on Biological Diversity on the administration of the Convention has been changed to comply with this recommendation. The secretariat of the Convention has prepared an information document on the alignment needed between resources and the programme of work. As the format of the programme of work and budget is already in use, UNEP considers this recommendation to have been implemented and requests its closure by the Board.

663. **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 of the Convention on Biological Diversity
Status:	Closure requested
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date:	Not applicable

664. The secretariat of the Convention on Biological Diversity provides information on voluntary contributions in its budget document. The programme budget for the biennium 2023–2024 uses the UNEP programme budget format for 2018–2019, as requested by the Conference of the Parties in its decision 14/37. This format requires the inclusion of voluntary contributions in the budget submission in a way that reflects the resources necessary to implement the decisions of the Conference of the Parties. As the format of the programme of work and the budget is already in use, UNEP considers this recommendation to have been implemented and requests its closure by the Board.

665. **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.**

Department responsible:	Secretariat of the Convention on Biological Diversity
Status:	Closure requested
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date:	Not applicable

666. UNEP has received clarification that it does not have a direct coordination role with respect to the resource mobilization mechanism for the secretariat of the Convention on Biological Diversity. This recommendation is therefore not implementable. UNEP will provide the evidence required to the Board of Auditors during the interim audit in October 2022 to clarify this. UNEP considers this recommendation to have been overtaken by events and requests its closure by the Board.

667. **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 of the Convention on Biological Diversity.**

Department responsible:	Secretariat of the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date:	Fourth quarter of 2023

668. The secretariat of the Convention on Biological Diversity has implemented an internal ad hoc solution to ensure that contracts contain all the information necessary to identify that it is the secretariat that signs the contracts for the consultants and individual contractors hired. However, this is a manual solution and the secretariat is looking into implementing an automated solution.

669. **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
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

670. The draft digital governance framework has been shared with the Digital Transformation Subprogramme Coordinator, and feedback was received. UNEP is engaging with the United Nations International Computing Centre for assistance in formulating its digital enterprise architecture and governance. This project is expected to conclude in September 2022 and the overall digital governance framework is expected to be endorsed by UNEP management by end of 2022.

Report of the Board for the year ended 31 December 2020[35]

671. **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
Original target date:	Third quarter of 2022
Revised target date:	Fourth quarter of 2022

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[35] A/76/5/Add.7, chap. II.

672. UNEP confirms that a procedure is in place to review grants for closure on a quarterly basis. The United Nations Office at Nairobi routinely issues donor statements on closed grants. A standard operating procedure on write-offs, write-downs and notional claims was issued in September 2021 and it references the updated 2021 standard operating procedure on financial closure of grants by the United Nations Office at Nairobi.

673. **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
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

674. The main reason for delay in the implementation of this recommendation was the intense work programme of the secretariat of the Basel, Rotterdam and Stockholm Conventions owing to the scheduling of several major meetings back-to-back as the result of postponements due to the COVID-19 pandemic. The preparations are ongoing for the next Conference of the Parties, which will take place in May 2023 and will be preceded by several other major meetings. The secretariat is currently updating the standard operation procedure on the preparation and updating of its workplans to revise the frequency of updating and posting on the synergies website, as well as the type of information provided. Furthermore, the secretariat is reviewing all information currently disseminated on its synergies website to ensure that the needs of the parties to the Conventions are being met.

675. **In paragraph 168 of its report, the Board recommended that UNEP accelerate the clean-up of legacy matters and complete the closure procedures for delayed projects as soon as possible.**

Department responsible:	Policy and Programme Division
Status:	Closure requested
Priority:	High
Original target date:	First quarter of 2022
Revised target date:	Not applicable

676. Project information in the Programme Information and Management System has been updated, and the inactive projects are closed. UNEP data platforms have been improved through the migration from the Programme Information and Management System to the new integrated planning, management and reporting tool. As UNEP is transitioning to the use of the integrated planning, management and reporting tool for all ongoing extrabudgetary projects, it considers this recommendation to have been implemented and requests its closure by the Board.

677. **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:	Closure requested
Priority:	Medium
Original target date:	First quarter of 2022
Revised target date:	Not applicable

678. At its meeting on 7 June 2021, the Senior Management Team discussed changes to the approach of the Evaluation Office in the context of the preparation for the implementation of the new medium-term strategy 2022–2025. The 2021 evaluations were completed with a more even coverage. The new evaluation policy and the new UNEP programme manual require all projects that are not selected for independent evaluation to undergo a comprehensive management-led review when they are reaching completion. Management doubts that a strict percentage by donor/funding partner, as proposed by the Board, is meaningful in this context, especially as going forward the number of Green Climate Fund project evaluations will increase significantly (as may evaluations of projects with other funding sources) and UNEP will have to ensure that the evaluation sample is representative of all themes, subprogrammes, funding sources and geographic regions. With the measures taken to increase the coverage of project evaluations, UNEP considers this recommendation to have been implemented and requests its closure by the Board.

679. **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 the Parties for its review and revision.**

Department responsible:	Secretariat of the Basel, Rotterdam and Stockholm Conventions
Status:	Under implementation
Priority:	Medium
Original target date:	First quarter of 2022
Revised target date:	Third quarter of 2023

680. 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. However, any recommendation to amend the financial rules can only be considered at the next meeting of the Conference of the Parties scheduled for May 2023.

681. **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
Original target date:	First quarter of 2022
Revised target date:	Fourth quarter of 2022

682. The new reporting functionality within the integrated planning, management and reporting system includes features that facilitate the monitoring of and reporting on project status. The inclusion of the GEF portfolio is ongoing, with expected completion by the fourth quarter of 2022, Once this exercise is complete, it is expected that the integrated planning, management and reporting system will facilitate the tracking of implementation rates and extensions of GEF projects.

683. **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
Original target date:	First quarter of 2022
Revised target date:	First quarter of 2023

684. UNEP carried out an extensive exercise to close completed grants in 2020 and 2021. However, within the GEF portfolio, there are completed projects that are either part of an umbrella project or part of composite grants or migrated grants, and these are now being analysed as the second stage of the closure process.

685. **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
Original target date:	Third quarter of 2022
Revised target date:	Fourth quarter of 2022

686. UNEP is reviewing its programme and project management manual in relation to GEF and to the replacement of the advanced division of the GEF database information system with the integrated planning, management and reporting tool in Umoja.

687. **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
Original target date:	Third quarter of 2022
Revised target date:	Fourth quarter of 2022

688. UNEP is currently reviewing the requirements of the workforce planning strategy in line with the staffing review exercise.

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 2021[36]

689. Table 27 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

Table 27
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Policy and Strategy Division	2	–	1	1	1	–
Country office in the Democratic Republic of the Congo	1	–	–	1	1	–
Multiple offices	4	–	–	4	4	–
Total	**7**	**–**	**1**	**6**	**6**	**–**

690. Table 28 summarizes the status of implementation of all recommendations of the Board as of August 2022.

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[36] A/77/5/Add.8, chap. II.

Table 28
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Country office in the Democratic Republic of the Congo	6	–	–	6	6	–
Division for Management Services	3	–	1	2	2	–
Division for Human Resources	2	–	–	2	2	–
Policy and Strategy Division	2	–	1	1	1	–
Country office in Colombia	2	–	–	2	2	–
Multiple offices	15	–	–	15	15	–
Total	**30**	**–**	**2**	**28**	**28**	**–**

691. **In paragraph 26 of its report, the Board recommended that UNFPA strengthen its planning, monitoring and reporting procedures on myResults for all business units in order to have a process that gives an accurate overview and demonstrates accountability in respect of the indicator target.**

> *Department responsible*: Policy and Strategy Division
>
> *Status*: Closure requested
>
> *Priority*: High
>
> *Target date*: Not applicable

692. UNFPA has already taken action to implement this recommendation by adding functionalities in its myDashboard application to follow up with business units and alert them when they have not initiated, finalized or are late in their planning, monitoring and reporting in the strategic information system (myResults). UNFPA considers this recommendation to be implemented and requests its closure by the Board.

693. **In paragraph 27 of its report, the Board recommended that UNFPA regional offices implement effective and timely monitoring procedures in order to provide clearance of the regional office approval after the quality assurance review.**

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

694. UNFPA management has requested the addition of a functionality in the myDashboard application to allow for follow-up on the quality assurance and timely clearance of the annual reports of country offices by the respective regional offices.

695. **In paragraph 38 of its report, the Board recommended that the UNFPA country office in the Democratic Republic of the Congo and the Subregional Office for the Caribbean strengthen their procedures regarding the uploading of**

output indicators on myResults in accordance with what is established in the subregional programme document in order to have an objective process that allows tracking of results.

Departments responsible:	Country office in the Democratic Republic of the Congo and Subregional Office for the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

696. The country office in the Democratic Republic of the Congo and the Subregional Office for the Caribbean have taken action on the priority alignment of all country programme indicators in the planning, monitoring and reporting of 2022 results in myResults and priority alignment of country programme development indicators in all 2022 workplans.

697. **In paragraph 47 of its report, the Board recommended that UNFPA develop the recording of and easy access to the background information that supports the estimations made to determine vacancy rates, in order to ensure an effective and efficient use of the budgeted resources for personnel costs and to ensure proper staffing for the fulfilment of the planned programmes and activities.**

Departments responsible:	Division for Human Resources and Division for Management Services
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

698. UNFPA will update the guidance note on standard post costs to provide background information on the methodology to calculate standard posts costs, including the vacancy rate estimates built into those costs. UNFPA concluded an active position clean-up process in the second quarter of 2022 to inactivate posts that were no longer needed, which significantly reduced the institutional vacancy rate. This exercise will be conducted periodically.

699. **In paragraph 56 of its report, the Board recommended that UNFPA maintain close monitoring of the recruitment time and take proper measures in a workforce plan to ensure that it gets closer to the target defined by the Fund in the strategic information system.**

Department responsible:	Division for Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

700. UNFPA management will be more active in enforcing a committed recruitment lead time of 90 calendar days in accordance with its strategic plan, 2022–2025. As part of the new enterprise resource planning system enhancement, UNFPA will

develop a configuration for automatic communications that will be sent out to hiring offices approaching the 90-day target for their immediate action.

701. **In paragraph 65 of its report, the Board recommended that the UNFPA country office in Colombia and the Subregional Office for the Caribbean strengthen their internal control procedures to plan and ensure that all staff members complete the mandatory learning curriculum within the three-month deadline after joining the organization.**

Departments responsible:	Country office in Colombia and Subregional Office for the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

702. The country office in Colombia is strengthening its internal control by assigning a staff member to monitor and track the status of the mandatory learning curriculum of all staff members within three months and follow up on the completion of mandatory courses.

703. The Subregional Office for the Caribbean acknowledges the recommendation that it strengthen internal control procedures to ensure staff members' completion of mandatory courses within three months. The Office management coordinates with staff to ensure that new staff members complete mandatory courses within the three-month deadline. Induction resources for new staff will be updated to include the requirement to ensure that all staff are aware of it. Staff members will be required to properly document the completion of mandatory courses, and a human resources focal point will monitor and follow up on course completion.

704. **In paragraph 66 of its report, the Board recommended that UNFPA redesign the control and enhance the oversight related to the mandatory courses, particularly with the migrated data, in order to ensure that the Taleo system is updated with accurate, reliable and available information.**

Department responsible:	Division for Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

705. UNFPA is currently transitioning to a new enterprise resource planning system (including the transitioning of the learning management system from Taleo to Oracle). The availability of mandatory training information, accessibility and the recording and reporting functionalities are high priorities. The Division for Human Resources is currently recruiting six human resources business partner analysts, who will support regional learning management.

706. **In paragraph 77 of its report, the Board recommended that UNFPA update the assurance activities plan in a timely and accurate manner, using the information on the implementing partners' risk rating in the Implementing Partner Assurance System.**

Department responsible:	Division for Management Services
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

707. UNFPA performed a comprehensive review of the Implementing Partner Assurance System risk ratings for accuracy, corrected the discrepancies found and ensured that all assurance activities scheduled in the 2021 assurance plan were based on accurate and up-to-date risk rating information.

708. Risk ratings have been updated in order to incorporate context risk and were tested for accuracy. The ratings to be used for the 2022 assurance plan are expected to be in the system by the end of 2022, and assurance activities will be planned accordingly based on the level of expenditures reported by the partners.

709. **In paragraph 78 of its report, the Board recommended that UNFPA strengthen the assurance activities plan and put in place preventive controls in its formulation process for the implementing partners assessment.**

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

710. The Information Technology Solutions Office addressed the technical issue in the Implementing Partner Assurance System in March 2022. Any changes in the microassessment module risk ratings are now correctly reflected in assurance planning, and this was tested in July 2022. The risk ratings in the 2022 assurance plan were accurately taken from the microassessment module and further adjusted based on context risk or additional risk considerations. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

711. **In paragraph 90 of its report, the Board recommended that the UNFPA country offices in Lebanon and the Democratic Republic of the Congo ensure that the implementing partner agreements and their amendments are approved prior to carrying out the workplan and continuing with the transfer of cash and the delivery of goods.**

Departments responsible:	Country offices in the Democratic Republic of the Congo and Lebanon
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

712. The country office in Lebanon agrees that a valid implementing partner agreement would give the business unit adequate information for developing a workplan and continuing with the transfer of cash and the delivery of goods. The country office continuously aims to enhance the workplan management process and ensure that the legal status of UNFPA is correctly reflected under all contracting

modalities. The country office will intensify efforts to establish more control actions to confirm the validity of the agreements. This will include strengthening the periodic monitoring of implementing partner agreements and keeping all agreements updated and accurate in the United Nations Partner Portal. Since November 2021, all implementing partners have had valid agreements under the partner information management system. In addition, a checklist for the workplan management process was developed, and training sessions for partners and programme staff were conducted to ensure full compliance.

713. The country office in the Democratic Republic of the Congo takes note of the recommendation. It will ensure that implementing partner agreements and amendments are approved and up to date before signing a workplan. This will be done as part of the workplan operational review. The country office will also establish more control actions, including strengthening the periodic monitoring of implementing partner agreements and keeping all agreements updated and accurate.

714. UNFPA management acknowledges the need to strengthen the monitoring of implementing partner agreements and will issue an internal memorandum reminding personnel of the need to ensure that a valid implementing partner agreement is in place before signing a workplan for the duration of the workplan activities. The Policy and Strategy Division will also create an implementing partners agreement dashboard, and country offices will undertake periodic reviews of the dashboard to ensure compliance.

715. **In paragraph 91 of its report, the Board recommended that UNFPA country offices in Lebanon and the Democratic Republic of the Congo strengthen the periodic monitoring of implementing partner agreements and keep them updated and accurate in the partner information management system.**

Departments responsible:	Country offices in the Democratic Republic of the Congo and Lebanon
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

716. Please refer to the response in paragraphs 712 to 714 above relating to the recommendation in paragraph 90 of the Board's report.

717. **In paragraph 102 of its report, the Board recommended that the UNFPA country offices in Lebanon and the Democratic Republic of the Congo and the Subregional Office for the Caribbean strengthen the monitoring process for the progress in implementation of the workplan activities in order to conduct reviews of the workplan progress report in a more timely and accurate manner.**

Departments responsible:	Country offices in the Democratic Republic of the Congo and Lebanon and Subregional Office for the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

718. The country office in Lebanon takes note of this recommendation and is strengthening the monitoring process for implementing partners' workplan activities in order to review the workplan progress report on time.

719. The country office in the Democratic Republic of the Congo takes note of this recommendation and has already taken action to address the weaknesses identified in the audit. The country office will also organize a quarterly review of the workplans of the implementing partners to ensure proper implementation of the activities and the accuracy of reporting. The country office will strengthen the follow-up of the implementation of this recommendation during the weekly programme meetings to ensure that the recommendation is completely implemented by 31 December 2022.

720. The Subregional Office for the Caribbean takes note of the recommendation. In order to strengthen the monitoring of the workplans, operations and programme staff collaborate effectively on measures to ensure timely input to and accurate review of the workplan progress reports, including the training of implementing partners on timely completion of workplan progress reports.

721. **In paragraph 103 of its report, the Board recommended that the UNFPA country offices in Lebanon and the Democratic Republic of the Congo ensure that reviews are carried out in a timely manner by the programme officer before the approval of the workplan progress report and the respective funding authorization and certificate of expenditure form in order to safeguard the resources used by the implementing partner.**

Departments responsible:	Country offices in the Democratic Republic of the Congo and Lebanon
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

722. The country office in Lebanon takes note of this recommendation and is strengthening the monitoring and review of implementing partners' workplan progress reports to ensure that timely reviews are conducted before the approval of the funding authorization and certificate of expenditure form. All programme and operations staff members were notified and all vouchers were processed in the global programme system after approval of the workplan report.

723. The country office in the Democratic Republic of the Congo takes note of this recommendation and has already started its implementation. A learning session, facilitated by colleagues in the monitoring and evaluation area from another country office, was organized for programme staff. At that session, the importance of undertaking a workplan progress report review before the approval of the funding authorization and certificate of expenditure form was emphasized. The country office will continue to follow up on this during the quarterly workplan reviews with the implementing partners and the weekly programme meetings to ensure full implementation of the recommendation by 31 December 2022.

724. **In paragraph 114 of its report, the Board recommended that the UNFPA country office in the Democratic Republic of the Congo strengthen the process for registering purchase orders in order to receive the services or goods after the purchase order is issued, to ensure that the process is recorded on time and under budget-checked criteria.**

Department responsible:	Country office in the Democratic Republic of the Congo
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

725. The country office in the Democratic Republic of Congo, with the support of the Supply Chain Management Unit, will develop standard operating procedures to strengthen the procurement processes to record all stages of the process in a timely manner.

726. **In paragraph 123 of its report, the Board recommended that the UNFPA country office in Colombia ensure that all transparency standards are used for the local procurement processes in an efficient and timely manner in order to guarantee that all information is clearly defined and made known to all stakeholders.**

Department responsible:	Country office in Colombia
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

727. The country office in Colombia has conducted procurement training sessions to educate the staff and enforce accountability at all levels to ensure the proper utilization of the correct procurement templates, guaranteeing that all information is clearly defined and made known to all stakeholders. In addition, with the support of the Supply Chain Management Unit, the country office will develop standard operating procedures to strengthen the procurement processes by using the correct templates for solicitation and evaluation.

728. **In paragraph 124 of its report, the Board recommended that the UNFPA country office in Colombia and the Subregional Office for the Caribbean strengthen the local procurement process so that the purchase order is raised in Atlas before a contract for professional services is issued to the suppliers, in order to ensure that the procurement process is completed under budget-checked criteria.**

Departments responsible:	Country office in Colombia and Subregional Office for the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

729. The country office in Colombia is implementing a new administrative mechanism to ensure that no contractual document is signed before a purchase order is raised, approved and budget-checked in Atlas. This mechanism has been fully implemented since 1 May 2022. With support from the Supply Chain Management Unit, the country office will develop standard operating procedures to strengthen the procurement processes to ensure timely issuance of purchase orders.

730. The Subregional Office for the Caribbean takes note of the recommendation. In order to ensure proper implementation of procurement processes for professional services, human resources, with support from other operations units, will create and implement an internal control system to properly document the completion of the procurement process for all professional services contracts. The Subregional Office for the Caribbean, with support from the Supply Chain Management Unit and the Latin America and the Caribbean Regional Office, will develop standard operating procedures to strengthen the procurement processes to ensure timely issuance of purchase orders.

731. **In paragraph 141 of its report, the Board recommended that the UNFPA country offices in Colombia, the Democratic Republic of the Congo and Lebanon and the Subregional Office for the Caribbean enhance the accurate and timely recording and updating of the shipment tracker when the products are received and the inspection process is performed and finalized.**

Departments responsible:	Country offices in Colombia, the Democratic Republic of the Congo and Lebanon and Subregional Office for the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

732. The country office in Lebanon agrees with the need for accurate and timely recording of programme supplies in the shipment tracker, preparation of the handover form and recording of the deliveries to implementing partners after the delivery slip is signed. The country office has reviewed its inventory management procedures, identified the principal areas for improvement and allocated additional staff resources to the team responsible for managing programme supplies. Furthermore, the country office has implemented additional control activities and tools to avoid delays and ensure the timely recording of transactions in the shipment tracker. The country office has formalized, under the responsibility of the head of the office, an inventory management process improvement plan and standard operating procedures to ensure the proper and consistent execution of all inventory management activities.

733. The country office in the Democratic Republic of the Congo has acted by: (a) allocating additional staff resources and expanding the size of the country office team responsible for the management of programme supplies and the updating of shipment tracker records; (b) enhancing the process of preparation and collection of signed handover documents; and (c) strengthening internal communication among teams managing different components of the country office supply chain. The country office will formalize, under the responsibility of the head of the office, an inventory management process improvement plan and standard operating procedures to ensure the proper and consistent execution of all inventory management activities.

734. The country office in Colombia has taken action to appoint a shipment tracker focal point, who is responsible for the accurate and timely recording of transactions and the monitoring of inventory balances in the shipment tracker. Furthermore, the country office has appointed logistics and procurement focal points to further strengthen the monitoring and tracking of the programme supplies. The country office will formalize, under the responsibility of the head of the office, an inventory management process improvement plan and standard operating procedures to ensure the proper and consistent execution of all inventory management activities.

735. The Subregional Office for the Caribbean has been improving the recording and updating of the shipment tracker by addressing the human resources gap in this process. A new focal point has been added to assist the liaison offices with the upkeep of the shipment tracker. Operations and programme staff will collaborate to create a monitoring mechanism to verify shipment tracker information and provide updates and corrections well before the shipment tracker verification deadline. Training sessions will be organized, in collaboration with the headquarters Statutory Reporting Unit, to strengthen the capacity of staff with respect to shipment tracker procedures to ensure timely and accurate recording of programme supplies.

736. UNFPA management, at the corporate level, reiterates that the periodic inventory certification process, implemented as a second-line control, ensures that all transactions are finally recorded within the corresponding year and that inventory balances are properly determined. The periodicity of inventory certifications (two or more per calendar year) for each field office is determined based on the United States dollar value of the procurement of programme supplies, field office performance ratings and operational complexity.

737. UNFPA management will support the development and review of the inventory management process improvement plan and the standard operating procedures, under the responsibility of the heads of each country office, for the proper execution of all inventory management activities, including the timely completion of receipt inspections and recording of receipts.

738. **In paragraph 142 of its report, the Board recommended that the UNFPA country offices in Colombia, the Democratic Republic of the Congo and Lebanon and the Subregional Office for the Caribbean ensure the preparation of the handover form and the recording of the deliveries to the recipient when the control of the goods has been transferred.**

Departments responsible:	Country offices in Colombia, the Democratic Republic of the Congo and Lebanon and Subregional Office for the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

739. Please refer to the responses in paragraphs 732 to 737 above relating to the recommendation in paragraph 141 of the Board's report.

740. **In paragraph 155 of its report, the Board recommended that the UNFPA country offices in Lebanon and Colombia enhance actions to manage and upload the distribution plan in the global programming system and keep the process flowing with their respective supporting documentation, the delivery of supplies once the workplans are signed and the inclusion of the distribution plan as a supplemental document.**

Departments responsible:	Country offices in Colombia and Lebanon
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

741. The country offices in Colombia and Lebanon will prepare, review, approve and track distribution plans and put in place a process to monitor their execution and reconciliation with actual deliveries, in line with the guidance note to be prepared by UNFPA headquarters. The country offices will ensure that the distribution plans are included as supplemental documents to the workplans for implementing partners due to receive UNFPA programme supplies.

742. Further to the actions specific to the country offices described above, UNFPA headquarters will develop a guidance note on the preparation of distribution plans that will provide standardized templates to capture information such as the type and quantity of programme supplies planned for distribution, the timeline of planned deliveries and recipient details, and reconciliation with actual deliveries. An online seminar will be presented to all country offices once the guidance note is issued.

743. **In paragraph 156 of its report, the Board recommended that the UNFPA country offices in the Democratic Republic of the Congo and Colombia strengthen the preparation and review of the distribution plan in order to carry out a process aligned with the workplan or another appropriate programme document.**

Departments responsible:	Country offices in Colombia and the Democratic Republic of the Congo
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

744. The country offices in Colombia and the Democratic Republic of the Congo will prepare, review, approve and track distribution plans and put in place a process to monitor their execution and reconciliation with actual deliveries, in line with the guidance note to be prepared by UNFPA. The country offices will ensure that the distribution plans are included as supplemental documents to the workplans for implementing partners due to receive UNFPA programme supplies.

745. Further to the actions specific to the country offices described above, UNFPA management, at the corporate level, will develop a guidance note on the preparation of distribution plans that will provide standardized templates to capture information such as the type and quantity of programme supplies planned for distribution, the timeline of planned deliveries and recipient details, and reconciliation with actual deliveries. An online seminar will be presented to all country offices once the guidance note is released.

746. **In paragraph 157 of its report, the Board recommended that the UNFPA country offices in Lebanon and Colombia ensure that the delivery of goods to implementing partners is linked with the distribution plan.**

Departments responsible:	Country offices in Colombia and Lebanon
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

747. The country office in Lebanon acknowledges the need to link the workplan with the distribution plan. The office has, accordingly, reviewed its internal control

procedure on inventory management and has identified the principal areas to be enhanced. Subsequently, the country office developed a distribution plan form, by which the activity name is added and linked with the distribution of programme supplies. In addition, current distribution tools were enhanced to ensure efficient monitoring and distribution of programme supplies. The country office will prepare, review, approve and track distribution plans and put in place a process to monitor their execution and reconciliation with actual deliveries, in line with the guidance note to be prepared by UNFPA headquarters. The country office will ensure that the deliveries of goods to implementing partners and beneficiaries are aligned with the distribution plans. The distribution plan form has been adjusted, as recommended by the Board, to cover funds and activities. In addition, the country office is in the process of developing a database to ensure the efficient monitoring and distribution of programme supplies.

748. The country office in Colombia will prepare, review, approve and track distribution plans and put in place a process to monitor their execution and reconciliation with actual deliveries, in line with the guidance note to be prepared by UNFPA headquarters. The country office will ensure that the deliveries of goods to implementing partners and beneficiaries are aligned with the distribution plans.

749. **In paragraph 158 of its report, the Board recommended that the UNFPA country office in the Democratic Republic of the Congo implement a monitoring process that includes the review and approval of distribution plans in the global programming system and oversee their execution in order to keep the process flowing with their respective supporting documentation, the delivery of supplies once the workplans are signed and the inclusion of the distribution plan as a supplemental document.**

Department responsible:	Country office in the Democratic Republic of the Congo
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

750. The country office in the Democratic Republic of the Congo will prepare, review, approve and track distribution plans and put in place a process to monitor their execution and reconciliation with actual deliveries, in line with the guidance note to be prepared by UNFPA.

751. The country office will ensure that the distribution plans are included as supplemental documents to the workplans for implementing partners due to receive UNFPA programme supplies.

752. **In paragraph 164 of its report, the Board recommended that the UNFPA country offices in Lebanon and Colombia work closely with headquarters to standardize the information contained in the distribution plan with the necessary specifications established in the policy.**

Departments responsible:	Country offices in Colombia and Lebanon
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

753. The country office in Lebanon will work closely with the Regional Office and UNFPA headquarters on the standardization of the distribution plan form. The country office will develop its distribution plans in line with the guidelines to be developed by UNFPA headquarters.

754. The UNFPA country office in Colombia will also develop its distribution plans in line with the guidelines to be developed by UNFPA headquarters.

755. Further to actions specific to the country offices described above, UNFPA headquarters will develop a guidance note on the preparation of distribution plans that will provide standardized templates to capture information such as the type and quantity of programme supplies planned for distribution, the timeline of planned deliveries and recipient details, and reconciliation with actual deliveries. An online seminar will be presented to all country offices once the guidance note is issued.

756. **In paragraph 165 of its report, the Board recommended that the UNFPA country office in the Democratic Republic of the Congo incorporate the documents related to the delivery of supplies (distribution plan, handover of programme supplies and inventory issuance report) with the same item identification registered to ensure the traceability of every supply delivered.**

Department responsible:	Country office in the Democratic Republic of the Congo
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

757. With the support of UNFPA headquarters, the country office in the Democratic Republic of the Congo will develop a standard operating procedure for using standard item identifications in all systems and documents. UNFPA headquarters will include guidance on the alignment of the item brand names and corresponding item generic names in all systems and documents (handover forms and distribution plans) used to document the delivery of programme supplies to implementing partners and beneficiaries, which will be included in the 2022 inventory certification guide. The requirement will be presented to all field offices as part of the refresher webinars on inventory management.

758. **In paragraph 175 of its report, the Board recommended that the UNFPA country offices in the Democratic Republic of the Congo and Colombia strengthen the proper process for preparing handover forms according to the nature of the transaction and oversee the accomplishment of the delivery of goods through delivery slips, programme supplies distribution agreements or distribution lists.**

Departments responsible:	Country offices in Colombia and the Democratic Republic of the Congo
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

759. The country offices in Colombia and the Democratic Republic of the Congo will work closely with UNFPA headquarters to implement this recommendation. The

management response and action plan for this recommendation are covered in the response above to the recommendation in paragraph 141 of the Board's report.

760. **In paragraph 176 of its report, the Board recommended that the UNFPA country office in Colombia work closely with headquarters to incorporate the categorization of the type of delivery document (programme supplies distribution agreements, direct distribution and delivery slips) into the new enterprise resource planning system.**

Department responsible:	Country office in Colombia
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

761. The country office in Colombia will work closely with UNFPA headquarters on the implementation of this recommendation, as explained in the response above relating to the recommendation in paragraph 141 of the Board's report.

762. **In paragraph 186 of its report, the Board recommended that the UNFPA country office in the Democratic Republic of the Congo strengthen the preparation and review of the different reports involved in the last-mile assurance process components.**

Department responsible:	Country office in the Democratic Republic of the Congo
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

763. The country office in the Democratic Republic of the Congo, with support from the UNFPA headquarters last-mile assurance team, will develop a standard operating procedure and calendar outlining how the process will be executed throughout the year. The country office will ensure that adequate training is provided to its staff and implementing partners on the requirements of the last-mile assurance process.

764. Further to the actions specific to the country office described above, UNFPA headquarters will revise the scope of the inventory certifications to include a mandatory checklist to certify the status of and compliance with the different activities and milestones related to the last-mile assurance process. Furthermore, the last-mile assurance guidance notes and templates related to supply chain maps and programme supplies reports will be updated to address this recommendation.

765. **In paragraph 187 of its report, the Board recommended that the UNFPA country office in the Democratic Republic of the Congo prepare a workplan involving the accomplishment of the different reports established in every component of the last-mile assurance process.**

Department responsible:	Country office in the Democratic Republic of the Congo
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

766. The country office in the Democratic Republic of the Congo will work closely with headquarters to implement this recommendation. The management response and action plan for this recommendation are covered in the response above relating to the recommendation in paragraph 186 of the Board's report.

767. **In paragraph 188 of its report, the Board recommended that the UNFPA country office in the Democratic Republic of the Congo work closely with headquarters in order to improve the monitoring stage, with the aim of identifying deficiencies in the five components and strengthening the implementation of the last-mile assurance policy.**

Department responsible:	Country office in the Democratic Republic of the Congo
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

768. The country office in the Democratic Republic of the Congo will work closely with headquarters to implement this recommendation. The management response and action plan to this recommendation are covered in the response above relating to the recommendation in paragraph 186 of the Board's report.

769. **In paragraph 196 of its report, the Board recommended that UNFPA refine its policies and procedures and review its contribution agreements in order to establish an enhanced basis for decision-making on the recognition of non-exchange transactions in line with IPSAS 23.**

Department responsible:	Division for Management Services
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

770. A review of the UNFPA accounting policy on revenue from non-exchange transactions will be carried out in 2022 to ensure its compliance with IPSAS 23. In the updated policy, lessons learned from the past 12 years of policy implementation will be reflected, best practices adopted by other United Nations funds and programmes will be incorporated and operational guidance and examples will be provided to the revenue recognition team to assist it in its analysis of different agreement types. The review will be completed and the updated accounting policy will be applied in the preparation of the 2022 financial statements by the end of March 2023.

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

771. In the annex to its report for the year ended 31 December 2021 (A/77/5/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 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.

772. Table 29 summarizes the overall situation as of August 2022.

Table 29
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Country office in Mozambique	1	–	–	1	1	–
Division for Management Services	4	–	–	4	4	–
Supply Chain Management Unit	1	–	–	1	1	–
Total	**6**	**–**	**–**	**6**	**6**	**–**

Report of the Board for the year ended 31 December 2019[37]

773. **In paragraph 76 of its report, the Board recommended that UNFPA and its Mozambique and Myanmar country offices update the inventory transactions in a timely manner and accurately record them, in order to avoid inaccurate financial reporting for management decision-making.**

Department responsible:	Country office in Mozambique
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2020
Revised target date:	Fourth quarter of 2022

774. The country office in Mozambique is improving its internal processes to update inventory transactions on time. The Board acknowledged that the Myanmar country office had implemented its part of this recommendation.

775. **In paragraph 165 of its report, the Board recommended that 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.**

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[37] A/75/5/Add.8, chap. II.

Department responsible:	Division for Management Services
Status:	Under implementation
Priority:	Medium
Original target date:	Second quarter of 2022
Revised target date:	First quarter of 2023

776. The Board has acknowledged the efforts of the country offices in Ethiopia, Mozambique and Myanmar related to the development of strengthened tools in the information system to improve the travel management process.

777. The new global travel module is a part of the new enterprise resource planning system. Owing to the postponement of the launch of the enterprise resource planning system to early 2023, the travel module is expected to be implemented by the first quarter of 2023.

Report of the Board for the year ended 31 December 2020[38]

778. **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
Original target date:	Second quarter of 2022
Revised target date:	Fourth quarter of 2022

779. UNFPA management addressed this issue in the 2021 assurance plan 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 resources planning system.

780. In addition, the technical issue in the implementing partner assurance system was resolved to ensure the accuracy of implementing partner risk ratings in the system in preparation for the 2022 assurance plan. Risk ratings have been updated to incorporate context risk and were tested for accuracy. The ratings for the 2022 assurance plan are expected to be in the system by the end of the year, and assurance activities are planned accordingly based on the level of expenditure reported by the partner.

781. **In paragraph 42 of its report, the Board recommended that UNFPA incorporate automatic controls in the new enterprise resources planning system,**

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[38] A/76/5/Add.8, chap. II.

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
Original target date:	Second quarter of 2022
Revised target date:	Second quarter of 2023

782. The relevant specifications for the automation of assurance selection have already been developed. Management will work with the enterprise resources planning team to incorporate the specifications in the new enterprise resources planning system.

783. **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.**

Department responsible:	Supply Chain Management Unit
Status:	Under implementation
Priority:	High
Original target date:	Second quarter of 2022
Revised target date:	Third quarter of 2023

784. 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. The team is expected to be fully formed and functional by June 2023.

785. Following the decision to join the Quantum partnership rather than implement a separate enterprise resources planning system, UNFPA will further review which inventory and shipment controls are possible in the joint system to determine the most adequate solution for the management of country office programme supplies.

786. **In paragraph 89 of its report, the Board recommended that UNFPA incorporate preventive controls related to inventory information in the new enterprise resource planning system, in order to provide early alerts at each stage of the supply process.**

Department responsible:	Division for Management Services
Status:	Under implementation
Priority:	High
Original target date:	Second quarter of 2022
Revised target date:	Third quarter of 2023

787. UNFPA management will design and implement an adequate mix of automated processing functions and preventive and detective controls in its new enterprise resources 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.

788. In the planned initial release of the new enterprise resources planning system in January 2023, UNFPA will not introduce an inventory module for the management of programme supplies by country offices. To ensure business continuity, the management of programme supplies by country offices will continue to be maintained through the Atlas shipment tracker until the country office inventory module is made available, either in the next release of the system or through a customized external solution.

789. UNFPA management expects overall improvements in its ability to manage processes in the new enterprise resources planning system. Following the switch from a dedicated UNFPA system to the shared Quantum system, management will have to reassess its options for UNFPA-specific processes and is expected to finalize a road map for Quantum by June 2023.

XII. United Nations Human Settlements Programme

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2021[39]

790. Table 30 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

Table 30
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Office of the Executive Director	4	–	–	4	4	–
Management, Advisory and Compliance Service	7	–	–	7	7	–
Total	**11**	**–**	**–**	**11**	**11**	**–**

791. Table 31 summarizes the status of implementation of all recommendations of the Board as of August 2022.

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[39] A/77/5/Add.9, chap. II.

Table 31
Status of implementation of all recommendations

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Office of the Executive Director	4	–	–	4	4	–
Management, Advisory and Compliance Service	17	–	–	17	17	–
Regional Programmes Division	2	–	–	2	2	–
External Relations, Strategy, Knowledge and Innovation Division	6	–	–	6	6	–
Evaluation Unit	1	–	–	1	1	–
Total	**30**	**–**	**–**	**30**	**30**	**–**

792. **In paragraph 25 of its report, the Board recommended that the United Nations Human Settlements Programme (UN-Habitat) continue to prioritize resource mobilization of core funds and encourage the involvement of the UN-Habitat senior management team to support the Executive Director in this regard.**

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

793. UN-Habitat will continue to prioritize resource mobilization of core funds. Resource mobilization will be included in the annual workplan of the senior management team with a regular reporting requirement. A specific resource mobilization workplan will be developed to support the delivery of a resource mobilization strategy.

794. **In paragraph 26 of its report, the Board recommended that UN-Habitat develop a regular report on core funds to increase transparency and improve accountability to donors.**

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

795. UN-Habitat will develop a regular report on core funds and share it with the donors.

796. **In paragraph 27 of its report, the Board recommended that UN-Habitat prepare a report based on surveys and communications with previous, present and potential core funds donors to identify the gap between donor expectations and current situations.**

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

797. UN-Habitat will conduct a survey targeting previous, present and potential donors and will have bilateral meetings with them. It will also prepare and disseminate to the donors a report that presents the findings of the survey and the bilateral meetings.

798. **In paragraph 32 of its report, the Board recommended that UN-Habitat, coordinating with the United Nations Office at Nairobi, make continuous efforts to review the cash balance of grants regularly and clean the closed grants with a positive cash balance.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

799. UN-Habitat will coordinate with the United Nations Office at Nairobi to regularly review cash balances of grants and clean the closed grants with a positive cash balance.

800. **In paragraph 39 of its report, the Board recommended that UN-Habitat, cooperating with the United Nations Office at Nairobi, strengthen internal controls to perform regular monitoring and review to ensure the accuracy of accounting records.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

801. UN-Habitat will cooperate with the United Nations Office at Nairobi to further strengthen internal controls to perform regular monitoring and review of accounting records.

802. **In paragraph 45 of its report, the Board recommended that UN-Habitat regularly communicate with donors about the possibility of recollecting voluntary contribution receivables, especially for grants with closing status, and start the write-off or write-down process in time when eligible.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

803. UN-Habitat will monitor and review aged voluntary contribution receivables, regularly communicate with donors about the possibility of collecting overdue voluntary contribution receivables, especially for grants with closing status, and write-off or write-down uncollectible aged voluntary contribution receivables.

804. **In paragraph 54 of its report, the Board recommended that UN-Habitat amend the budget for the year 2023 and improve the budget review process to ensure that all future budgets are consistent and comparable.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

805. UN-Habitat will amend the budget for the year 2023 and improve the budget review process to ensure that all future budgets are consistent and comparable.

806. **In paragraph 65 of its report, the Board recommended that UN-Habitat prepare a comprehensive austerity action plan and ensure its effective implementation, in order to address the ongoing financial shortage.**

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

807. In addition to its concerted resource mobilization efforts, UN-Habitat will prepare an updated comprehensive austerity action plan and will ensure its strict implementation.

808. **In paragraph 66 of its report, the Board recommended that UN-Habitat review its post distribution and human resources regularly to further analyse its employment priorities and resources distribution and to facilitate the selection process when the necessary funding is in place.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

809. UN-Habitat will review its post distribution and human resources regularly to further analyse its employment priorities.

810. **In paragraph 78 of its report, the Board recommended that UN-Habitat draft an annual plan for non-staff personnel engagement, including a demand analysis and hiring plan to ensure better control over non-staff personnel.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

811. UN-Habitat will prepare annual non-staff personnel engagement plans and will take further actions necessary to ensure better control of non-staff personnel.

812. **In paragraph 83 of its report, the Board recommended that UN-Habitat, in coordination with the United Nations Office at Nairobi, ensure that contracts with consultants and individual contractors do not exceed the maximum hiring periods established in ST/AI/2013/4.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

813. UN-Habitat, in coordination with the United Nations Office at Nairobi, will manage non-staff contracts for consultants and individual contractors to ensure that they do not exceed maximum hiring periods.

814. **In paragraph 93 of its report, the Board recommended that UN-Habitat fulfil its duties with respect to the management of consultants/individual contractors to ensure that comprehensive evaluations of consultants'/individual contractors' performance are conducted in a timely manner and to enhance the documentation of relevant evaluation records.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

815. UN-Habitat will take the actions and steps necessary to ensure that comprehensive evaluations of consultants' and individual contractors' performance are conducted in a timely manner and will enhance the documentation of relevant evaluation records.

816. **In paragraph 102 of its report, the Board recommended that UN-Habitat, in consultation with the relevant department at United Nations headquarters, further clarify the contract limits and scope of entitlements and set up a management mechanism for non-staff personnel hired through UNDP and the United Nations Office for Project Services (UNOPS).**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

817. UN-Habitat will, in consultation with the relevant department at Headquarters, further clarify the contract limitations and scope of entitlements and set up a management mechanism for non-staff personnel hired through UNDP and UNOPS.

818. **In paragraph 109 of its report, the Board recommended that UN-Habitat establish a mechanism that gathers and cross-checks the data and hiring records of non-staff personnel, in compliance with further clarified Secretariat requirements, giving due consideration to the principle of obtaining the best value for the money.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

819. UN-Habitat will establish the necessary mechanism and take actions to implement the Board's recommendation.

820. **In paragraph 120 of its report, the Board recommended that UN-Habitat complete the information for "converted" projects and update project information in the integrated planning, management and reporting solution appropriately and in a timely manner.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

821. UN-Habitat will review the converted projects and update information for them to the extent possible. It will also update the project information in the integrated planning, management and reporting solution appropriately and in a timely manner.

822. **In paragraph 121 of its report, the Board recommended that UN-Habitat monitor the completeness and quality of the integrated planning, management and reporting solution project data at the entity level and include the monitoring and updating of project progress in the solution in the performance evaluation of project managers.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

823. UN-Habitat will establish regular monitoring of the integrated planning, management and reporting solution to ensure the completeness and quality of the project data. The responsibility for monitoring and updating project progress in the system will be included in the performance evaluations of project managers.

824. **In paragraph 129 of its report, the Board recommended that UN-Habitat strengthen the monitoring of the deliverables at the project level in the integrated planning, management and reporting solution and keep clear and comprehensive documentation of monitoring records.**

Department responsible:	Regional Programmes Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

825. UN-Habitat will strengthen the monitoring of the deliverables at the project level in the integrated planning, management and reporting solution and keep clear and comprehensive documentation of monitoring records.

826. **In paragraph 135 of its report, the Board recommended that UN-Habitat, in line with the enterprise risk management implementation guidelines, enhance risk management by completing the risk treatment and response plan template and the project risk register, and upload these project documents to the integrated planning, management and reporting solution to regularly monitor project risks.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

827. UN-Habitat will enhance risk management in line with the enterprise risk management implementation guidelines. Project managers will be required to complete the risk treatment and response plan and the project risk register and those project documents will be uploaded to the integrated planning, management and reporting solution.

828. **In paragraph 141 of its report, the Board recommended that UN-Habitat prepare complete evaluation plans and share them on its intranet in a timely manner to enhance transparency and accountability.**

Department responsible:	Evaluation Unit
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

829. UN-Habitat will prepare complete evaluation plans and share them on the intranet in a timely manner.

830. **In paragraph 153 of its report, the Board recommended that UN-Habitat review its implementing partner policy and standard operating procedures for implementing partner selection to ensure that implementing partner selection is compliant with the general principles of fairness, integrity, transparency and effective competitiveness set by the Financial Regulations and Rules of the United Nations, and any necessary waiver should provide, among others, programmatic and financial justifications and detail the exceptional circumstances.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

831. UN-Habitat will review and update its implementing partner selection policy and standard operating procedures to implement the Board's recommendation.

832. **In paragraph 154 of its report, the Board recommended that UN-Habitat take necessary actions, including but not limited to reviewing its implementing partner policy and standard operating procedures for implementing partner selection, to avoid splitting contracts.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

833. UN-Habitat will review and update its implementing partner selection policy and standard operating procedures to implement the Board's recommendation.

834. **In paragraph 162 of its report, the Board recommended that UN-Habitat build up and maintain a database of properly screened implementing partners for all of UN-Habitat to facilitate the implementing partner selection process and link it to the Umoja implementing partner management module to strengthen implementing partner data-sharing.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

835. UN-Habitat will coordinate with the United Nations Office at Nairobi and Headquarters as required to review and analyse the feasibility of establishing a database of pre-screened implementing partners and the linkage to the Umoja implementing partner management module.

836. **In paragraph 170 of its report, the Board recommended that UN-Habitat improve its standard operating procedures for implementing partner selection by setting up guidance for selecting prospective implementing partners and the threshold for accepting recommended implementing partners.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

837. UN-Habitat will review and update its implementing partner selection policy and standard operating procedures to implement the Board's recommendation.

838. **In paragraph 175 of its report, the Board recommended that UN-Habitat monitor the timeliness, completeness and quality of implementing partner engagement, including performance evaluation, monitoring and reporting, and include this function in the performance evaluation of project managers.**

Department responsible:	Regional Programmes Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

839. UN-Habitat will take the actions necessary to ensure the timeliness, completeness and quality of implementing partner engagement, and the function will be included in the performance evaluation of project managers.

840. **In paragraph 184 of its report, the Board recommended that UN-Habitat set up a clear resource mobilization target by donor type in order to make a feasible action plan accordingly and in turn expand UN-Habitat funding sources in compliance with United Nations policies.**

Department responsible:	External Relations, Strategy, Knowledge and Innovation Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

841. UN-Habitat will take the actions necessary to implement the recommendation.

842. **In paragraph 192 of its report, the Board recommended that UN-Habitat complete the performance measurement plan and the internal performance measurement system in a timely manner to ensure implementation of the strategic plan 2020–2023.**

Department responsible:	External Relations, Strategy, Knowledge and Innovation Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

843. UN-Habitat will take the actions necessary to implement the recommendation. The completion of the performance measurement plan and the internal performance measurement system has been delayed for various reasons, including staff turnover in the responsible unit.

844. **In paragraph 198 of its report, the Board recommended that UN-Habitat ensure that the expected performance measures and deliverables are clearly indicated, accurately recorded and properly justified and that it regularly review the delivery of performance of work.**

Department responsible:	External Relations, Strategy, Knowledge and Innovation Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

845. UN-Habitat will take the actions necessary to implement the recommendation.

846. **In paragraph 206 of its report, the Board recommended that UN-Habitat maintain its website, including by updating information, and monitor the effectiveness of the website on a regular basis, to improve transparency and accountability and further facilitate its business delivery.**

Department responsible:	External Relations, Strategy, Knowledge and Innovation Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

847. UN-Habitat will take the actions necessary to implement the recommendation.

848. **In paragraph 212 of its report, the Board recommended that UN-Habitat update its information and communications technology strategy according to the strategic plan for 2020–2023.**

Department responsible:	External Relations, Strategy, Knowledge and Innovation Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

849. UN-Habitat will take the actions necessary to implement the recommendation.

850. **In paragraph 221 of its report, the Board recommended that UN-Habitat further clarify the laptop/computer allocation rules and standards to optimize laptop/computer procurement and allocation and reduce related operational costs.**

Department responsible:	External Relations, Strategy, Knowledge and Innovation Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

851. UN-Habitat will take the actions necessary to implement the recommendation.

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

852. In the annex to its report for the year ended 31 December 2021 (A/77/5/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 49 recommendations that were determined by the Board to be either under implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

853. Table 32 summarizes the overall situation as of August 2022.

Table 32
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Management, Advisory and Compliance Service	43	–	–	43	43	–
External Relations, Strategy, Knowledge and Innovation Division	1	–	–	1	1	–
Regional Office for Asia and the Pacific	2	–	–	2	2	–
Regional Office for Latin America and the Caribbean	1	–	–	1	1	–
Evaluation Unit	2	–	–	2	2	–
Total	**49**	**–**	**–**	**49**	**49**	**–**

Report of the Board for the year ended 31 December 2015[40]

854. **In paragraph 54 of its report, the Board recommended that UN-Habitat: (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 with respect to experts in the field office to ensure that there is timely and adequate staffing for improved project performance.**

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[40] A/71/5/Add.9, chap. II.

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	First quarter of 2017
Revised target date:	First quarter of 2023

855. 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. The committee is expected to be reconstituted in the fourth quarter of 2022 to review and approve the project risk management guide.

Report of the Board for the year ended 31 December 2016[41]

856. **In paragraph 13 of its report, the Board recommended that UN-Habitat: (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.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2017
Revised target date:	First quarter of 2023

857. A new project risk management guide has been put in place which 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 has commenced, and it is envisaged that it will be completed by the revised target date.

858. **In paragraph 74 of its report, the Board recommended that UN-Habitat strengthen monitoring of the implementation of projects funded by conditional agreements in order to ensure that revenue is realized after fulfilling the conditions and to reduce the amount of liability in the financial statements.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2017
Revised target date:	Second quarter of 2023

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[41] A/72/5/Add.9, chap. II.

859. UN-Habitat will monitor the conditional liabilities on a semi-annual basis with the United Nations Office at Nairobi in order to strengthen the monitoring of the implementation of projects funded by conditional agreements.

Report of the Board for the year ended 31 December 2017[42]

860. **In paragraph 19 of its report, the Board recommended that UN-Habitat 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.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2018
Revised target date:	Fourth quarter of 2022

861. UN-Habitat will continue to ensure that substantive and financial aspects of project documents are reviewed and approved by the Project Review Committee (formerly the Project Advisory Group) prior to the signing of funding agreements, as required by the UN-Habitat project-based management policy, which has been replaced by the Project Review Committee guidelines. Guidance and requirements for exceptions will be developed and communicated to staff members.

862. **In paragraph 32 of its report, the Board recommended that UN-Habitat: (a) ensure that funds are released to implementing partners on time so that the planned activities can be completed within the scheduled period; and (b) establish a risk-based fast-track payment process for emergency and high-priority countries, as proposed by the country office in the Syrian Arab Republic.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2018
Revised target date:	First quarter of 2023

863. 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.

864. **In paragraph 51 of its report, the Board recommended that the Regional Office for Latin America and the Caribbean develop an action plan to ensure that core activities are performed by staff members.**

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[42] A/73/5/Add.9, chap. II.

Department responsible:	Regional Office for Latin America and the Caribbean
Status:	Under implementation
Priority:	Medium
Original target date:	First quarter of 2019
Revised target date:	Fourth quarter of 2022

865. UN-Habitat took note of the audit recommendation. All regional teams are now led by staff members who are responsible for core activities, with support of non-staff personnel as needed. UN-Habitat will provide additional evidence of contracts of staff to the Board.

Report of the Board for the year ended 31 December 2018[43]

866. **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
Original target date:	Fourth quarter of 2019
Revised target date:	Second quarter of 2023

867. UN-Habitat will conduct a complete analysis of the registers associated with 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 will be corrected.

868. **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
Original target date:	Fourth quarter of 2019
Revised target date:	Fourth quarter of 2022

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[43] A/74/5/Add.9, chap. II.

869. UN-Habitat will work with the United Nations Office at Nairobi to implement this recommendation.

870. **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
Original target date:	Fourth quarter of 2019
Revised target date:	First quarter of 2023

871. UN-Habitat will 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. UN-Habitat will introduce a reporting mechanism for alerting project managers of inactive implementing partners. This recommendation will be implemented as part of the overall review and update to the UN-Habitat implementing partners policy and standard operating procedure.

872. **In paragraph 42 of its report, the Board recommended that UN-Habitat establish a framework and methodology for full cost recovery in accordance with General Assembly resolution 67/226 applicable in all units of the entity and inform its hubs and offices of its application.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2019
Revised target date:	First quarter of 2023

873. 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.

874. **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.**

Department responsible:	Evaluation Unit
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2019
Revised target date:	Fourth quarter of 2022

875. In 2016, UN-Habitat initiated the 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. The module 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.

876. **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.**

Department responsible:	Evaluation Unit
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2019
Revised target date:	Fourth quarter 2022

877. As mentioned in paragraph 875 above, UN-Habitat is taking the actions necessary to implement the recommendation.

878. **In paragraph 77 of its report, the Board recommended that UN-Habitat conduct a review of the expenses relating to projects that are led or supported by consultants.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2019
Revised target date:	Second quarter of 2023

879. The issue of travel costs for consultants wrongly classified under staff costs was identified and communicated to Headquarters by the United Nations Office at Nairobi in 2018. Headquarters initiated an enhancement to Umoja and the issue has been fixed. All new trips after 1 September 2019 are mapped to the correct expense class.

880. 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.

881. **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.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2019
Revised target date:	First quarter of 2023

882. This recommendation is addressed above in the response to the recommendation in paragraph 77 of the Board's report.

883. **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
Original target date:	Fourth quarter of 2019
Revised target date:	First quarter of 2023

884. This recommendation is addressed above in the response to the recommendation in paragraph 77 of the Board's report.

885. **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
Original target date:	Fourth quarter of 2020
Revised target date:	Second quarter of 2023

886. Owing to the financial constraints of 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 is a priority for UN-Habitat. The process of developing the corporate risk catalogue and risk register has commenced, and the catalogues for each administrative level will follow.

887. **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
Original target date:	Fourth quarter of 2020
Revised target date:	Second quarter of 2023

888. The implementation of this recommendation is addressed above in the response to the recommendation in paragraph 107 of the Board's report.

889. **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
Original target date:	Fourth quarter of 2021
Revised target date:	First quarter of 2023

890. 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 to ensure that effective reporting tools are available to monitor leave approvals.

891. **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
Original target date:	Fourth quarter of 2019
Revised target date:	First quarter of 2023

892. UN-Habitat is working with both the United Nations Office at Nairobi and Headquarters to ensure that effective reporting tools are available to determine any instances of excess annual or sick leave requiring financial recoveries.

Report of the Board for the year ended 31 December 2019[44]

893. **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.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2020
Revised target date:	Fourth quarter of 2022

894. UN-Habitat and the United Nations Office at Nairobi have in place controls intended to ensure that contribution agreements are recorded in the financial year in

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[44] A/75/5/Add.9, chap. II.

which they become legally enforceable. UN-Habitat will revisit those controls together with the United Nations Office at Nairobi. UN-Habitat communicates regularly with project practitioners to provide confirmation that all agreements signed as at the end of a given period have grants created and approved by the United Nations Office at Nairobi and that the revenue has been recorded in the correct period.

895. **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:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2020
Revised target date:	Fourth quarter of 2022

896. Adjustments are being made in coordination with implementing partners, including with respect to the workplans and regular reporting to donors.

897. **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.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2020
Revised target date:	Fourth quarter of 2022

898. UN-Habitat monitors payments in accordance with the terms and conditions of the agreements, the Financial Regulations and Rules of the United Nations and the IPSAS delivery principle. With support from the Regional Office, the country office in Sri Lanka has taken measures, including initiating a tracking sheet to ensure timely action and to avoid late payments in the future.

899. **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.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2020
Revised target date:	First quarter of 2023

900. UN-Habitat will formalize the financial limit for community agreements.

901. **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
Original target date:	Fourth quarter of 2020
Revised target date:	First quarter of 2023

902. UN-Habitat has worked with the United Nations Office at Nairobi to correct the reported cases and to ensure compliant calculations in the future.

903. **In paragraph 151 of its report, the Board recommended that UN-Habitat review and correct the cases of miscalculations of compensatory time off, of overtime payments on incorrect schedules and of payments that exceed the established rates.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2020
Revised target date:	Fourth quarter of 2022

904. Please refer to the comments in paragraph 902 above relating to the recommendation in paragraph 150 of the Board's report.

905. **In paragraph 152 of its report, the Board recommended that UN-Habitat regulate the lunch break time on Fridays for the purpose of ensuring the proper calculation of the overtime.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2020
Revised target date:	Second quarter of 2023

906. Please refer to the comments in paragraph 902 above relating to the recommendation in paragraph 150 of the Board's report.

907. **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.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2020
Revised target date:	First quarter of 2023

908. Please refer to the comments in paragraph 902 above relating to the recommendation in paragraph 150 of the Board's report.

909. **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
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

910. UN-Habitat completed a review of all active delegations of authority and ensured that the proper roles were issued in Umoja and that the roles related to all inactive delegations were revoked or had expired, as applicable.

911. **In paragraph 195 of its report, the Board recommended that UN-Habitat update the information contained in the Umoja report on equipment in accordance with the SC119 Umoja property management overview course, assigning for each item the location and/or user responsible.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2020
Revised target date:	First quarter of 2023

912. UN-Habitat will further enrich the original asset data converted from the legacy system to Umoja.

913. **In paragraph 196 of its report, the Board recommended that the assigned staff member responsible for the operational equipment be a staff member of UN-Habitat.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2020
Revised target date:	First quarter of 2023

914. UN-Habitat will ensure that the asset custodians are its staff members.

915. **In paragraph 207 of its report, the Board recommended that UN-Habitat headquarters take measures to monitor the proper registration of the capitalization and disposal of property, plant and equipment items, from the time when the assets are received by the entity and according to the information indicated in the corresponding delivery note or when the disposal is approved.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2020
Revised target date:	First quarter of 2023

916. 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.

917. **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
Original target date:	Fourth quarter of 2020
Revised target date:	First quarter of 2023

918. 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.

919. **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
Original target date:	Fourth quarter of 2020
Revised target date:	First quarter of 2023

920. 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.

921. **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
Original target date:	Fourth quarter of 2020
Revised target date:	First quarter of 2023

922. 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 appropriately assigned useful lives and residual values to the assets, as established under IPSAS 17.

923. **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
Original target date:	Fourth quarter of 2020
Revised target date:	First quarter of 2023

924. 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 payments system.

925. **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
Original target date:	Fourth quarter of 2020
Revised target date:	Fourth quarter of 2022

926. UN-Habitat will formalize the use of the office space provided by FAO.

927. **In paragraph 292 of its report, the Board recommended that UN-Habitat hold the Information and Communications Technology 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
Original target date:	Fourth quarter of 2020
Revised target date:	Second quarter of 2023

928. The Information and Communications Technology Committee is expected to commence meetings in 2023.

Report of the Board for the year ended 31 December 2020[45]

929. **In paragraph 24 of its report, the Board recommended that UN-Habitat clear open items and open commitments of operationally closed grants and ensure a timely financial closure, in order to enhance the financial effectiveness of the organization and the accuracy of the financial statements.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2021
Revised target date:	First quarter of 2023

930. UN-Habitat will review all transfers made to implementing partners and accounts payable on all grants and take the actions necessary. Efforts have been made in this regard, and a review of outstanding items will be carried out. Regular monitoring is carried out to facilitate timely clearance of advance payments to implementing partners, timely closure or clearance of accounts payable and timely closure of grants.

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[45] A/76/5/Add.9, chap. II.

931. **In paragraph 29 of its report, the Board recommended that UN-Habitat adjust the $64,637.69 of payroll charges by recording them against award grants and regularly monitor the grant implementation status to make sure that no further payroll charges are to be posted against closing grants.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

932. 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 costs are posted against closing grants.

933. **In paragraph 34 of its report, the Board recommended that UN-Habitat strictly implement the standard operating procedure regarding petty cash accounts management.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

934. UN-Habitat will institute mechanisms to ensure that cash counts are performed at every year-end closing. It will also review outstanding cash accounts for separated staff and take appropriate action. In addition, the standard operating procedure for petty cash will be reviewed and updated to include a provision for the opening of cash journals for both the national currency and the United States dollar.

935. **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.**

Department responsible:	External Relations, Strategy, Knowledge and Innovation Division
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2021
Revised target date:	First quarter of 2023

936. Quarterly progress reports have commenced as part of the quarterly publication Urban Impact and will be further expanded in future editions.

937. **In paragraph 101 of its report, the Board reiterated the former recommendation that UN-Habitat avoid the ex post facto situation prior to the signing of new contracts.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2021
Revised target date:	First quarter of 2023

938. 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 ex post facto cases.

939. **In paragraph 107 of its report, the Board recommended that UN-Habitat perform its duties on contract management to ensure that comprehensive evaluations of vendor performance are conducted before processing any extension to existing contracts.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Second quarter of 2023

940. UN-Habitat will issue a memorandum to the Procurement Section of the United Nations Office at Nairobi and the UN-Habitat delegation of authority holders to remind them to ensure that comprehensive evaluations of vendor performance are to be conducted before processing any contract extension. A refresher training course for personnel working on contract management within UN-Habitat will be conducted. In addition, random spot checks will be carried out by the units responsible.

941. **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 the 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
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

942. 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 written justification for

exceptional extensions beyond six months and up to a maximum of nine months, after which the individual contractor will be required to separate.

943. **In paragraph 132 of its report, the Board recommended that UN-Habitat, in collaboration with UNOPS, amend the individual contractor agreement by further specifying the scope of entitlement in compliance with the administrative instruction.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2022
Revised target date:	Fourth quarter of 2022

944. UN-Habitat and UNOPS will revise their agreements in line with the recommendation and with any instruction or guidance from United Nations Headquarters.

945. **In paragraph 147 of its report, the Board recommended that UN-Habitat make sure that an inter-organization agreement among the organizations is signed and that the cost or fair value of employee benefits can be reliably accounted for.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	First quarter of 2023

946. UN-Habitat will work to ensure that the required inter-agency organizational agreement is formalized and signed by both organizations.

947. **In paragraph 154 of its report, the Board recommended that UN-Habitat appoint the ICT committee members based on its new organizational structure.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

948. A request for nominations was sent to all divisional directors and regional representatives. The Executive Director will appoint the members of the Information and Communications Technology Committee once the nominations have been received.

949. **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.

Department responsible: Management, Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2021

Revised target date: First quarter of 2023

950. Asset management training will be carried out for all asset focal points. Umoja automatically generates equipment barcodes once a goods receipt is posted. The barcodes are then printed by the United Nations Office at Nairobi.

951. **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 is finalized 16 calendar days in advance of the commencement of official travel.**

Department responsible: Management, Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2021

Revised target date: First quarter of 2023

952. 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.

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 2021[46]

953. Table 33 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

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[46] A/77/5/Add.10, chap. II.

Table 33
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division for Management	2	–	2	–	–	–
Division for Policy Analysis and Public Affairs	3	–	–	3	3	–
Multiple offices	4	–	–	4	4	–
Total	**9**	**–**	**2**	**7**	**7**	**–**

954. Table 34 summarizes the status of implementation of all recommendations of the Board as of August 2022.

Table 34
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division for Management	3	–	2	1	1	–
Division for Policy Analysis and Public Affairs	3	–	–	3	3	–
Regional Office for the Andean Region and the Southern Cone	7	–	1	6	6	–
Multiple offices	8	–	–	8	8	–
Total	**21**	**–**	**3**	**18**	**18**	**–**

955. **In paragraph 22 of its report, the Board recommended that UNODC make the necessary adjustments in the upcoming annual targets on gender parity, including their redefinition if needed, to reach the established indicators.**

Department responsible:	Division for Management
Status:	Closure requested
Priority:	High
Target date:	Not applicable

956. The Strategy for Gender Equality and the Empowerment of Women (2022-2026) of the United Nations Office at Vienna and the United Nations Office on Drugs and Crime (UNODC), published in June 2022, specified the goal of achieving gender parity at all levels by 2028. UNODC considers the recommendation to have been implemented and requests its closure by the Board.

957. **In paragraph 32 of its report, the Board recommended that the UNODC Country Office in Peru, in coordination with UNODC headquarters, assess and adopt measures regarding those service contracts recruited for a long period of time, in order to avoid an improper use of this contract modality.**

Departments responsible:	UNODC Country Office in Peru, Division for Management, Division for Operations
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

958. Consultations are ongoing with the Division for Management and the Division for Operations to assess and adopt measures regarding service contract holders recruited for a long period of time.

959. **In paragraph 33 of its report, the Board recommended that the UNODC Country Office in Peru ensure competitive recruitment processes when hiring through the service contract modality in the future, thereby avoiding the extension of such contracts when their holders are assigned from one project to another.**

Departments responsible:	UNODC Country Office in Peru, Division for Management, Division for Operations
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

960. Consultations with the Division for Management and the Division for Operations continue to take place in order to ensure competitive recruitment processes when hiring through the service contract modality.

961. **In paragraph 42 of its report, the Board recommended that UNODC and its staff members ensure timely completion of the pending mandatory training courses, with special emphasis on those cases where an excessive amount of time has elapsed without course completion.**

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

962. Reminders are sent to all staff who have not completed the mandatory courses within six months of joining the Organization to ensure timely completion of the pending mandatory training courses. Additional reminders, copying the supervisor concerned and the Chief of the Human Resources Management Service, are sent in cases with excessive delays in the completion of courses as well as cases in which there has been no response to the initial reminders.

963. **In paragraph 51 of its report, the Board recommended that UNODC headquarters assess the feasibility of establishing, through a formal instruction, the requisite of completion of the mandatory training courses by all its service contract holders within certain deadlines.**

Departments responsible:	Division for Management, Division for Operations
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

964. UNODC will assess the feasibility of issuing a formal instruction to all field offices to track and ensure the completion of all mandatory courses in the field office human resources management system within the first six months of the contract, for contracts of at least six months' duration. Consultations between the Division for Management and the Division for Operations are ongoing.

965. **In paragraph 52 of its report, the Board recommended that the UNODC Country Office in Colombia ensure timely completion of pending mandatory training courses by its service contract holders, with special emphasis on those cases of non-completion of all mandatory courses.**

Department responsible:	UNODC Regional Office for the Andean Region and the Southern Cone
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

966. As at 15 July 2022, the Regional Office for the Andean Region and the Southern Cone had achieved 100 per cent compliance in the completion of mandatory training courses by its service contract holders who had been on board for three or more months. The Regional Office will ensure that service contractors who have been on board for less than three months complete the mandatory training courses within the three-month deadline. UNODC considers the recommendation to have been implemented and requests its closure by the Board.

967. **In paragraph 61 of its report, the Board recommended that UNODC assess the establishment of minimum procedures for regulating the recruitment process under the service contracts modality, while adopting the good practices already implemented by the UNODC Country Office in Colombia.**

Departments responsible:	Division for Management, Division for Operations
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

968. UNODC will assess the establishment of minimal procedures for regulating the recruitment process under the service contracts modality, while adopting the good practices already implemented by the Regional Office for the Andean Region and the Southern Cone. Consultations between the Division for Management and the Division for Operations are ongoing.

969. **In paragraph 69 of its report, the Board recommended that UNODC, in coordination with the UNODC Country Office in Colombia, update the information regarding the status of compliance by contract service holders with mandatory training course requirements and keep that information updated in the field office human resources management system.**

Departments responsible:	Division for Management, UNODC Regional Office for the Andean Region and the Southern Cone
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

970. UNODC is working with the field office human resources management team to update the information regarding the compliance status of mandatory training courses for service contractors in the field office human resources management system.

971. **In paragraph 80 of its report, the Board recommended that UNODC evaluate, in cooperation with United Nations Headquarters, the feasibility of making improvements to the integrated planning, management and reporting solution monitoring module, with the aim of ensuring an adequate segregation of duties by recording the roles involved in the development, review and approval process of the annual project progress reports within the framework of this solution, including their respective dates.**

Department responsible:	Division for Policy Analysis and Public Affairs
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

972. UNODC has suggested that some changes be made to the integrated planning, management and reporting module to further segregate duties and to introduce a new role and workflow for approval of project reports. United Nations Headquarters has informed UNODC that those suggestions will be considered in the coming phases of improvement, keeping in mind the priorities and needs of the United Nations Secretariat as a whole.

973. **In paragraph 81 of its report, the Board recommended that UNODC describe, within its established procedures, the roles involved in the development, review and approval of the annual project progress reports once such improvement is defined within the system.**

Department responsible:	Division for Policy Analysis and Public Affairs
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

974. UNODC has already included guidance on the drafting and approval process for the annual project progress reports and on the description of available roles on

monitoring and reporting in its most recent version of the UNODC project guide for integrated planning, management and reporting. The project guide has been disseminated to all UNODC staff and is available on the UNODC Programme and Operations Guidance SharePoint. If the changes suggested by the Office are taken on board by United Nations Headquarters, the Office will update that information in its guidance documents. Please refer also to the comments of UNODC above relating to the recommendation in paragraph 80 of the Board's report.

975. **In paragraph 91 of its report, the Board recommended that the UNODC Country Offices in Colombia and Peru ensure that project revisions be approved in a timely manner, following the current instructions in this regard.**

Departments responsible:	UNODC Regional Office for the Andean Region and the Southern Cone, UNODC Country Office in Peru
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

976. The UNODC Regional Office for the Andean Region and the Southern Cone and the UNODC Country Office in Peru, in coordination with UNODC headquarters, will take action to ensure that upcoming and future project revisions are reviewed and approved in a timely manner. The delays highlighted in the report were the result of the time still needed to refine the instructions for project revisions, as well as the time needed by users to familiarize themselves with the new functionalities and to enrich the project data in the integrated planning, management and reporting solution and the Business Planning and Consolidation application.

977. **In paragraph 92 of its report, the Board recommended that UNODC headquarters, in coordination with the Country Offices in Colombia and Peru, enhance the approval and workflow process for project revisions within the integrated planning, management and reporting solution, with the aim of avoiding delays between original end dates and approval dates as well as preventing interruptions in project implementation and delivery.**

Departments responsible:	Division for Management, Division for Operations, UNODC Regional Office for the Andean Region and the Southern Cone, UNODC Country Office in Peru
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

978. UNODC headquarters is working with the UNODC Regional Office for the Andean Region and the Southern Cone and the Country Office in Peru to enhance the workflow process for project revisions. Following the roll-out of the integrated planning, management and reporting solution, UNODC provided hands-on support to users through the integrated planning, management and reporting clinics and consultations.

979. **In paragraph 99 of its report, the Board recommended that UNODC review and update its management instructions and internal procedures related to**

programme and project management, while considering the incorporation and use of the integrated planning, management and reporting solution, as well as consolidate all of the new and relevant information within the programme and operations guidance map.

Department responsible:	Division for Policy Analysis and Public Affairs
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

980. UNODC is in the process of updating all its management instructions. The revised management instructions should be in place by the end of 2022. UNODC will continue to ensure that the programme and operations guidance map is regularly updated with the latest information on programming.

981. **In paragraph 108 of its report, the Board recommended that UNODC, in coordination with the UNODC Country Office in Colombia, update annex III to the United Nations Office at Vienna/UNODC partnership policy by including all of the new scenarios as well as removing the outdated ones. Once the update was made, the updated version of the policy would be uploaded on a regular basis into the client support portal.**

Departments responsible:	Division for Management, UNODC Regional Office for the Andean Region and the Southern Cone
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

982. UNODC, in coordination with the Regional Office for the Andean Region and the Southern Cone, will update annex III to the United Nations Office at Vienna/UNODC partnership policy, as applicable. The updated document will be uploaded into the client support portal and will be updated regularly to reflect any new changes.

983. **In paragraph 115 of its report, the Board recommended that UNODC make the necessary efforts to ensure that the data centre access logs are received and reviewed quarterly by the Information Technology Service data centre manager.**

Department responsible:	Division for Management
Status:	Closure requested
Priority:	High
Target date:	Not applicable

984. The review of the data centre access logs for the first quarter of 2022 was completed in April 2022. Quarterly reviews will continue to be undertaken in a timely manner. UNODC considers the recommendation to have been implemented and requests its closure by the Board.

985. **In paragraph 126 of its report, the Board recommended that the UNODC Country Office in Colombia ensure adequate management and monitoring mechanisms for access to the primary and secondary data centres.**

Department responsible:	UNODC Regional Office for the Andean Region and the Southern Cone
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

986. The Regional Office for the Andean Region and the Southern Cone is taking action to ensure adequate management and monitoring mechanisms for access to the primary and secondary data centres in line with ICT technical procedure INF.04.PROC on data centre access.

987. **In paragraph 127 of its report, the Board recommended that the UNODC Country Office in Colombia assess and implement the physical security measures required by the technical procedure.**

Department responsible:	UNODC Regional Office for the Andean Region and the Southern Cone
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

988. The Regional Office for the Andean Region and the Southern Cone is taking action to assess and implement physical security measures in line with technical procedure INF.04.PROC.

989. **In paragraph 136 of its report, the Board recommended that the UNODC Country Office in Colombia complement all the missing elements in the disaster recovery plan as established by technical procedure SEC.08.PROC.**

Department responsible:	UNODC Regional Office for the Andean Region and the Southern Cone
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

990. The Regional Office for the Andean Region and the Southern Cone is taking action to complement all the missing elements in the disaster recovery plan in line with ICT technical procedure SEC.08.PROC on disaster recovery planning.

991. **In paragraph 143 of its report, the Board recommended that the UNODC Country Office in Colombia assess the nature of the causes of delays and take the necessary measures to ensure a timely response for local incidents reported through the help desk.**

Department responsible:	UNODC Regional Office for the Andean Region and the Southern Cone
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

992. The Regional Office for the Andean Region and the Southern Cone is assessing the nature of the causes of delays and will take action accordingly. In addressing this recommendation, target times for ticket processing will also be assessed and may be lengthened based on resource need and availability.

993. **In paragraph 152 of its report, the Board recommended that the UNODC Country Office in Colombia establish and document the extent of testing performed by the Information Technology Unit as regards the risk and impact of system changes.**

Department responsible:	UNODC Regional Office for the Andean Region and the Southern Cone
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

994. The Regional Office for the Andean Region and the Southern Cone is taking action to document and establish the extent of testing performed by the Information Technology Unit in accordance with the risk and impact of system changes.

995. **In paragraph 153 of its report, the Board recommended that the UNODC Country Office in Colombia ensure that acceptance testing is documented by end users for all system changes.**

Department responsible:	UNODC Regional Office for the Andean Region and the Southern Cone
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

996. The UNODC Regional Office for the Andean Region and the Southern Cone is taking measures to ensure that acceptance testing is documented by end users for all system changes.

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

997. In the annex to its report for the year ended 31 December 2021 (A/77/5/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 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.

998. Table 35 summarizes the overall situation as of August 2022.

Table 35
Status of implementation of recommendations from prior periods considered not fully implemented
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division for Management	1	–	–	1	1	–
Division for Operations	1	–	–	1	1	–
Division for Policy Analysis and Public Affairs	2	–	–	2	2	–
Office of the Executive Director	2	–	–	2	2	–
Regional Office for the Middle East and North Africa	2	–	–	2	2	–
Multiple offices	4	–	–	4	4	–
Total	**12**	**–**	**–**	**12**	**12**	**–**

Report of the Board for the year ended 31 December 2015[47]

999. **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 the inclusion of key expenditure data to identify departures from the agreed forecasts and to highlight reasons for variances in spending and activity.**

Departments responsible:	Division for Treaty Affairs, Division for Operations and Division for Policy Analysis and Public Affairs
Status:	Under implementation
Priority:	Medium
Original target date:	First quarter of 2018
Revised target date:	First quarter of 2023

1000. The monitoring application in the integrated planning, management and reporting solution in Umoja provides information on the substantive performance and related indicators. However, it does not link to the financial performance. The Umoja team at United Nations Headquarters is in the process of developing a project management dashboard, which is expected to present the financial data by results. UNODC was informed that the integrated planning, management and reporting dashboard was expected to be delivered during 2022 in a phased delivery of various reports on substantive and financial data. However, the implementation of those dashboards at UNODC could take additional time given that the Office needs to

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[47] A/71/5/Add.10, chap. II.

ensure that the displayed data are correct. The next reporting cycle for the annual project progress reports should reflect a more streamlined reporting structure.

Report of the Board for the year ended 31 December 2018[48]

1001. **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
Original target date:	Fourth quarter of 2019
Revised target date:	Fourth quarter of 2022

1002. UNODC is in the process of updating all its management instructions. The review is being conducted by a management instructions review group led by the Office of the Executive Director. Based on the number of priorities identified by the group, the management instruction on the Programme Review Committee is being reviewed in depth. Inputs, including reference to the electronic endorsement modality, have been received. The revised management instruction should be in place by the end of 2022. Records of the Committee meetings will continue to be kept by the Strategic Planning and Inter-Agency Affairs Unit as the secretariat of the Committee.

1003. **In paragraph 64 of its report, the Board recommended that UNODC strengthen its internal controls in order to ensure the segregation of duties in every project or, at the very least, implement a compensating control**.

Departments responsible:	Division for Operations, Division for Policy Analysis and Public Affairs and Division for Treaty Affairs
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2019
Revised target date:	First quarter of 2023

1004. Sufficient guidance and instructions have been provided to project teams to work on monitoring and reporting in and outside the integrated planning, management and reporting solution, ensuring that there are three different roles involved in the approval of reports: the planner or drafter of the report, the monitoring approver in the integrated planning, management and reporting solution and the reporting approver offline. With the implementation of the 2023 annual project progress report, there should be enough evidence of segregation of duties in the annual project progress report process. Delays by UNODC in the transition of projects from the Programme and Financial Information Management System to the integrated planning, management and reporting system resulted in project managers not being ready to insert data into the integrated planning, management and reporting

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[48] A/74/5/Add.10, chap. II

monitoring application and to issue the annual project progress report on time. The next reporting cycle for the annual project progress report should better reflect its drafting and approval process.

Report of the Board for the year ended 31 December 2019[49]

1005. **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.**

Departments responsible:	Division for Management, Department of Management Strategy, Policy and Compliance
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2023

1006. The administrative instruction is in the post-consultation stage. However, given that the Office of Human Resources in the Department of Management Strategy, Policy and Compliance at United Nations Headquarters currently has a large number of administrative instructions under review by the Office of Legal Affairs of the Secretariat, some of which have significant organizational impact, other submissions are currently taking priority. The Office of Human Resources expects to have the revised policy ready by December 2023.

1007. **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.**

Department responsible:	Division for Management
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

1008. The preparation of the updated disaster recovery plan including architecture diagrams is in progress. In order to incorporate the architecture diagrams into the disaster recovery plan, the Information Technology Service needs to format the diagrams created using several different tools and to update the text. The Service is also in the process of incorporating Security and Safety Service infrastructure into its managed systems, which could have an impact on the delivery of a finalized disaster recovery plan. Exigencies of service and resource limitations have delayed that process.

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[49] A/75/5/Add.10, chap. II.

Report of the Board for the year ended 31 December 2020[50]

1009. **In paragraph 24 of its report, the Board recommended that UNODC headquarters, together with the UNODC country office in Afghanistan, continue to take the measures related to 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.**

Departments responsible:	Division for Management, Division for Operations and country office in Afghanistan
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2023
Revised target date:	Fourth quarter of 2023

1010. In the context of the preparation of the UNODC implementation report, the Division for Operations, together with the country office in Afghanistan, is working on the revision of the field office budget and programme portfolio.

1011. **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.**

Department responsible:	Office of the Executive Director
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

1012. The updated institutional risk register and the risk response and treatment plan are being drafted. The updated risk register will include a number of new risks such as "Unique events" (e.g., "Pandemic"), "Political climate in programme countries/ regions" and "Information technology security". To streamline the risk governance structure and reporting procedures, the United Nations Office at Vienna/UNODC institutional focal point for enterprise risk management held discussions and consultations with the Enterprise Risk Management Section located in the Business Transformation and Accountability Division of the Department of Management Strategy, Policy and Compliance at United Nations Headquarters. A risk management barometer tool has been developed. It is anticipated that the revised risk register and treatment plan, as well as the revised risk governance structure, will be finalized by the third quarter of 2022. The extensive internal and external consultations on the changes to be implemented in the new risk register as well as the development of a new risk management tool consumed a significant amount of time and led to the delay in implementation.

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[50] A/76/5/Add.10, chap. II.

1013. **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.**

Department responsible:	Office of the Executive Director
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2021
Revised target date:	Third quarter of 2022

1014. Please refer to the comments of UNODC in paragraph 1013 above relating to the recommendation in paragraph 34 of the Board's report for the year ended 31 December 2020 (A/76/5/Add.10, chap. II).

1015. **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.**

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	High
Original target date:	First quarter of 2022
Revised target date:	Fourth quarter of 2022

1016. In May 2022, the Division for Operations submitted the new field office network document to all divisional directors and field representatives for consultation. It was also shared with the Executive Director in June 2022. The aim of the document is to outline the role and functions of UNODC field offices. It also outlines the rationale for the review of the existing nomenclature and builds on the main positive findings in the programme evaluation by OIOS (2019) and the report by the Multilateral Organization Performance Assessment Network (2020) related to the field office network as an asset for UNODC. The Office undertook informal consultations during the first half of 2022 with relevant Member States. On the basis of the internal feedback as well as reactions from partners, the document has been further revised. It will be discussed by the Executives Committee of the United Nations Office at Vienna and UNODC during the third quarter of 2022 and is expected to be finalized by the end of 2022.

1017. **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.**

Department responsible:	Division for Policy Analysis and Public Affairs
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

1018. UNODC is in the process of updating all its management instructions. Please refer to the comments of UNODC in paragraph 1002 above relating to the recommendation in paragraph 49 of the Board's report for the year ended 31 December 2018 (A/74/5/Add.10, chap. II).

1019. **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.**

Department responsible:	Regional Office for the Middle East and North Africa
Status:	Under implementation
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date:	First quarter of 2023

1020. UNODC had considered the recommendation as implemented in the second quarter of 2021 when the 2020 annual project progress reports submitted by the Regional Office for the Middle East and North Africa were approved. However, the Board did not close the recommendation when it reviewed the annual project progress reports for 2021 and found that they were not in the integrated planning, management and reporting solution. The roll-out of the integrated planning, management and reporting solution in 2022 entailed the "enrichment" exercise, which was a precondition for writing and running reports. That led to delays in the finalization of annual project progress reports in the integrated planning, management and reporting solution. The annual project progress reports for 2022 should be completed by the first quarter of 2023 using the integrated planning, management and reporting template.

1021. **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.**

Department responsible:	Regional Office for the Middle East and North Africa
Status:	Under implementation
Priority:	Medium
Original target date:	Second quarter of 2021
Revised target date:	First quarter of 2023

1022. UNODC had considered the recommendation as implemented in the second quarter of 2021 when the annual project progress reports for 2020 were approved and there were no cases of non-compliance with segregation of duties in the reports submitted by the Regional Office for the Middle East and North Africa. However, the Board did not close the recommendation when it reviewed the annual project progress reports for 2021 and did not see evidence of adequate segregation of duties in the preparation, review and approval process for the annual project progress report within the integrated planning, monitoring and reporting solution.

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 2021[51]

1023. Table 36 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

Table 36
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Finance Group	3	–	–	3	3	–
People and Performance Group	1	–	–	1	1	–
Shared Services Centre	1	–	–	1	1	–
Sustainable Investments in Infrastructure and Innovation	2	–	–	2	2	–
Total	**7**	**–**	**–**	**7**	**7**	**–**

1024. Table 37 summarizes the status of implementation of all recommendations of the Board as of August 2022.

Table 37
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Europe and Central Asia Regional Office	2	–	–	2	2	–
Finance Group	5	–	–	5	5	–
Information and Technology Group	1	–	–	1	1	–
Infrastructure and Project Management Group	3	–	–	3	3	–
Partnerships and Liaison Group	1	–	–	1	1	–
People and Performance Group	4	–	3	1	1	–
Procurement Group	2	–	–	2	2	–
Risk Group	1	–	–	1	1	–
Shared Services Centre	5	–	–	5	5	–
Sustainable Investments in Infrastructure and Innovation	2	–	–	2	2	–
Total	**26**	**–**	**3**	**23**	**23**	**–**

1025. **In paragraph 30 of its report, the Board recommended that UNOPS assess and bring forth further developments to the process on the recognition of events after the reporting date in line with IPSAS.**

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[51] A/77/5/Add.11, chap. II.

Department responsible:	Finance Group
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1026. UNOPS will initiate the steps necessary to further enhance the process on the recognition of events after the reporting date.

1027. **In paragraph 38 of its report, the Board recommended that UNOPS conduct a review of the growth and innovation reserve and take all appropriate measures, including the formulation of a framework, guidelines, procedures and policy, to ensure the effective management of the reserve.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

1028. In its decision 2022/13, the Executive Board instructed UNOPS to transfer into the operational reserve any balance not committed from the growth and innovation reserve and to freeze all transfers out of the operational reserve into the growth and innovation reserve. UNOPS will rely on the guidance of the Executive Board in relation to the termination of those temporary measures and in terms of the use of the growth and innovation reserve prior to proceeding on implementation.

1029. **In paragraph 50 of its report, the Board recommended that UNOPS continue to collect comprehensive information on the debtors' financial position and asset values, and appraise the debt values with adequate information and coherent methods, so as to ensure the accuracy and credibility of the bad debt allowance and impairment.**

Department responsible:	Sustainable Investments in Infrastructure and Innovation
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

1030. To the extent possible and noting possible limitations owing to legal proceedings, UNOPS will request comprehensive information on the debtors' financial position and asset values for 2022 and, through expert third-party valuation, appraise the debt values based on available information and coherent methods for the 2022 financial year.

1031. **In paragraph 72 of its report, the Board recommended that UNOPS conduct a comprehensive, in-depth and adequate evaluation or review of the decision-making, management and internal control of the We Are the Oceans and Ocean Generation projects, and establish a compliance and accountability mechanism to avoid the recurrence of such issues.**

Department responsible:	Sustainable Investments in Infrastructure and Innovation
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

1032. The UNOPS Executive Director ad interim is arranging, in consultation with the UNOPS Executive Board, for an independent review to be conducted.

1033. **In paragraph 80 of its report, the Board recommended that UNOPS conduct a thorough review of its existing pricing model, considering the latest financial performance.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

1034. UNOPS has incorporated this new recommendation into its existing policy review and is working on finalizing the related process documentation and on the roll-out to offices.

1035. **In paragraph 81 of its report, the Board further recommended that UNOPS establish a regular review mechanism to ensure that management fees charged are maintained at a reasonable level.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

1036. UNOPS has incorporated this new recommendation into its existing policy review and is working on finalizing the related process documentation and on the roll-out to offices.

1037. **In paragraph 92 of its report, the Board recommended that UNOPS promulgate its updated policy on the risk increment in a timely manner on the basis of the latest minimum operational reserve requirements and clarify the criteria for collecting risk increment fees under different circumstances to ensure reasonable collection of the fees.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1038. UNOPS has incorporated this new recommendation into its existing policy review and is working on finalizing the related process documentation and on the roll-out to offices.

1039. **In paragraph 99 of its report, the Board recommended that UNOPS take measures to finalize the key controls to ensure that quarterly reporting is conducted on the effectiveness of internal control.**

Department responsible:	Risk Group
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1040. Process owners have identified key controls across the core process cycles (procure-to-pay, financial closure and human resource) and submitted them for review by the Chief Financial Officer, Director of Administration and Chief Risk Officer. Control effectiveness reporting dashboards are under development.

1041. **In paragraph 115 of its report, the Board recommended that UNOPS review the human resources services it provides to United Nations partners and try its best to align its services involving individual contractors with partners' applicable rules on the management of individual contractors.**

Department responsible:	Partnerships and Liaison Group
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

1042. The UNOPS financial regulations and rules, which have been approved by the Executive Board, provide the legal framework for the issuance of policies and the administration of human resources under individual contractor agreements. For example, in regulation 23.05, it is stated that "Full accrual shall be made by UNOPS for the net present value of future benefits, which represent consideration given by UNOPS in exchange for services rendered by employees and by individual contractors whose contracts with UNOPS expressly stipulate entitlement.". The foregoing is due to the fact that UNOPS is a separate entity from the United Nations Secretariat. Therefore, while there are numerous similarities, some UNOPS policies may differ from those of the United Nations Secretariat or other United Nations partners, and UNOPS will review where better alignment, to the extent practical, could be considered.

1043. It should be noted that UNOPS, in close collaboration with the United Nations Secretariat, is in the process of revising the memorandum of understanding between the Office and the United Nations Secretariat. It has been noted by both parties that there is an apparent contradiction relating to clarity on whose rules and policy should be followed, and due attention will be paid to the details in order to facilitate clarity for future application.

1044. **In paragraph 128 of its report, the Board recommended that UNOPS review the Mine Action Service project asset data in oneUNOPS and WASP and establish a mechanism to check the consistency between the Mine Action Service project assets and their records in oneUNOPS.**

Department responsible:	Shared Services Centre
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

1045. UNOPS is revising existing standard operating procedures in order to implement this recommendation.

1046. **In paragraph 141 of its report, the Board recommended that UNOPS expedite the negotiation with the United Nations Secretariat to resolve the long-standing project asset management issue, in order to avoid any off-balance sheet items and associated risks.**

Department responsible:	Shared Services Centre
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

1047. UNOPS is collaborating with its counterparts in the United Nations Secretariat to expedite negotiations aimed at agreeing to a new memorandum of understanding.

1048. **In paragraph 147 of its report, the Board recommended that UNOPS strengthen the physical verification of Mine Action Service project assets.**

Department responsible:	Shared Services Centre
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

1049. UNOPS is revising existing standard operating procedures in order to implement this recommendation.

1050. **In paragraph 157 of its report, the Board recommended that UNOPS develop a monitoring tool to perform the whole process of tracking the Mine Action Service project assets on loan to identify risks and report issues so as to improve the transparency and efficiency of the management of assets on loan.**

Department responsible:	Shared Services Centre
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

1051. UNOPS recognizes that it has a responsibility to monitor the Mine Action Service project assets on loan to all implementing partners and is in the process of strengthening its existing monitoring tool.

1052. **In paragraph 164 of its report, the Board recommended that UNOPS establish a mechanism to improve the efficiency of the UNOPS-controlled**

processes related to the disposal and write-off request submission and physical disposal of Mine Action Service project assets.

Department responsible:	Shared Services Centre
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

1053. UNOPS is revising existing standard operating procedures in order to implement this recommendation.

1054. **In paragraph 174 of its report, the Board recommended that UNOPS conduct a feasibility study on establishing a digital management system that supports the whole life cycle of grant management to determine the extent and best possible solution.**

Department responsible:	Infrastructure and Project Management Group
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1055. UNOPS has completed its "Digital Transformation First Step" project. As part of the project, key UNOPS personnel were consulted on project management-related systems and tools, including a system for the management of grant support. As next steps, the prioritizations must be established, with the associated resource investment needed. Meanwhile, a consultant is being hired to more clearly identify the needs and current practices for dealing with grant support-related data, as well as the tools used across the various UNOPS projects that include a grant support management component. This will form the basis for a feasibility study on establishing a digital management system that supports the whole life cycle of grant management. The report is planned to be ready by the end of 2022.

1056. **In paragraph 180 of its report, the Board recommended that UNOPS explicitly prescribe in its processes that the "no conflict of interest" declaration form be signed prior to the start of the evaluation process to strengthen the grant selection and review process.**

Department responsible:	Infrastructure and Project Management Group
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1057. UNOPS promulgated a new grant support policy (operational instruction OI.IPS.2022.02), which will come into effect on 1 December 2022 and will supersede operational instruction OI.IPS.2019.03.

1058. In operational instruction OI.IPS.2022.02, it is stated in paragraph 5.6.1 that "When UNOPS is responsible for the selection and performance of a grantee, the majority of the Evaluation Committee members shall be UNOPS personnel, except when stated otherwise in the engagement agreement. The Evaluation Committee

members, as well as observers, shall sign a 'no conflict of interest' declaration form." It is further stated that the "no conflict of interest" declaration form is a template available in the Corporate Intranet Drive that shall be used by the Evaluation Committee members to make a declaration that they do not have any conflict of interest related to the evaluation.

1059. To support the operationalization of the newly promulgated policy, the process requirements, templates and associated guidance are currently being outlined and will be made available Organization-wide before the effective date of the operational instruction. In the process requirements, it will be stipulated that the selected Evaluation Committee members shall sign the "no conflict of interest" declaration form prior to undertaking the evaluation.

1060. **In paragraph 187 of its report, the Board recommended that the UNOPS Europe and Central Asia Regional Office strengthen the monitoring of compliance with the UNOPS financial regulations and rules for operational closure of the projects in its portfolio, accurately classify the different stages of the project life cycle and ensure that the system status of the projects in its portfolio is aligned with the project lifespan stage and activities to be undertaken.**

Department responsible:	Europe and Central Asia Regional Office
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1061. The Europe and Central Asia Regional Office will strengthen the oversight and monitoring of the operational closure of projects in line with the UNOPS financial regulations and rules and the Project Management Manual, ensuring the timely update and accurate classification of the project closure stages. The project/programme managers will implement the process, with the oversight of the Head of Programme. The process will be monitored and reported to the internal project board and the Europe and Central Asia Regional Office during the quarterly assurance review.

1062. **In paragraph 188 of its report, the Board further recommended that the UNOPS Europe and Central Asia Regional Office escalate in accordance with the UNOPS process when a risk of delayed project operational closure is identified.**

Department responsible:	Europe and Central Asia Regional Office
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1063. The Europe and Central Asia Regional Office will monitor potential or identified risks of delayed project operational closure, record them in the risk register and escalate them in line with the UNOPS financial regulations and rules and the Project Management Manual. The project/programme managers will implement the process, with the oversight of the Head of Programme. The process will be monitored and reported to the internal project board and the Europe and Central Asia Regional Office during the quarterly assurance review.

1064. **In paragraph 195 of its report, the Board recommended that UNOPS establish a standard procedure for linking the potential of outputs' contributions to the Sustainable Development Goals, seek to collaborate with partners where possible on assessing the assumptions, perform a systematic analysis and report to the Executive Board on the contributions of its service delivery to the objectives of partners and the achievement of broader development goals.**

Department responsible:	Infrastructure and Project Management Group
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2024

1065. UNOPS has initiated a project to systematically measure and report on the contributions of outputs to the objectives of partners. Its aim is that by the end of the second quarter of 2023, all relevant UNOPS implementation projects will be mapped to relevant Sustainable Development Goals and United Nations Sustainable Development Cooperation Framework outcomes.

1066. As part of the project, UNOPS will progressively introduce the monitoring of indicators for relevant projects to enable measurement and reporting on the contributions of its service delivery to the objectives of partners. UNOPS will also explore ways of engaging with project stakeholders where possible on assessing the assumptions, in order to learn and improve on the value added by UNOPS contributions to partners' intended outcomes and impacts.

1067. From 2023 onwards, UNOPS will progressively substantiate reporting on the goals of its contributions, with a verifiable analysis of its contributions to the objectives of partners and the achievement of broader development goals. This means that in the annual report of the Executive Director to be presented to the Executive Board in June 2024, UNOPS should be able to present more systematic analysis on the contributions of its service delivery to the objectives of partners and the achievement of broader development goals.

1068. **In paragraph 206 of its report, the Board recommended that UNOPS list clearly in its rules the positions that entail "inherently United Nations activities" and must be filled by staff members to ensure that staff members remain the core human resources of the organization.**

Department responsible:	People and Performance Group
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2022

1069. UNOPS is currently reviewing its criteria and definitions for the establishment of staff positions. The review will also result in the issuance of a list of positions that must be established as staff contract positions. The review is expected to be completed in August 2022.

1070. **In paragraph 212 of its report, the Board recommended that UNOPS review all the supervisor assignments and change the incorrect ones.**

Department responsible:	People and Performance Group
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1071. A process for a regular review has been established to avoid any discrepancies that could be overlooked in the future. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1072. **In paragraph 213 of its report, the Board further recommended that UNOPS translate the rules for assigning supervisors into settings in oneUNOPS to prevent the recurrence of the errors.**

Department responsible:	People and Performance Group
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1073. UNOPS has now developed a dashboard for automated regular monitoring of any irregularities in the reporting lines. The UNOPS heads of support services will also be granted access to the dashboard and will be expected and reminded to provide oversight and address any irregularities in the reporting lines on an ongoing basis. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1074. **In paragraph 219 of its report, the Board recommended that UNOPS conduct a comprehensive review of the supervisor assignment of current staff members and take timely and corrective measures to ensure the correct supervisor assignment for staff members and individual contract agreement holders.**

Department responsible:	People and Performance Group
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1075. The People and Performance Group developed a dashboard that flags incorrectly assigned supervisors in the performance evaluation review/performance results assessment and allows UNOPS offices to monitor such cases and take timely corrective measures. UNOPS heads of support services were asked to take corrective actions by 31 July 2022 in order to ensure alignment with the quoted policy. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1076. **In paragraph 226 of its report, the Board recommended that UNOPS conduct a comprehensive review of the use of UNOPS email accounts and other systems by partner personnel to ensure that any use is governed by applicable policies.**

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

1077. UNOPS will conduct a comprehensive review of the use of UNOPS email accounts by partner personnel and ensure that any use is governed by applicable policies.

1078. **In paragraph 235 of its report, the Board recommended that UNOPS evaluate in a timely manner whether it needs to establish specific segregation of duties in the requisition process in the UNOPS Procurement Manual and a system control in oneUNOPS to prevent the recurrence of role conflicts or inadequate segregation of duties in the procurement process.**

Department responsible:	Procurement Group
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1079. UNOPS will evaluate as recommended whether specific segregation of duty is needed as part of the Office's ongoing work on core controls in the procurement function under the guidance of the Finance Group and the Risk Unit. Should the need to segregate further be identified, UNOPS will make the required changes in the Procurement Manual and the systems.

1080. **In paragraph 245 of its report, the Board recommended that UNOPS review its Procurement Manual to introduce more operational and instructive guidance for the levy of performance security and to require justifications for non-inclusion of the provision, in particular for contracts of high value and/or contracts established under emergency procurement procedures.**

Department responsible:	Procurement Group
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1081. UNOPS management accepts this recommendation and confirms that a guidance document will be issued for the inclusion of performance security to support the current provisions in the Procurement Manual. In addition, UNOPS has already started the enhancement of the eSourcing system to request a mandatory justification for the non-inclusion of the performance security provision for all invitations to bid, requests for proposals and requests for quotes under emergency procurement procedure processes. For the rest of the requests for quotes, this justification will not be mandatory, but recommended. For processes conducted outside the eSourcing system, the justification will be included in the relevant procurement file.

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

1082. In the annex to its report for the year ended 31 December 2021 (A/77/5/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 19 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.

1083. Table 38 summarizes the overall situation as of August 2022.

Table 38
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Finance Group	10	–	1	9	9	–
Infrastructure and Project Management Group	1	–	–	1	1	–
Procurement Group	2	–	2	–	–	–
Risk Group	1	–	–	1	1	–
Shared Services Centre	2	–	2	–	–	–
Sustainable Investments in Infrastructure and Innovation	3	–	3	–	–	–
Total	**19**	**–**	**8**	**11**	**11**	**–**

Report of the Board for the year ended 31 December 2017[52]

1084. **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:	Medium
Original target date:	Third quarter of 2020
Revised target date:	Fourth quarter of 2022

1085. UNOPS appreciates that the Board of Auditors has positively evaluated the improved performance of UNOPS project closure. Given that the Board still considers that further improvements are needed, the target date has been adjusted accordingly and UNOPS is working on refining the related policies to further improve the project closure process.

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[52] A/73/5/Add.11, chap. II.

Report of the Board for the year ended 31 December 2018[53]

1086. **In paragraph 23 of its report, the Board recommended that UNOPS take steps to generate the financial statements from the oneUNOPS enterprise resource planning system so as to minimize the need for manual adjustments and interventions.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2020
Revised target date:	First quarter of 2023

1087. UNOPS has progressed in the automation of the corporate financial statements, the initial prototype has been developed and UNOPS is at the testing stage, which is expected to be completed by the end of the third quarter of 2022. Subsequent development stages and final release will follow and UNOPS intends to assess the performance of the new tool in parallel with the issuance of interim statements before fully shifting to the new tool. The initial target date could not be achieved owing to conflicting development priorities in the information technology development workplan.

1088. **In paragraph 174 of its report, the Board recommended that UNOPS automate the preparation of financial statements to ensure the credibility of financial information. UNOPS should also prioritize the implementation of treasury management and inventory valuation and management in oneUNOPS.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2020
Revised target date:	First quarter of 2023

1089. UNOPS has progressed in the automation of the corporate financial statements, the initial prototype has been developed and UNOPS is at the testing stage, which is expected to be completed by the end of third quarter of 2022. Subsequent development stages and final release will follow and UNOPS intends to assess the performance of the new tool in parallel with the issuance of interim statements before fully shifting to the new tool. The initial target date could not be achieved owing to conflicting development priorities in the information technology development workplan. The treasury management system was implemented during 2021.

Report of the Board for the year ended 31 December 2019[54]

1090. **In paragraph 63 of its report, the Board recommended that UNOPS review the status of implementation of the projects, establish a more structured**

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[53] A/74/5/Add.11, chap. II.
[54] A/75/5/Add.11, chap. II.

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.

Department responsible:	Sustainable Investments in Infrastructure and Innovation
Status:	Closure requested
Priority:	Medium
Original target date:	Fourth quarter of 2020
Revised target date:	Not applicable

1091. Progress is being communicated on all outstanding investments in the quarterly business reporting and to the Advisory Group on Investments on a recurring basis, based on the information available to the team. Earlier in 2022, UNOPS carried out fact-finding to ascertain the status of the housing projects. While some progress reports were provided by Sustainable Housing Solutions Holdings Pte Ltd, the quality of information in the reports needed improvement and varied by country. The housing projects were put on pause and since May 2022, the recovery efforts of the portfolio associated with sustainable housing solutions have been led by the Office of Legal Affairs.

1092. In relation to the equity investment by UNOPS in a solar farm in Rajasthan, India (Project Ace, B3620-15), an active monitoring and risk management approach has been put in place for this new project, which includes a risk dashboard, regular calls with the co-investors, assessment and development activities carried out by the UNOPS operational role team, site visits, news alerts to monitor key project stakeholders and the solar industry challenges and trends, and the development of investment documentation that lays out clear reporting requirements. This approach, which takes into account the Board's recommendations and is typical for investment operations, is expected to be followed for new projects going forward. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1093. **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.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2024
Revised target date:	First quarter of 2023

1094. UNOPS will use its established system for evaluating supplier performance to provide qualitative input for 2022. Implementation by the Office has been accelerated following feedback from the Board on the requirements.

1095. **In paragraph 92 of its report, the Board also 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.

Department responsible:	Finance Group
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2022
Revised target date:	Fourth quarter of 2022

1096. UNOPS is in the process of extending the agreement with the investment manager. This process will consider the performance against the contractual obligations.

1097. **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
Original target date:	First quarter of 2021
Revised target date:	Not applicable

1098. UNOPS assessed its approach as recommended by the Board and found it to be sufficient and in alignment with the approaches adopted by other agencies, in particular that of the United Nations Secretariat. The consultation process was conducted with key stakeholders on potential and suggested policy changes, which included meetings with senior procurement colleagues from such key procurement units as the Headquarters Contracts and Property Committee and the Integrated Practice Advice and Support Procurement unit and with procurement practitioners across regional and country offices. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1099. **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.**

Department responsible:	Procurement Group
Status:	Closure requested
Priority:	High
Original target date:	First quarter of 2021
Revised target date:	Not applicable

1100. UNOPS assessed its approach as recommended by the Board and found it to be sufficient and in alignment with the approaches adopted by other agencies, in particular that of the United Nations Secretariat. The consultation process was conducted with key stakeholders on potential and suggested policy changes, which included meetings with senior procurement colleagues from such key procurement units as the Headquarters Contracts and Property Committee and the Integrated Practice Advice and Support Procurement unit and consultations with procurement practitioners across regional and country offices. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1101. **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.**

Department responsible:	Infrastructure and Project Management Group
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

1102. UNOPS confirmed, through the conclusion of the user acceptance testing phase in July 2022, the changes informed by the business stakeholder review of the full project closure process modelled in oneUNOPS Projects. With the changes being implemented, the planned release date is in early September 2022 and will be supported by global webinars and support resources.

1103. These system modifications will complement the actions taken so far to help improve the quality of project management thinking and the overall project review and acceptance process, thereby increasing the likelihood that projects will be delivered and closed on time and within the agreed parameters. However, UNOPS often operates in some of the world's most challenging locations, where "zero risk" does not exist and manages its projects through a "management by exception" approach.

Report of the Board for the year ended 31 December 2020[55]

1104. **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:	Closure requested
Priority:	High
Original target date:	First quarter of 2022
Revised target date:	Not applicable

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[55] A/76/5/Add.11, chap. II.

1105. The creation of an asset valuation policy in 2021 was followed by an asset valuation exercise on all existing investments that was carried out by the consulting company Deloitte, culminating in an asset valuation report on 31 December 2021.

1106. The defaulted portfolio associated with sustainable housing solutions was passed to the Office of Legal Affairs for recovery actions in May 2022. The only active project is the solar project in Rajasthan, India, in which UNOPS co-invested with the Danish Investment Fund for Developing Countries and Acme Solar (Project Ace, B3620-15). Thorough risk assessment and management has been conducted throughout the process.

1107. It should be noted that no new investment decision has been made since the solar project decision made in December 2020. Since the establishment of the Sustainable Investments in Infrastructure and Innovation office in Helsinki, the team has been working on diversifying partnerships and developing rigorous risk management processes. Following an extensive partnerships development and vetting process, concept memos for several renewable energy projects were submitted to the Advisory Group on Investments in the fourth quarter of 2021, which were diversified in terms of geographies and partners, and the Office's proposed equity stake in each of the projects was capped at $5 million per project. These pipelines did not progress given that new investments were on pause. New pipelines and the development of partnerships have been implemented across a range of geographies and partner types, with the Board's recommendation around partner diversification and minimizing risk concentration in mind. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1108. **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 investment to ensure the safety of the investments.**

Department responsible:	Sustainable Investments in Infrastructure and Innovation
Status:	Closure requested
Priority:	Medium
Original target date:	First quarter of 2022
Revised target date:	Not applicable

1109. Since the establishment of the Sustainable Investments in Infrastructure and Innovation office in Helsinki in 2021, different mechanisms have been put in place to undertake an active approach to risk assessment and monitoring. These include the development of a risk dashboard, the creation of an asset valuation policy and the engagement of Deloitte to carry out an asset valuation of S3i's outstanding investments, the establishment and active involvement of the Advisory Group on Investments (established in May 2021 and put on pause in May 2022), the development of investment documentation that lays out reporting requirements for the project company, close collaboration with project stakeholders on active monitoring, site visits and scheduled progress reporting to governance bodies. The introduction of those mechanisms addresses the recommendation by the Board. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1110. **In paragraph 58 of its report, the Board recommended that UNOPS review its policies on bad debt allowance for S3i investments and consider**

complementing the specific measurement methods of the allowance for estimated irrecoverable amounts.

Department responsible:	Finance Group
Status:	Closure requested
Priority:	High
Original target date:	Fourth quarter of 2021
Revised target date:	Not applicable

1111.   The Board is of the opinion that the measurement methods and criteria for the bad debt allowance will need to be specified by UNOPS. The Office considers that the current framework provides appropriate guidance for the Organization with respect to relying on the expertise of a third-party consultancy to provide its expert, authoritative and independent valuation, as was done for 2021. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1112.   **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 lower-cost engagements when applying the existing pricing model to memorandums of understanding.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2022
Revised target date:	Fourth quarter of 2022

1113.   UNOPS is working on finalizing the related process documentation and its roll-out to offices.

1114.   **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
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

1115.   UNOPS is working on finalizing the related process documentation and its roll-out to offices. Given the interlinkage of the recommendations related to pricing made in the 2020 (A/76/5/Add.11) and 2021 (A/77/5/Add.11, paras. 80–81) audits,

UNOPS has decided to implement them as one consistent revised policy and has thus aligned the target date for all of them.

1116. **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:	Closure requested
Priority:	Medium
Original target date:	Second quarter of 2022
Revised target date:	Not applicable

1117. An enhanced disposal management system was implemented in oneUNOPS, the Office's enterprise resource planning system. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1118. **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:	High
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2022

1119. UNOPS internal investment allocation is a dynamic process in which decisions are taken on an ongoing basis based on emerging business opportunities and changing environments and not in connection with the formulation of budget estimates. UNOPS expects that the expense rate against the internal investment budget allocation for 2022 will exceed that of prior years.

1120. **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
Original target date:	Fourth quarter of 2021
Revised target date:	First quarter of 2023

1121. UNOPS has linked its strategic investment budget with its management results framework, including relevant performance indicators. UNOPS will clarify the linkage between performance indicators and internal investment projects, as well as

the relation to the wider management results framework. The Office considers that this recommendation was implemented in accordance with the initial timeline; however, the timeline has now been changed to reflect the Board's feedback.

1122. **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.**

Department responsible:	Risk Group
Status:	Under implementation
Priority:	High
Original target date:	Third quarter of 2022
Revised target date:	Fourth quarter of 2022

1123. Management has made further progress in the implementation of the recommendation through the initiatives outlined in the paragraphs below.

1124. In consultation with relevant policyholding functions, the Risk Unit has developed a concept note on risk-informed planning, resource allocation and performance management. This aligns with the integrated risk management approach highlighted by the Joint Inspection Unit (see JIU/REP/2020/5) and the Risk Management Forum of the High-level Committee on Management.

1125. On the basis of the concept note, UNOPS is in the process of strengthening the integration of corporate risk reporting and escalation through budget submissions and regular business review.

1126. At the same time, the UNOPS operational instructions on risk management are currently being revised in order to ensure full consistency between the Office's strategic direction and the operational instruction requirements regarding corporate risk management.

1127. **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.**

Department responsible:	Shared Services Centre
Status:	Closure requested
Priority:	Medium
Original target date:	Second quarter of 2022
Revised target date:	Not applicable

1128. UNOPS launched a global travel automation and daily subsistence allowance automation system in the second quarter of 2022. The development of this system responds to the recommendation in that one of the functions of the tool is validating the time between the booking and the departure date. 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 2021[56]

1129. Table 39 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

Table 39
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Strategy, Planning, Resources and Effectiveness Division	1	–	–	1	1	–
Policy, Programme and Intergovernmental Division	2	–	–	2	2	–
Management and Administration Division	2	–	–	2	2	–
Total	**5**	**–**	**–**	**5**	**5**	**–**

1130. Table 40 summarizes the status of implementation of all recommendations of the Board as of August 2022.

Table 40
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Strategy, Planning, Resources and Effectiveness Division	3	–	2	1	1	–
Policy, Programme and Intergovernmental Division	2	–	–	2	2	–
Management and Administration Division	6	–	2	4	4	–
Human Resources Division	2	–	–	2	2	–
United Republic of Tanzania country office	2	–	2	–	–	–
Multiple offices	4	–	3	1	1	–
Total	**19**	**–**	**9**	**10**	**10**	**–**

1131. **In paragraph 33 of its report, the Board recommended that UN-Women introduce, as part of the ongoing development of the new enterprise resource planning system, "Quantum", a stronger interface between the UN-Women corporate systems for financial management and the system for planning and results management, with the aim of reducing manual interventions, and provide greater systemic flexibility to the end users in order to ensure a complete alignment of approved annual workplan activities with financial resources used.**

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[56] A/77/5/Add.12, chap. II.

Department responsible:	Strategy, Planning, Resources and Effectiveness Division
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

1132. UN-Women, in collaboration with UNDP as the lead agency for the new enterprise resource planning system "Quantum", is developing the necessary system functionality in a phased approach to address the issue of aligning results and resources. A user-friendly, decentralized system has been developed in phase I, and system tests are ongoing to allow for appropriate alignment of the project activities and resources with the corresponding office workplan results. To ensure alignment, the workplan activity codes will be input against project activity codes. This feature is to be further enhanced in phase II with respect to selecting outcomes, outputs and activities, along with more validation to ensure the correctness of the alignment of results to resources.

1133. **In paragraph 41 of its report, the Board recommended that UN-Women address the partner's audit financial findings in a timely manner, with the aim of generating certainty regarding the proper use of the resources transferred to the partner.**

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

1134. UN-Women has taken the following actions to address the partners' audit financial findings in a timely manner:

(a) Updated and clear instructions have been circulated to UN-Women offices on the procedures they need to follow for the resolution of audit recommendations that arise from partners' audits;

(b) The Programme Support and Management Unit of the Policy, Programme and Intergovernmental Division is closely monitoring the closure of the partners' audit financial findings;

(c) In line with the procedure for the resolution of audit recommendations, the partners' audit financial findings from the 2021 project-partner expenditures are expected to be closed by 31 December 2022.

1135. **In paragraph 42 of its report, the Board recommended that UN-Women resolve the long-standing partners' audit financial findings in a swift manner, in order to clarify the use of the funds transferred to partners in prior years.**

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

1136. UN-Women headquarters is working with offices to resolve the long-standing partners' audit financial findings. Since the issuance of the 2021 audit report, 36 per cent of the outstanding financial findings for the period 2018-2020 have been resolved. UN-Women aims to close the rest of the audit findings by 31 December 2022.

1137. **In paragraph 55 of its report, the Board recommended that the UN-Women United Republic of Tanzania country office request the funding authorization and certificate of expenditure forms in a timely manner and record the expenses in the correct period in which they are executed, with the aim of the transactions and other events being recognized when they actually occur.**

Department responsible:	United Republic of Tanzania country office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1138. The United Republic of Tanzania country office introduced additional strict measures to ensure that expenses were recorded in the correct period in which they occurred. Advances are issued on a quarterly basis and no additional advances are released until the previous advances are liquidated by 80 per cent. In addition, during the year-end closure exercise, UN-Women took a step further to ensure that all advances that overlapped between the 2021 and 2022 financial years and were not due for reporting were properly accounted for. It has started the practice of requesting partners to submit interim liquidation documentation to record all expenses that were incurred under the 2021 financial year, in order to ensure that the cut-off is observed. In that way, all expenditures can be tracked to ensure recording and that no aged advances sit with partners. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1139. **In paragraph 56 of its report, the Board recommended that the UN-Women Colombia and United Republic of Tanzania country offices countersign any changes or amendments to the signed funding authorization and certificate of expenditure form, in order to record the accounting information accurately.**

Departments responsible:	Colombia and United Republic of Tanzania country offices
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1140. The Colombia and United Republic of Tanzania country offices have taken the following steps to ensure the accurate recording of accounting information from the signed funding authorization and certificate of expenditure forms and to countersign any changes or amendments to the signed forms:

(a) The Colombia country office configured the cells of its funding authorization and certificate of expenditure forms to only allow the use of limited account codes pertinent to the project activities in line with the signed partner agreement;

(b)   The United Republic of Tanzania country office introduced an additional measure of jointly working with the partners in the preparation of the funding authorization and certificate of expenditure forms to ensure that correct account code information was entered on the forms before they were signed and submitted to UN-Women. This measure is undertaken prior to contract engagement with the partner as well as during the project implementation stage in cases in which there is any adjustment or reallocation of the project activities and budget items.

1141. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1142. **In paragraph 57 of its report, the Board recommended that the UN-Women Bangladesh and Colombia country offices improve their controls related to posting the expenses reported in the funding authorization and certificate of expenditure form in Atlas, in order to record the accounting information accurately.**

Departments responsible:	Bangladesh and Colombia country offices
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1143. To improve their controls related to posting the expenses reported in the funding authorization and certificate of expenditure forms in Atlas, the actions below were taken by the Colombia and Bangladesh country offices:

(a)   The Colombia country office introduced two additional review controls when processing funding authorization and certificate of expenditure forms from partners. The first review is conducted by the administrative clerk upon receipt of the forms to identify any existing errors and ensure the completeness of the documents submitted by partners. The second review is conducted by the Programme Associate who, based on their familiarity with the project, carries out the review of a more detailed transaction. The last review is conducted by the Financial Assistant, who performs the usual processing and required review for accurate recording of the funding authorization and certificate of expenditure form transactions in Atlas;

(b)   The Bangladesh country office implemented its action plan to address the recommendation with the following concrete steps:

(i)   Completed the recruitment of the Finance Associate position in April 2022 to strengthen the office's capacity and improve controls on processing expenses reported through the funding authorization and certificate of expenditure forms;

(ii)   Tasked the Senior Finance Associate to double-check the vouchers processed before posting in Atlas;

(iii)   Continuously improved capacity for the proper processing of expenditures reported in the funding authorization and certificate of expenditure forms through regular refresher training;

(iv)   Introduced the use of a checklist to facilitate the verification of the account codes used before posting approval.

1144. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1145. **In paragraph 58 of its report, the Board recommended that the UN-Women Bangladesh and Colombia country offices provide training and strengthen the capacity of the implementing partners in the use of the accounts and expenses classifications in the funding authorization and certificate of expenditure form.**

Departments responsible:	Bangladesh and Colombia country offices
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1146. The Bangladesh and Colombia country offices have taken the following actions to strengthen the capacity of their implementing partners in the use of the accounts and expenses classifications in the funding authorization and certificate of expenditure forms:

(a) The Colombia country office has trained its partners in (i) compliance with the terms of partner agreements; (ii) proper completion of funding authorization and certificate of expenditure forms, including the correct use of account codes; and (iii) understanding of UN-Women policies and procedures related to programme and project implementation. The Colombia country office considers this recommendation to have been implemented for its office;

(b) The Bangladesh country office has shared with all staff its planned training of partners during the third and fourth quarters of 2022 on financial management, including the proper completion of funding authorization and certificate of expenditure forms and the use of correct account codes. In addition, its Senior Finance Associate holds annual capacity development sessions with partners, which for 2022 was scheduled in August–September.

1147. **In paragraph 59 of its report, the Board recommended that UN-Women introduce, as part of the ongoing development of the new enterprise resource planning system, "Quantum", stronger preventive controls in the classification and recording of the expenditures reported in the funding authorization and certificate of expenditure forms, with the aim of reducing manual interventions and human errors at the time of posting the funding authorization and certificate of expenditure forms.**

Department responsible:	Management and Administration Division
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1148. UN-Women has implemented the audit recommendation by creating in Quantum a new category of general ledger expenditure accounts specifically for partner expenditures to be used to liquidate the funding authorization and certificate of expenditure forms. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1149. **In paragraph 73 of its report, the Board recommended that UN-Women strengthen its internal controls with the aim that the Procurement Section at headquarters improve on its monitoring process for procurement activities based**

on risk, ensuring that solicitation methods are used appropriately and that purchase orders are issued in accordance with the contracts established with suppliers.

Department responsible:	Management and Administration Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

1150.   To address this recommendation, a proposal for strengthening the procurement function of UN-Women has been developed and presented to senior management, including a business case and road map for implementation. The implementation of the proposal should boost internal controls given that it will allow the Procurement Section to monitor procurement activities as well as further ensure appropriate solicitation and purchase orders. The implementation should commence in the fourth quarter of 2022 with minimal cost implications for the institutional budget of UN-Women.

1151.   **In paragraph 74 of its report, the Board recommended that UN-Women coordinate with business owners and the future users of the new enterprise resource planning system, "Quantum", in the procurement process, to raise system requirements in order to generate standard, timely and useful reports for users, which capture global data for all stages of the procure-to-pay cycle.**

Department responsible:	Management and Administration Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2023

1152.   UN-Women, along with the other participating agencies, will in due course submit business requirements for the development of the dashboard/reporting tool in Quantum. It has already submitted the initial requirements for a reporting tool, which will be designed following the completion of the ongoing customization of Quantum.

1153.   **In paragraph 81 of its report, the Board recommended that the UN-Women United Republic of Tanzania country office improve its internal controls, to ensure that purchase orders are created for all purchases over $2,500.**

Department responsible:	United Republic of Tanzania country office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1154.   The United Republic of Tanzania country office introduced an additional control mechanism to ensure that purchase orders were created for all purchases over $2,500. Effective January 2022, all country office procurement activities, regardless of amounts, are processed through purchase orders to ensure timely recording of commitments as well as compliance with rules and regulations. A checklist has been developed specifically for this area as a control tool and as a guideline for the approvers on the set of documents required before approving a procurement

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transaction. A purchase order is one of the necessary documents in the checklist. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1155. **In paragraph 89 of its report, the Board recommended that UN-Women include all regular resources and other resources contribution agreements in its enterprise resource planning system, to automatically convert these resources in foreign currencies into United States dollars.**

Department responsible:	Management and Administration Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2023

1156. UN-Women has amended its procedures to ensure that all regular resources contribution agreements are entered into the ATLAS PeopleSoft enterprise resource planning system. The new Quantum Oracle enterprise resource planning system will ensure that all donor agreements, including regular resources agreements, will be entered into the system.

1157. **In paragraph 99 of its report, the Board recommended that UN-Women establish deadlines for each content owner to allow the Entity to update its policies, procedures and guidance in a timely manner, considering the necessary commitment that content owners must have and the monitoring activities for the authority levels in the business unit and the effects that non-compliance situations could generate.**

Department responsible:	Strategy, Planning, Resources and Effectiveness Division
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1158. Starting in January 2022, UN-Women put in place measures to establish deadlines for each content owner to update policies, procedures and guidance documents promptly. If action is not taken, an escalation protocol is followed. This action includes revisions to the paper as required, following specific guidelines and time frames, or confirmation that the document no longer applies and should be archived. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1159. **In paragraph 100 of its report, the Board recommended that UN-Women enhance the participation of all levels of governance in the construction, formalization and update activities for policy, procedure and guidance; thus the importance of an adequate policymaking process is established; and therefore, UN-Women would have appropriate and up-to-date documentation to ensure its compliance with the underlying instructions.**

Department responsible:	Strategy, Planning, Resources and Effectiveness Division
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1160.   UN-Women has put in place measures to enhance the participation of all levels of governance in the policy cycle management process. This is carried out through the quarterly business review performance reporting process, which includes metrics related to overdue policies, procedures and guidelines. Furthermore, the Technical Management Group, a subset of the Business Review Committee, is mandated, in addition to monitoring overdue documents, to identify gaps in the Entity's policy, procedure and guidance framework and recommend action to content owners. Where relevant, matters requiring the Business Review Committee's attention, including the recommended actions, are flagged and escalated for decision-making. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1161.   **In paragraph 109 of its report, the Board recommended that UN-Women implement a workplan in order to correct the lack of compliance with the mandatory training courses.**

Department responsible:	Human Resources Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

1162.   UN-Women is reviewing its policy on mandatory training to provide better clarity on requirements for all employee categories and to strengthen the accountability across all governance levels for risk mitigation and improved compliance.

1163.   **In paragraph 110 of its report, the Board recommended that UN-Women redesign the monitoring control related to mandatory training courses in order to mitigate the risks of non-compliance, encouraging the engagement of all governance levels with these personnel obligations in a preventive manner.**

Department responsible:	Human Resources Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

1164.   UN-Women is exploring the redesign of monitoring controls for the mandatory courses as part of the new enterprise resource planning system project. This includes the option of transitioning to a new learning management system, which will require additional resources and may have to be phased in accordingly based on feasibility and long-term sustainability. This could be looked into as part of the Quantum enterprise resource planning system project's go-live and deployment preparations. Accordingly, UN-Women intends to have a management decision on the transition to

the new learning management system by the end of 2022, with the plan to implement the audit recommendation by the end of the second quarter of 2023.

1165. **In paragraph 124 of its report, the Board recommended that UN-Women perform an information security assessment based on the risks of each type of office at all governance levels (global, regional and country) in order to improve the monitoring process.**

Department responsible:	Management and Administration Division
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1166. The Information Systems and Telecommunications Section has updated the field office information security and compliance procedure to harmonize it with the newly released United Nations cybersecurity minimum baseline standard adopted by all agencies under the High-level Committee on Management and the Digital and Technology Network.

1167. The following key actions have been taken to conclude the assessment:

(a) An updated online self-assessment form was launched with questions targeting major security aspects at field offices following the minimum cybersecurity requirements released by the High-level Committee on Management and the Digital and Technology Network;

(b) The Information Systems and Telecommunications Section team has developed a dashboard to reflect the status instantly, and the frequency of reporting by field offices has been set to "annually".

1168. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1169. **In paragraph 125 of its report, the Board recommended that UN-Women update and document the activities related to information security, with timely monitoring, in order to mitigate the risks regarding information security at all governance levels (global, regional and country).**

Department responsible:	Management and Administration Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

1170. The Information Systems and Telecommunications Section has updated the field office information security and compliance procedure to harmonize it with the newly released United Nations cybersecurity minimum baseline standard adopted by all agencies under the High-level Committee on Management and the Digital and Technology Network.

1171. The Information Systems and Telecommunications Section team has been working with all field offices to provide the necessary guidance and monitor the progress in implementing the new information security assessment process through the meetings of the ICT network and one-on-one support as needed. A dashboard has also been developed to update each field office's status.

1172. **In paragraph 130 of its report, the Board recommended that the UN-Women Colombia country office and the Asia and the Pacific Regional Office carry out the InfoSec certification renewal in a timely manner, as established in the procedure, in order to mitigate the risks regarding information security.**

Departments responsible:	Colombia country office and Asia and the Pacific Regional Office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1173. The Colombia country office and the Asia and the Pacific Regional Office immediately complied with the security baseline requirements, as follows:

(a) The information security dashboard shows that the Colombia country office has been compliant since 31 March 2022 and that the security baseline requirements are being followed, with no further action needed at the present time;

(b) The UN-Women Information Security Manager confirmed on 14 July 2022 that the Asia and the Pacific Regional Office had achieved the information security certification target by obtaining an average overall score of 80 per cent for the different security categories.

1174. UN-Women 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

1175. In the annex to its report for the year ended 31 December 2021 (A/77/5/Add.12, chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the eight recommendations that were 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.

1176. Table 41 summarizes the overall situation as of August 2022.

Table 41
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Strategy, Planning, Resources and Effectiveness Division	6	–	1	5	5	–
Policy, Programme and Intergovernmental Division	1	–	–	1	1	–
West and Central Africa Regional Office	1	–	1	–	–	–
Total	**8**	**–**	**2**	**6**	**6**	**–**

Report of the Board for the year ended 31 December 2020[57]

1177. 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
Original target date:	Fourth quarter of 2022
Revised target date:	Fourth quarter of 2022

1178. The Risk Management Committee approved the risk appetite and risk tolerance implementation plan in the first quarter of 2022. During the first and second quarters of 2022, bilateral consultations with divisional and regional heads were undertaken. The zero drafts were circulated to the Advisory Committee on Oversight for feedback and comments. The final risk appetite statement that determines the types and quantity of risks is on track for submission to the Risk Management Committee and decision by the Executive Director by the original target deadline of the fourth quarter of 2022.

1179. **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.**

Department responsible:	Strategy, Planning, Resources and Effectiveness Division
Status:	Under implementation
Priority:	High
Original target date:	Fourth quarter of 2022
Revised target date:	Fourth quarter of 2022

1180. UN-Women will implement risk tolerance boundaries following the approval of the risk appetite statement. Risk tolerance boundaries are to be considered for additional mitigating measures and will be introduced as part of the quarterly performance monitoring and management process known as the quarterly business review.

1181. **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**

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[57] A/76/5/Add.12, chap. II.

personnel who are responsible and accountable for annual work planning and performance reporting.

Department responsible:	Strategy, Planning, Resources and Effectiveness Division
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2022
Revised target date:	Fourth quarter of 2022

1182. UN-Women is currently developing the requisite training for risk owners and risk focal points, which is to be rolled out by the fourth quarter of 2022. The training will subsequently be rolled out to other relevant personnel to ensure sufficient coverage. This will be supplemented by regular webinars at headquarters and field offices.

1183. **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
Original target date:	Not applicable
Revised target date:	Not applicable

1184. UN-Women has issued guidance requiring all risk entities to document any changes resulting from the risk assessment process, including the quality assurance process, and to record the feedback in the standardized risk register template. Risk entities' compliance and continuous improvement opportunities are closely monitored for consideration in the next assessment cycle. Significant progress on compliance by risk entities has already been achieved. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1185. **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.**

Department responsible:	Strategy, Planning, Resources and Effectiveness Division
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2023
Revised target date:	Fourth quarter of 2023

1186. UN-Women has designed the needed system enhancements that are feasible with available resources, for the optimal inclusion of all evaluated risks in the enterprise risk management OneApp platform. Systems development is under way and is expected to be completed in time for the forthcoming new risk assessment cycle for 2023, which will commence in the fourth quarter of 2022.

1187. **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.**

Department responsible:	Strategy, Planning, Resources and Effectiveness Division
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2023
Revised target date:	Fourth quarter of 2023

1188. UN-Women revised its risk management procedure to provide more explicit guidance on the formulation of mitigating actions that are measurable, time-bound, specific and assigned to a mitigating action owner. Work is under way on practicable instructions for formulating mitigating measures to ensure that consistent framing is achieved, facilitating the measurement of mitigation actions and escalation where relevant.

1189. **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
Original target date:	First quarter of 2023
Revised target date:	Fourth quarter of 2022

1190. UN-Women extended the circulation of the draft end-to-end programme partner policies and procedures for consultation before the end of July 2022 after including additional elements needed in the draft procedure for monitoring of programme partners. The chapter on monitoring was formulated to further strengthen the monitoring procedure and to include mechanisms for fast-track procedures for programmes that deal with crises. The aim is to finalize and promulgate the procedure in the last quarter of 2022.

1191. **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:	Closure requested
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Not applicable

1192. The West and Central Africa Regional Office has implemented its action plan to ensure compliance with the periodicity of implementing partner and/or responsible party reports in line with the policy on cash advances and other cash transfers to partners. A programme management support consultant worked closely with the project managers and implementing partners to build capacity and improve compliance with reporting requirements. Furthermore, a regional focal point was designated to closely monitor the automatic messages from the partner and grants agreement management system and follow up with the project managers at the field offices to promptly act on the reporting due dates reminder.

1193. As of July 2022, the Regional Office noted that the responsible parties for 15 projects out of the total 16 ongoing projects complied with the reporting periodicity specified in their project agreements. This is a significant improvement from the situation observed by the auditors in which, of the 16 reports reviewed, seven exceeded the three-month period for submission to UN-Women.

1194. 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 2021[58]

1195. Table 42 summarizes the status of implementation of the main recommendations of the Board as of August 2022.

Table 42
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Registry	3	–	1	2	2	–
Total	**3**	**–**	**1**	**2**	**2**	**–**

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[58] A/77/5/Add.15, chap. II.

1196. Table 43 summarizes the status of implementation of all recommendations of the Board as of August 2022.

Table 43
Status of implementation of all recommendations

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Registry	10	–	3	7	7	–
Total	**10**	–	**3**	**7**	**7**	–

1197. **In paragraph 32 of its report, the Board recommended that the Mechanism develop a long-term organizational strategy, including key issues such as premises, equipment and personnel, involving the three organs that compose the Mechanism.**

Department responsible:	Registry
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

1198. On the basis of an evaluation recommendation by OIOS, the Mechanism has been developing a scenario-based workforce plan. The Mechanism management will expand upon that document to encompass a larger long-term organizational strategy.

1199. **In paragraph 41 of its report, the Board recommended that the Mechanism complete the risk control matrices, in order to fully perform the risk assessment procedures required by the United Nations Department of Management Strategy, Policy and Compliance regarding the statement on internal control.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1200. The Mechanism completed the 2020 and 2021 annual risk self-assessment questionnaires and will complete the risk control matrices in the third and fourth quarters of 2022.

1201. **In paragraph 51 of its report, the Board recommended that that the Mechanism maintain complete and updated information regarding the status of the vacant positions.**

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

1202. The Mechanism has improved the process of substantiation and documentation for changes in general temporary assistance positions that constitute fluctuations in operational requirements in the course of a budget period. The Mechanism therefore considers this recommendation to have been implemented and requests its closure by the Board.

1203. **In paragraph 65 of its report, the Board recommended that the Mechanism implement the oversight controls needed for an appropriate and timely drafting, review and approval of the procurement demand plans.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1204. The Mechanism will ensure the timely drafting, review and approval of appropriate procurement demand plans for both the Hague and Arusha branches.

1205. **In paragraph 66 of its report, the Board also recommended that the Mechanism develop an acquisition plan at the Mechanism level, consolidating the requirements for both branches and all the requesting sections, in order to enable the entity to plan, execute and control its procurement process in a timely and integrated manner.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1206. The Mechanism will ensure the timely drafting, review and approval of appropriate procurement acquisition plans for both the Hague and Arusha branches.

1207. **In paragraph 67 of its report, the Board further recommended that the Mechanism conduct a review of the acquisition plan on a quarterly basis, in order to make the necessary adjustments regarding the actual needs of the requisitioning units, as indicated in the Procurement Manual.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2022

1208. Once the acquisition plan is drafted and approved, the Mechanism will ensure that it is reviewed on a quarterly basis, in order to make adjustments as necessary.

1209. **In paragraph 77 of its report, the Board recommended that the Mechanism elaborate the source selection plan when it is required for formal or informal solicitation processes, in accordance with the specific regulations stated in the Procurement Manual, keeping the corresponding documentation for the respective solicitation method files.**

Department responsible:	Registry
Status:	Closure requested
Priority:	Medium
Target date:	Fourth quarter of 2022

1210. The Mechanism has ensured that the source selection plans are drafted when required. The Mechanism therefore considers this recommendation to have been implemented and requests its closure by the Board.

1211. **In paragraph 86 of its report, the Board recommended that the Mechanism improve its planning and documentation of the information technology equipment needs, requirements and implementation, with the aim of using these assets in the short term and thus obtaining the full use of their capabilities within the total allocated useful life.**

Department responsible:	Registry
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2023

1212. The Mechanism is currently preparing its budget submission for the 2023 budget cycle and, as part of the non-post budget submission, is ensuring that the planning and documentation of the information technology equipment needs is improved.

1213. **In paragraph 96 of its report, the Board recommended that the Mechanism develop and approve an information and communications technology strategy aligned with its overall strategic planning and the general information and communications technology strategic initiatives of the United Nations, defining short- and middle-term objectives within the Mechanism's downsizing context and including the lessons learned from the COVID-19 pandemic.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2023

1214. The Mechanism will develop and approve an ICT strategy aligned with the Secretariat's ICT strategy and in response to the strategic planning of the institution

as a whole. In addition, the ICT committee will be revitalized after the departure of many of its members.

1215. **In paragraph 105 of its report, the Board recommended that the Mechanism request the blocking of all user accounts that remain dormant for three consecutive months and properly request clearance from the Office of Information and Communications Technology if and when it considers that exceptional cases should further retain access.**

Department responsible:	Registry
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1216. Compliance with the policy that all inactive accounts should be deactivated after three months of non-usage is managed through a quarterly validation of inactive users. The Mechanism has completed this validation exercise on a quarterly basis, as required, and therefore 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

1217. In the annex to its report for the year ended 31 December 2021 (A/77/5/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 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.

1218. Table 44 summarizes the overall situation as of August 2022.

Table 44
Status of implementation of recommendations from prior periods considered not fully implemented
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Registry	15	–6	6	9	9	–
Total	**15**	**–**	**6**	**9**	**9**	**–**

Report of the Board for the year ended 31 December 2017[59]

1219. **In paragraph 20 of its report, the Board recommended that the Mechanism supervise the architectural firm tasked with reviewing the control system for air quality, temperature and relative humidity of the archive repositories in the Lakilaki facility and modifying the system to ensure that it meets standard requirements.**

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[59] A/73/5/Add.15, chap. II

Department responsible:	Registry
Status:	Under implementation
Priority:	High
Original target date:	Second quarter of 2020
Revised target date:	Fourth quarter of 2023

1220. The Mechanism conducted a thorough tender of the heating, ventilation and air conditioning remediation project. However, despite extensive outreach to vendors in the region, no vendor responded to the call for bids. The Mechanism is reassessing the vendor landscape and will be reaching out for bids once again shortly.

Report of the Board for the year ended 31 December 2018[60]

1221. **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
Original target date:	Fourth quarter of 2019
Revised target date:	Fourth quarter of 2022

1222. Although this recommendation has largely been overtaken by events with the roll-out of the statement of internal control and the risk control analysis exercises and although the Mechanism falls under the umbrella of the United Nations Secretariat's fraud risk assessment, the Mechanism will undertake this exercise simultaneously while implementing the recommendation in paragraph 41 of Board's report for the year ended 31 December 2021 (A/77/5/Add.15).

Report of the Board for the year ended 31 December 2019[61]

1223. **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
Original target date:	Second quarter of 2021
Revised target date:	Second quarter of 2023

1224. The Mechanism's real estate objects were implemented in the Umoja production system in 2016. Subsequently, following the restructuring of the

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[60] A/74/5/Add.15, chap. II.
[61] A/75/5/Add.15, chap. II.

Mechanism, the configuration set-up and security access for the Mechanism's authorization group was created in 2019. The Mechanism continues to liaise with the counterparts in the Secretariat to ensure that its consolidated real estate portfolio is reflective of its needs.

1225. **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
Original target date:	Third quarter of 2021
Revised target date:	Third quarter of 2023

1226. In consultation with the United Nations Secretariat, the Mechanism will further refine the Umoja data regarding capitalized assets, including the assignment of functional users and real estate module locations.

1227. **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
Original target date:	Fourth quarter of 2020
Revised target date:	Second quarter of 2023

1228. The Mechanism conducted a survey of property that was in stock but either unserviceable or obsolete and has nearly completed all the actions required to write off and dispose of those assets.

1229. **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:	Closure requested
Priority:	Medium
Original target date:	Fourth quarter of 2020
Revised target date:	Not applicable

1230. The Mechanism has adopted a standard operating procedure for requesting annual and home leave, which has been communicated to staff. The Mechanism

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

1231. **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
Original target date:	Fourth quarter of 2021
Revised target date:	Fourth quarter of 2023

1232. Considering the staff turnover in a downsizing environment, and the additional challenges faced by the Human Resources Section during the global health crisis, resources were not available to implement this recommendation. The Mechanism will do so during the course of 2023.

1233. **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:	Closure requested
Priority:	High
Original target date:	Fourth quarter of 2020
Revised target date:	Not applicable

1234. The Mechanism has adopted a standard operating procedure for requesting annual and home leave, which has been communicated to staff. The Mechanism therefore considers this recommendation to have been implemented and requests its closure by the Board.

1235. **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
Original target date:	Fourth quarter of 2020
Revised target date:	Not applicable

1236. The Mechanism is maintaining supporting documentation regarding the selection of the most economical fare. The Mechanism therefore considers this recommendation to have been implemented and requests its closure by the Board.

1237. **In paragraph 138 of its report, the Board recommended that the Mechanism perform and keep a record of the disaster recovery exercise at least annually, incorporating the disaster recovery planning document and the lessons learned after the testing, and ensuring that this exercise includes the key employees involved in the recovery process, as established in the information and communications technical procedure on disaster recovery planning (SEC.08. PROC).**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Original target date:	First quarter of 2021
Revised target date:	Fourth quarter of 2022

1238. The complete replacement of the ICT infrastructure is pending the installation of two recently arrived storage nodes, which will be installed shortly. Once the infrastructure is completed, the Information Technology Services Section will perform the system disaster recovery. Meanwhile, the Service has already performed the data disaster recovery by recovering files deleted by end users.

Report of the Board for the year ended 31 December 2020[62]

1239. **In paragraph 44 of its report, the Board recommended that the Mechanism regularly remind programme managers and supervisors of the performance evaluation deadlines (e-performance or form P.333) to ensure that all staff members have a performance evaluation for each cycle or appointment.**

Department responsible:	Registry
Status:	Closure requested
Priority:	Medium
Original target date:	Not applicable
Revised target date:	Not applicable

1240. The Mechanism continues to send regular reminders to managers and supervisors to ensure compliance with the performance evaluation deadlines. Currently, the Mechanism has a 94 per cent compliance rate for the 2021–2022 performance evaluation cycle. The Mechanism therefore considers this recommendation to have been implemented and requests its closure by the Board.

1241. **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.**

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[62] A/76/5/Add.15, chap. II.

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Second quarter of 2023

1242. The Human Resources Section implemented a review of all staff official status files to ensure that the required education certificates for the appointed posts had been included and has completed that exercise for staff members at the Professional level and above. The review of General Service and Field Service staff files is ongoing.

1243. **In paragraph 59 of its report, the Board recommended that the Mechanism evaluate the future use of the letters of appointment module in Umoja and, if not viable, define a control measure for the updating and harmonization of the information contained in the current staff's letters of appointment in a centralized and accessible manner.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Original target date:	Fourth quarter of 2021
Revised target date:	Second quarter of 2023

1244. The letters generated automatically in Umoja state that the staff member is an employee of the United Nations Secretariat, which is not the case for Mechanism staff. To "fix" the problem, the Mechanism has contacted the Umoja help desk to explore possible solutions to that issue.

1245. **In paragraph 69 of its report, the Board recommended that the Mechanism take measures to improve the compliance of its staff with the policy guidance on alternate working arrangements and flexible working arrangements in the context of the COVID-19 pandemic, in order to reflect the working days of the staff, and keep this information updated in Umoja on a weekly basis.**

Department responsible:	Registry
Status:	Closure requested
Priority:	High
Original target date:	Fourth quarter of 2021
Revised target date:	Not applicable

1246. The Mechanism has implemented a return-to-work policy, with all flexible working arrangements in the context of COVID-19 being cancelled. The Mechanism therefore considers this recommendation to have been overtaken by events and requests its closure by the Board.

1247. **In paragraph 89 of its report, the Board recommended that the Mechanism streamline the process to fill the Chief Procurement Manager position in the short term.**

Department responsible:	Registry
Status:	Closure requested
Priority:	High
Original target date:	Fourth quarter of 2021
Revised target date:	Not applicable

1248. The Mechanism is currently employing a Chief Procurement Officer who is on loan from the United Nations Global Service Centre. The Mechanism therefore considers this recommendation to have been implemented and requests its closure by the Board.

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