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

Implementation of the recommendations of the Board of Auditors contained in its reports on the United Nations funds and programmes for the year ended 31 December 2023

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 (UN-Habitat), 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 of Auditors. In addition, the present report contains an updated status of the implementation of the recommendations of the Board relating to prior periods that were considered by the Board not to have been fully implemented.

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I. Introduction

1. The present report is submitted to the General Assembly in accordance with the provisions of paragraph 7 of its resolution [48/216 B](#), in which the Assembly requested the executive heads of the United Nations funds and programmes, at the same time as the recommendations of the Board of Auditors were submitted to the General 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 [78/242 A](#), in which the Assembly, in paragraph 8, reiterated its request to the Secretary-General and the executive heads of the funds and programmes of the United Nations to ensure full implementation of the recommendations of the Board and the related recommendations of the Advisory Committee in a prompt and timely manner, to continue to hold programme managers accountable for the non-implementation of recommendations and to effectively address the root causes of the problems highlighted by the Board. In paragraph 9, the Assembly reiterated its request to the Secretary-General to provide in his reports on the implementation of the recommendations of the Board a full explanation for the delays in the implementation of the recommendations of the Board, in particular those recommendations not yet fully implemented that were two or more years old; and, in paragraph 10, the Assembly also 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 2023¹

5. Table 1 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

¹ [A/79/5 \(Vol. III\)](#), chap. II.

Table 1
Status of implementation of the main recommendations

(Number of recommendations)

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

6. Table 2 summarizes the status of implementation of all recommendations of the Board as of August 2024.

Table 2
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division of Programme Support	7	–	–	7	7	–
Total	7	–	–	7	7	–

7. **In paragraph 18 of its report, the Board recommended that the International Trade Centre (ITC) capitalize the assets that were not capitalized in 2022 and 2023, with a total amount of \$49,907.37, based on the ITC accounting policy.**

Department responsible: Division of Programme Support
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

8. ITC will ensure that the accounting policies are adhered to and will capitalize the assets that were not previously capitalized by the end of 2024.

9. **In paragraph 25 of its report, the Board recommended that ITC introduce an approach to workforce planning and conduct an annual exercise in order to anticipate its workforce requirements and improve its strategic decision-making as part of its operational and budget planning.**

Department responsible: Division of Programme Support
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2025

10. Workforce planning will be one of the priorities of ITC from the fourth quarter of 2024 to the end of the third quarter of 2025. ITC has already begun work by

participating in the inter-agency community of practice on strategic workforce planning and conducting market research into the best tool to utilize.

11. In paragraph 31 of its report, the Board recommended that ITC adhere to the administrative instruction on low-value acquisitions and ensure the correct coding of items.

Department responsible: Division of Programme Support

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

12. ITC will update the administrative instruction on low-value acquisitions by the end of 2024 to be able to enforce compliance and ensure efficient project implementation.

13. In paragraph 36 of its report, the Board recommended that ITC strengthen the review of low-value acquisitions and ensure that if the estimated purchase amount is above \$10,000, the requirement shall be submitted for procurement action to the procurement services rather than split into multiple orders.

Department responsible: Division of Programme Support

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

14. ITC will continue to enhance its monitoring tools and ensure full adherence to its policy on low-value acquisitions through the training of managers and certifying officers. It will also review low-value acquisitions with a view to identifying and preventing any digression from related good practices.

15. In paragraph 43 of its report, the Board recommended that ITC strengthen the review of low-value acquisitions and make efforts to aggregate similar requirements and replace the use of low-value acquisitions with a contract or a blanket purchase order.

Department responsible: Division of Programme Support

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

16. ITC will reinforce the review of low-value acquisitions with a view to identifying recurrent requirements and aggregating similar requirements. In 2024, ITC has already implemented a few tenders that were launched for system contracts to avoid duplication of low-value acquisitions.

17. In paragraph 51 of its report, the Board recommended that ITC review the policy on consultants and individual contractors to align with the requirement of project management and to avoid unnecessary administrative costs.

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

18. ITC will review the current policy on consultants and individual contractors and assess the possibility of aligning the lengths of the consultants and individual contractors' contracts with the lengths of the relevant projects. It will also use the fixed-term limited contracts modality to align the workforce needed with the lengths and needs of the projects.

19. In paragraph 57 of its report, the Board recommended that ITC conduct a review of the initial contract period for consultants and individual contractors to analyse whether a minimum of six months is the optimal period to require advertisement, evaluating the advantages of and possible challenges to any change to the advertisement requirement.

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

20. ITC will review the current policy on consultants and individual contractors in its entirety, which will include the advertisement requirement, to assess whether it should be updated.

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

21. In the annex to its report for the year ended 31 December 2023 ([A/79/5 \(Vol. III\)](#), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the nine recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

22. Table 3 summarizes the overall situation as of August 2024.

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

(Number of recommendations)

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

Report of the Board for the year ended 31 December 2018²

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

<i>Department responsible:</i>	Division of Country Programmes
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Second quarter of 2020
<i>Revised target date:</i>	Fourth quarter of 2024

24. The grant template incorporates a standard provision requiring the grantee to provide all pertinent proof for release of payment, including a list of participants and other relevant supporting financial documentation. The ITC administrative instruction on grants is in the process of being reviewed to include a framework for reporting. The final provisions will be incorporated into the grant model as deemed necessary.

Report of the Board for the year ended 31 December 2019³

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

<i>Department responsible:</i>	Division of Programme Support
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2021
<i>Revised target date:</i>	Third quarter of 2025

26. ITC has always had an information and communications technology (ICT) policy and guiding documents, which, for example, enabled ITC to quickly adjust its operations to the coronavirus disease pandemic circumstances. ITC is now considering the United Nations system policy on the organizational resilience management system as a driver for developing other aspects of business continuity management guidance. The business continuity plan is being updated as recommended and will be completed by the third quarter of 2025.

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

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

³ A/75/5 (Vol. III), chap. II.

<i>Department responsible:</i>	Division of Country Programmes
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Fourth quarter of 2024

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

Report of the Board for the year ended 31 December 2020⁴

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

<i>Department responsible:</i>	Senior Management Committee
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2022
<i>Revised target date:</i>	Not applicable

30. The ITC 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. In addition, following the amendment by the United Nations Secretariat of its travel policy effective 1 July 2024, ITC amended its own travel policy to include disincentives for not complying with the advance ticket purchase policy (e.g. lower standard of accommodation and removal of the option of a ticket being issued by the organization). Given all the measures put in place, 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 2021⁵

31. 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.

⁴ A/76/5 (Vol. III), chap. II.

⁵ A/77/5 (Vol. III), chap. II.

<i>Department responsible:</i>	Division of Programme Support
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	First quarter of 2025

32. The performance management dashboards have been created and managers have access to the status of each phase of performance management. The measures taken to strengthen performance management include a mandatory goal for managers to establish key performance indicators and just-in-time training sessions on best practices at each stage of the performance management cycle. ITC will assess the results of these measures in the first quarter of 2025.

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

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

34. ITC has developed a country engagement and communication strategy, as well as guidelines for opening project offices, which will enable the organization to increase and enhance its physical field presence in a more strategic way. The ITC Senior Management Committee approved the new strategy during its retreat in 2024. 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 2022⁶

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

<i>Department responsible:</i>	Division of Programme Support
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2024

36. ITC is examining and reviewing, together with counterparts in the Department of Management Strategy, Policy and Compliance of the United Nations Secretariat,

⁶ A/78/5 (Vol. III), chap. II.

the best way to address the matter, including exploring the use of the United Nations online portal.

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

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

38. ITC will ensure that all new staff and personnel complete their mandatory training within six months of arrival. Mandatory training dashboards have been created to enable managers to monitor the status of mandatory training compliance of their team members. Furthermore, to strengthen the accountability of managers, a mandatory goal has been established for all managers in their e-performance documents to measure this key performance indicator.

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

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

40. ITC will review its policy on special post allowance to better align it with that of the United Nations Secretariat, and this will be completed by the end of 2024.

III. United Nations University

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2023⁷

41. Table 4 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

⁷ A/79/5 (Vol. IV), chap. II.

Table 4
Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Office of the Rector	2	–	–	2	2	–
Administration	3	–	1	2	2	–
Total	5	–	1	4	4	–

42. Table 5 summarizes the status of implementation of all recommendations of the Board as of August 2024.

Table 5
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Office of the Rector	3	–	–	3	3	–
Administration	9	–	3	6	6	–
Total	12	–	3	9	9	–

43. **In paragraph 33 of its report, the Board recommended that the United Nations University (UNU) ensure compliance with the Staff Regulations and Rules of the United Nations in terms of recruitment and personnel maintenance matters.**

Department responsible: Administration
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

44. UNU will further strengthen the compliance process on the usage of external agencies for outsourced contractors by developing internal guidelines by the end of 2024.

45. **In paragraph 34 of its report, the Board recommended that UNU restrict access to its systems to personnel in accordance with the specific tasks contained in their letter of appointment, direct contract, agreement and terms of reference with the individual and with the Staff Regulations and Rules of the United Nations.**

Department responsible: Administration
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

46. UNU will update the internal guidance on the access management rights to the Quantum enterprise resource planning system to define the appropriate profile for personnel recruited by external recruitment agencies.

47. In paragraph 46 of its report, the Board recommended that UNU define a medium- and long-term strategy to gradually achieve geographical representativeness, in line with the Charter of the United Nations, and define its geographical representation parameters, taking into consideration its specific characteristics.

Department responsible: Administration
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2025

48. UNU will develop a medium-to-long-term strategy, taking into consideration the University's characteristics, with elements similar to the geographical diversity strategy of the United Nations Secretariat.

49. In paragraph 57 of its report, the Board recommended that UNU identify and correct the differences observed in the information recorded relating to the projects under implementation and ensure proper alignment between financial and non-financial monitoring in their project management systems.

Department responsible: Office of the Rector
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2025

50. While UNU has resolved to replace Pelikan with an alternative project management system that is fully integrated with the Quantum enterprise resource planning system, the Office of the Rector will work to ensure manual alignment between Pelikan and Quantum in the interim. The process will involve requiring all project managers to enter the relevant Pelikan project identifier into the respective Quantum project entry and regularly monitor the progress of this alignment.

51. In paragraph 58 of its report, the Board recommended that UNU conduct a cost-benefit analysis of Pelikan and Quantum, with the aim of assessing their usefulness for project management and establishing a formal short-term action plan to address any gap that may arise, if applicable.

Department responsible: Office of the Rector
Status: Under implementation
Priority: High
Target date: Second quarter of 2025

52. UNU is transitioning away from the Pelikan project management system. A working group was established in early 2024 with members of the Office of the Rector and selected institutes to represent a cross section of project management system users to review third-party project management systems, including the Quantum Project

and Portfolio Management module. A timeline was established to complete the review and bring the recommendations for the new system to the attention of UNU management by the second quarter of 2025.

53. In paragraph 68 of its report, the Board recommended that UNU incorporate the cost-recovery or programme support cost parameter in the Quantum UNU budgetary control report to control the net available funds for implementing projects properly.

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

54. The UNU Quantum budgetary control report has been enhanced to include a column that reports the cost-recovery or programme support cost. UNU considers this recommendation to have been implemented and requests its closure by the Board.

55. In paragraph 79 of its report, the Board recommended that UNU strengthen the consultant process, specifically by efficiently planning the use of consultants for UNU tasks, mandating the formalization of contractual documentation established in the consultants' policy and ensuring that all deliverables agreed upon with the consultants are duly documented.

Department responsible: Administration
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2025

56. UNU will enhance compliance with the existing policy for improvement by the second quarter of 2025.

57. In paragraph 89 of its report, the Board recommended that UNU update and disseminate its project management guidelines to include the change to Quantum in its procedures and assurance activities, along with the methodology to be used.

Department responsible: Office of the Rector
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2025

58. The project management guidelines will be updated as soon as the new project management system is selected and implemented, which will be by the end of 2025.

59. In paragraph 96 of its report, the Board recommended that UNU implement controls that include the delegation of authority thresholds for approving procurement processes in Quantum.

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

60. The delegation of authority for approving procurement processes was performed outside of the Quantum enterprise resource planning system. Controls have been implemented within Quantum to ensure that only designated staff members can approve the purchase orders within delegated thresholds, including those related to procurement processes. UNU considers this recommendation to have been implemented and requests its closure by the Board.

61. In paragraph 97 of its report, the Board recommended that UNU reinforce staff's awareness regarding the delegation of authority requirements for the approval of procurement processes, the delegation of authority value limitations and the procedures to approve purchase orders above their established thresholds, as well as regarding raising awareness of the approver's roles and what procedure to follow in case Quantum fails to send the approval request to the correct staff.

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

62. UNU will remind offices of the procurement process and approval threshold on a quarterly basis. Training will be conducted for offices upon request.

63. In paragraph 98 of its report, the Board recommended that UNU incorporate a periodic monitoring control to detect and correct errors in purchase approval processes, focusing on the approvals and values.

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

64. UNU will monitor the value of approved purchase orders on a monthly basis and notify offices should any purchase orders be approved above the threshold of the delegated approver, in order that they take corrective actions.

65. In paragraph 110 of its report, the Board recommended that UNU reinforce the established protocols for the prompt transfer of excess funds to the main pool following policy guidelines, thereby minimizing the opportunity cost of uninvested funds.

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

66. UNU has organized training for its institutes, which has enabled them to assess and determine the opportunity cost of funds not invested in the cash pool. UNU considers this recommendation to have been implemented and requests its closure by the Board.

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

67. In the annex to its report for the year ended 31 December 2023 ([A/79/5 \(Vol. IV\)](#), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 14 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.

68. Table 6 summarizes the overall situation as of August 2024.

Table 6

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

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
United Nations University-Maastricht Economic and Social Research Institute on Innovation and Technology (UNU-MERIT)	4	–	–	4	4	–
Administration	10	–	3	7	7	–
Total	14	–	3	11	11	–

Report of the Board for the year ended 31 December 2021⁸

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

<i>Department responsible:</i>	Administration
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2025

⁸ [A/77/5 \(Vol. IV\)](#), chap. II.

70. UNU maintained the records of email exchanges on the 2023 census review exercise and will issue a report highlighting the review points and responses to document the review exercise performed in the next census data collection, which will take place by the end of 2025.

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.

<i>Department responsible:</i>	Administration
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2024

72. UNU will issue an updated guidance note to all its human resources focal points based on the Quantum Enterprise Resource Planning module, which will assist with the leave report monitoring process throughout the year. Owing to technical challenges during the Quantum system transition, the leave module reporting was not fully operational for tracking until the fourth quarter of 2023.

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

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

74. For any consultant contract that exceeds the 24-month period, an exceptional approval is required to be obtained before the contract is released. UNU will be tracking these approval and justification memorandums from the requesting units to be filed for monitoring and control purposes. The consultant contract modality has been extensively used in UNU owing to the business nature of the organization, which focuses on a variety of technical expertise required that does not exist within the normal workforce of the organization. Since UNU is a think tank, there is a need to engage with external experts for extended periods to complete research projects. Therefore, transitioning out all existing consultants' contracts requires more time as it involves due diligence of all contracts.

Report of the Board for the year ended 31 December 2022⁹

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

⁹ A/78/5 (Vol. IV), chap. II.

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

76. The recommendation has been implemented in 12 UNU institutes. There was only one institute with a single risk that had a miscalculated score. UNU will remind all institutes of the policy, with emphasis on adherence to the score scale.

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

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

78. The 2023 risk registers were a significant improvement on previous registers in identifying risk owners. However, more work will need to be done to ensure full adherence to the policy. UNU will also remind all risk focal points on the assignment of risk owners.

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

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

80. There was only one exception of a missing risk treatment plan involving a single risk, which has now been documented in the risk register of the relevant institute. UNU considers the continuation of controls already in place as an integral part of the risk treatment plan. Therefore, UNU considers this recommendation to have been implemented and requests its closure by the Board.

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

<i>Department responsible:</i>	Administration
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Not applicable

82. UNU has thoroughly reviewed all risk registers and has corrected all errors and inconsistencies in the risk management process. Therefore, UNU considers this recommendation to have been implemented and requests its closure by the Board.

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

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

84. The enterprise risk management issues were on the agenda item for the management group meetings but were not documented in the meeting minutes. UNU will further enhance documentation of management group meeting minutes to include the enterprise risk management discussions and review process.

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

<i>Department responsible:</i>	UNU-MERIT
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2024
<i>Revised target date:</i>	No change

86. The appointment of a joint interim director for both UNU-MERIT and Maastricht University took place in the second quarter of 2024. In July 2024, the UNU-MERIT International Advisory Board endorsed the draft plan for the new cooperation agreement. The first draft of the cooperation agreement is expected to be ready for discussion and subsequent approval as scheduled by the end of 2024.

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

<i>Department responsible:</i>	UNU-MERIT
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2024
<i>Revised target date:</i>	No change

88. The discussion on personnel guidelines is part of the larger discussion on revising the cooperation agreement between Maastricht University and UNU-MERIT, as indicated in the comments of UNU relating to the recommendation in paragraph 89 of the Board's report for the year ended 31 December 2022 (see para. 86 above).

89. In paragraph 105 of its report, the Board recommended that UNU-MERIT ensure that the procedures performed by the ICT unit are aligned with the UNU policies and standards.

<i>Department responsible:</i>	UNU-MERIT
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Not applicable
<i>Revised target date:</i>	Fourth quarter of 2024

90. An ICT service-level agreement has been signed, outlining the specific duties and corresponding financial costs associated with Maastricht University's provision of these services to UNU-MERIT. This service-level agreement now serves as a clear and formal framework that delineates the respective responsibilities and obligations of both parties, providing transparency and accountability in the provision of ICT services. The remaining ICT service that is managed by UNU is the web server, which will be shut down once the new UNU website is ready.

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

<i>Department responsible:</i>	Administration
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Not applicable

92. UNU sent a reminder to all institute focal points on the accruals accounting requirements and arranged online training for all UNU personnel to have a better understanding of those requirements. Therefore, UNU considers this recommendation to have been implemented and requests its closure by the Board.

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

<i>Department responsible:</i>	Administration
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Not applicable
<i>Revised target date:</i>	Fourth quarter of 2024

94. UNU is revising its standard operating procedures for voluntary contributions to incorporate the IPSAS-compliant accounting treatment for the impairment of contributions receivable, which will be completed by the end of 2024.

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

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

96. UNU-MERIT recognizes the importance of this recommendation and is committed to addressing it comprehensively. To ensure a robust and sustainable solution, UNU has decided that it will incorporate the control mechanism into the narrative of the new collaboration agreement between UNU-MERIT and Maastricht University. This new collaboration agreement is currently under development and is expected to be finalized by the end of 2024. Including this mechanism in the agreement will provide a formal and structured approach to managing and monitoring the activities provided by UNU-MERIT staff to Maastricht University, thereby preventing any future delays in revenue recording.

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 2023¹⁰

97. Table 7 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

¹⁰ A/79/5/Add.1, chap. II.

Table 7
Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Office of Financial Management	2	–	–	2	2	–
Bureau of External Relations and Advocacy	1	–	–	1	1	–
Executive Office	2	–	–	2	2	–
Bureau for Policy and Programme Support	3	–	–	3	3	–
Multiple offices	2	–	1	1	1	–
Total	10	–	1	9	9	–

98. Table 8 summarizes the status of implementation of all recommendations of the Board as of August 2024.

Table 8
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Office of Financial Management	4	–	–	4	4	–
Office of Information Management and Technology	2	–	–	2	2	–
Bureau of External Relations and Advocacy	1	–	–	1	1	–
Office of Budget, Performance and Compliance	2	–	1	1	1	–
Executive Office	5	–	–	5	5	–
Bureau for Policy and Programme Support	9	–	–	9	9	–
Multiple offices	7	–	1	6	6	–
Total	30	–	2	28	28	–

99. **In paragraph 37 of its report, the Board recommended that the United Nations Development Programme (UNDP) put in place appropriate measures to address the issue concerning the timely recognition of revenues, which may include a mandatory process providing that contribution agreements be signed after a formal endorsement by UNDP support services in order to avoid any significant cut-off error.**

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

Status: Under implementation

Priority: Medium

Target date: First quarter of 2025

100. UNDP agreed with the recommendation.

101. **In paragraph 44 of its report, the Board recommended that UNDP issue a procedure describing the standard process and controls in the event of a revenue reduction related to unbilled receivables.**

Department responsible: Office of Financial Management
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

102. UNDP agreed with the recommendation.

103. **In paragraph 52 of its report, the Board recommended that UNDP identify and resolve the operational challenges of offices to establish project budgets in a timely manner and address labour cost distributions in Quantum for staff expenses.**

Departments responsible: Office of Financial Management, Global Shared Service Centre and Office of Information Management and Technology
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2025

104. UNDP agreed with the recommendation.

105. **In paragraph 53 of its report, the Board recommended that UNDP further refine the periodic reconciliation of payroll transactions to the financial statements.**

Departments responsible: Office of Financial Management, Global Shared Service Centre and Office of Information Management and Technology
Status: Under implementation
Priority: High
Target date: Second quarter of 2025

106. UNDP agreed with the recommendation.

107. **In paragraph 54 of its report, the Board recommended that UNDP assess and align the Quantum Project and Portfolio Management module and the general ledger cost classifications reported in the financial statements.**

Departments responsible: Office of Financial Management, Office of Information Management and Technology and Global Shared Service Centre
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2025

108. UNDP agreed with the recommendation.

109. **In paragraph 61 of its report, the Board recommended that UNDP review and update its internal rules concerning its reserves.**

Department responsible: Office of Financial Management
Status: Under implementation
Priority: High
Target date: First quarter of 2025

110. UNDP agreed with the recommendation.

111. **In paragraph 89 of its report, the Board recommended that UNDP carry out a post-implementation review of rights and changes released in Quantum during the “hypercure” period.**

Department responsible: Office of Information Management and Technology
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

112. UNDP agreed with the recommendation.

113. **In paragraph 96 of its report, the Board recommended that UNDP perform and document a review of the “Oracle seeded roles”, “hypercure roles”, “batch roles” and “special approval roles” and include them as necessary into the segregation of duties matrix.**

Department responsible: Office of Information Management and Technology
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

114. UNDP agreed with the recommendation.

115. **In paragraph 142 of its report, the Board recommended that UNDP enhance, for the information of its Executive Board within its regular reporting cycle, the explanation of the differences between the projected contributions and expenditures and the actual contributions and expenditures of the relevant years, along with an indicative projection for the remaining years.**

Departments responsible: Office of Budget, Performance and Compliance and Office of Financial Management
Status: Closure requested
Priority: High
Target date: Not applicable

116. UNDP gave an update to its Executive Board during the presentation of the midterm review of the integrated resources plan and integrated budget, 2022–2025 (DP/2024/13) and the annexes thereto during the 2024 annual session. The report incorporated the explanation of the differences between the projected contributions and expenditures and the actual contributions and expenditures for the 2022–2023 period, along with an indicative projection for the remaining years of the strategic plan period. In its decision 2024/14, adopted on 7 June 2024, the Executive Board, inter alia, took note of the midterm review, and welcomed the strong UNDP performance in balancing the institutional budget and achieving efficiency, against the backdrop of the complex funding landscape, as well as the detailed overview of the allocation of regular resources and the comprehensive analysis of the impact of the current funding levels. UNDP considers this recommendation to have been implemented and requests its closure by the Board.

117. In paragraph 144 of its report, the Board recommended that UNDP further strengthen its guidance to clearly and precisely define the categories of programmatic and institutional expenditures, and the methods for calculating their totals.

<i>Departments responsible:</i>	Office of Financial Management and Office of Budget, Performance and Compliance
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2025

118. UNDP agreed with the recommendation.

119. In paragraph 165 of its report, the Board recommended that UNDP present, as part of its strategic plan for the period 2026–2029 and the related funding dialogue, based on a benchmark of other development institutions’ fundraising practices, operational proposals to move to a more integrated approach to fundraising, including adequate investment in fundraising capabilities to match the ambition.

<i>Department responsible:</i>	Bureau of External Relations and Advocacy
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Third quarter of 2025

120. UNDP agreed with the recommendation.

121. In paragraph 209 of its report, the Board recommended that UNDP further enhance guidance setting out for country offices the principles and rules governing budget preparation and execution.

<i>Departments responsible:</i>	Office of Budget, Performance and Compliance and Office of Financial Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2024

122. UNDP agreed with the recommendation.

123. In paragraph 211 of its report, the Board recommended that UNDP present to the Executive Board a simplification plan of core funding of programmatic activities, including alternate scenarios for determining formula-based allocations while assessing the potential development impact of each of these scenarios.

Department responsible: Executive Office
Status: Under implementation
Priority: High
Target date: Second quarter of 2025

124. UNDP agreed with the recommendation.

125. In paragraph 213 of its report, the Board recommended that UNDP assess the advantages and disadvantages of the new cost-based budgeting structure for business units and country offices.

Department responsible: Office of Budget, Performance and Compliance
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

126. UNDP agreed with the recommendation.

127. In paragraph 215 of its report, the Board recommended that UNDP clarify the rationale and the rules guiding the decisions on the amount of the final five-month allocation issued to business units.

Department responsible: Office of Financial Management
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

128. UNDP agreed with the recommendation.

129. In paragraph 231 of its report, the Board recommended that UNDP further enhance its communication to country offices regarding the integration of performance-related elements (e.g. linkages to the strategic plan and other corporate priorities) in the budget formulation process, consistent with leading practices for performance-based budgeting in the public sector. This should include, subject to resource availability, incentives aimed at further achieving development results.

Department responsible: Office of Budget, Performance and Compliance
Status: Closure requested
Priority: Medium
Target date: Not applicable

130. On 1 August 2024, UNDP issued its 2025 budget formulation guidance, which encourages business units to continue demonstrating alignment of their budget proposals with strategic objectives as set forth in the strategic plan, 2022–2025, in line with key principles of performance budgeting. Business units and country offices are encouraged to provide realistic estimates for key financial metrics expected to be generated in 2025, considering past successes and historical trends and latest on-the-ground intelligence, and are reminded that budget proposals will continue to be reviewed within the context of historical and planned performance across all key metrics, including programme delivery, non-core resource mobilization, institutional budget resource generation and institutional budget expenditure. UNDP considers this recommendation to have been implemented and requests its closure by the Board.

131. In paragraph 233 of its report, the Board recommended that UNDP improve the readability and comparability of financial reporting to the Executive Board.

Department responsible: Office of Financial Management
Status: Under implementation
Priority: High
Target date: Third quarter of 2025

132. UNDP agreed with the recommendation.

133. In paragraph 299 of its report, the Board recommended that UNDP define a strategy to improve the management of its field presence, including by: (a) reviewing the model of resource allocation to offices in net contributing and middle-income countries; (b) enhancing the cross-cutting functions of regional bureaux and hubs and multi-country offices; (c) making the most of its subnational field presence; and (d) ensuring that communication on local achievements becomes a priority.

Department responsible: Executive Office
Status: Under implementation
Priority: High
Target date: Second quarter of 2025

134. UNDP agreed with the recommendation.

135. In paragraph 353 of its report, the Board recommended that UNDP set up regular cross-cutting opportunities between the regional bureaux as well as between all field offices to ensure the sharing of experiences, best practices and management tools, in order to improve both the functioning and monitoring of performance of country offices and the oversight and support by regional bureaux and their hubs.

Department responsible: Executive Office
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2025

136. UNDP agreed with the recommendation.

137. In paragraph 355 of its report, the Board recommended that UNDP better monitor at the headquarters level the situation of country offices that are less financially sustainable and the measures taken by regional bureaux to support them.

Department responsible: Executive Office
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2025

138. UNDP agreed with the recommendation.

139. In paragraph 356 of its report, the Board recommended that UNDP schedule staffing and organizational reviews of a given country office at a useful time to feed into the review of the corresponding country programme document.

Department responsible: Executive Office
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2025

140. UNDP agreed with the recommendation.

141. In paragraph 398 of its report, the Board recommended that UNDP set out an in-depth reflection on climate for its next strategic plan and improve the follow-up, tagging and reporting on its achievements, including by: (a) providing specific guidance on what climate action in projects encompasses; (b) strengthening data quality through a mismatch correction system, notably through keyword analysis; and (c) enforcing the use of a “climate marker”.

Department responsible: Bureau for Policy and Programme Support
Status: Under implementation
Priority: High
Target date: First quarter of 2025

142. UNDP agreed with the recommendation.

143. In paragraph 399 of its report, the Board recommended that UNDP ensure effective visibility of its climate strategy at the country level and strengthen coordination of climate action across United Nations agencies, including through joint programmes.

Department responsible: Bureau for Policy and Programme Support
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

144. UNDP agreed with the recommendation.

145. In paragraph 402 of its report, the Board recommended that UNDP systematically include climate-related result indicators in climate-tagged projects and ensure that these indicators can be aggregated at the country, regional and global levels.

Department responsible: Bureau for Policy and Programme Support
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

146. UNDP agreed with the recommendation.

147. In paragraph 403 of its report, the Board recommended that UNDP consider the carbon footprint in the design and implementation of projects and include this information in the evaluation guidelines.

Department responsible: Bureau for Policy and Programme Support
Status: Under implementation
Priority: High
Target date: Second quarter of 2025

148. UNDP agreed with the recommendation.

149. In paragraph 428 of its report, the Board recommended that UNDP explore ways to supplement resources provided by the vertical funds to cover the costs of early programming, project design and extensions of climate projects.

Department responsible: Bureau for Policy and Programme Support
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

150. UNDP agreed with the recommendation.

151. In paragraph 431 of its report, the Board recommended that UNDP, before the adoption of the 2026–2029 strategic plan, assess the reconfiguration around climate hubs, including its operational consequences on the ownership and responsibility of projects.

Department responsible: Bureau for Policy and Programme Support
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2025

152. UNDP agreed with the recommendation.

153. **In paragraph 453 of its report, the Board recommended that UNDP strengthen its efforts in its sustainability strategy by: (a) moving towards the expansion of the internal initiative to indirect carbon emissions; and (b) ensuring that data collection is mainstreamed and its quality is better controlled.**

Department responsible: Bureau for Policy and Programme Support

Status: Under implementation

Priority: High

Target date: First quarter of 2025

154. UNDP agreed with the recommendation.

155. **In paragraph 455 of its report, the Board recommended that UNDP develop a portfolio-wide information system for monitoring implementation of the social and environmental standards and allowing for reliable reporting globally and on each standard, including at the project level.**

Department responsible: Bureau for Policy and Programme Support

Status: Under implementation

Priority: Medium

Target date: First quarter of 2025

156. UNDP agreed with the recommendation.

157. **In paragraph 456 of its report, the Board recommended that UNDP develop an action plan to increase awareness among beneficiaries and local communities on the social and environmental standards policy and the related grievance redress mechanisms.**

Department responsible: Bureau for Policy and Programme Support

Status: Under implementation

Priority: Medium

Target date: First quarter of 2025

158. UNDP agreed with the recommendation.

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

159. In the annex to its report for the year ended 31 December 2023 (A/79/5/Add.1, chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 10 recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

160. Table 9 summarizes the overall situation as of August 2024.

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

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Office of Procurement	2	–	1	1	1	–
Executive Office	2	–	–	2	2	–
Multiple offices	6	–	–	6	6	–
Total	10	–	1	9	9	–

Report of the Board for the year ended 31 December 2021¹¹

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

Department responsible: Office of Procurement

Status: Under implementation

Priority: High

Original target date: Second quarter of 2023

Revised target date: Fourth quarter of 2024

162. UNDP is finalizing the procurement action plan, which will be completed by the end of 2024.

163. **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: Office of Procurement

Status: Closure requested

Priority: High

Original target date: Second quarter of 2023

Revised target date: Not applicable

164. UNDP has developed six new sustainable procurement guides in 2023 and 2024, based on the identified risk categories and in response to the audit recommendation. UNDP has also identified four sustainable procurement guides on the United Nations Global Marketplace in 2024 as additional resources for the country offices. The guides have been shared with the country offices as knowledge articles in the UNall

¹¹ A/77/5/Add.1, chap. II.

platform, where they are easily accessible to all personnel. The sustainable procurement guides have been shared with the Board. UNDP considers this recommendation to have been implemented and requests its closure by the Board.

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

<i>Departments responsible:</i>	Global Shared Service Centre and Office of Information Management and Technology
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	First quarter of 2025

166. The employee benefits section of the UNDP risk and control matrix outlines the key risks and their associated controls for overtime processes. The automated overtime flow, due to be rolled out by December 2024 in Quantum, includes several control points, such as verifying whether staff members included a time break in their overtime submission, to further enhance controls over overtime. Country offices are periodically reminded by the Global Shared Service Centre to ensure that overtime requests are issued and processed in full compliance with the overtime policy.

Report of the Board for the year ended 31 December 2022¹²

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

<i>Departments responsible:</i>	Office of Financial Management and Bureau for Policy and Programme Support
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	First quarter of 2025

168. UNDP is reviewing the standard operating procedure to include specific requirements for differentiation between “write-down” and “write-off” and the corresponding accounting decision tree. The review process is expected to conclude by the end of the first quarter of 2025.

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

¹² A/78/5/Add.1, chap. II.

<i>Department responsible:</i>	Executive Office
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Second quarter of 2024
<i>Revised target date:</i>	Second quarter of 2025

170. UNDP has proactively provided the Board with comprehensive documents and data detailing reported efficiency gains for the periods 2019–2021 and 2022–2023. UNDP is committed to further transparency, accountability and operational efficiency and is actively working to compile additional documentation for 2024.

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

<i>Departments responsible:</i>	All regional bureaux
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Second quarter of 2024
<i>Revised target date:</i>	Second quarter of 2025

172. UNDP has coordinated its shared services efforts with the United Nations Sustainable Development Group entities at the global and country levels as part of the implementation of the United Nations Sustainable Development Group efficiency road map, which provides a medium-term strategy for enhancing the overall operational effectiveness, accountability and collaboration of the entities of the Group within the United Nations development system. As part of these efforts, UNDP leads two of the three common back offices, which were launched in Brazil and Viet Nam in May 2024. At the global level, the UNDP Global Shared Service Centre has extended human resources, payroll and benefits and entitlements services to other entities of the Group as part of its clustering initiative and contributed to targets under the efficiency road map.

173. In paragraph 191 of its report, the Board recommended that UNDP review existing risk management tools owned by UNDP in order to: (a) simplify the landscape in view of their added value, coherence and complementarity; (b) emphasize the particular risks linked to implementing partners; and (c) where these tools so require, engage with the Office of Audit and Investigations to ensure its exclusive positioning as the third line of defence.

<i>Departments responsible:</i>	Office of Budget, Performance and Compliance and Bureau for Policy and Programme Support
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2024
<i>Revised target date:</i>	No change

174. UNDP has fully implemented parts (a) and (b) of this recommendation, as confirmed by the Board's assessment and reflected in the audit report. The Office of Audit and Investigations will engage with the Board to clarify that its current role is exclusively the third line of defence in nature, which is in conformance with the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors. This was further confirmed by the independent external quality assessment review performed by the Institute of Internal Auditors on the Office of Audit and Investigations in December 2022.

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

<i>Departments responsible:</i>	Office of Budget, Performance and Compliance and Bureau for Policy and Programme Support
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2024
<i>Revised target date:</i>	No change

176. UNDP is working to introduce, by the end of 2024, the risk appetite levels into the programme and project risk registers to benchmark risks' significance against organizational risk appetite levels.

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

<i>Department responsible:</i>	Executive Office
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2024
<i>Revised target date:</i>	Second quarter of 2025

178. The Executive Board, in its decision 2024/13 (DP/2024/25), requested UNDP to assess its accountability framework against the updated 2023 Joint Inspection Unit reference accountability framework and to adjust it, as necessary, by the annual session in 2025. In order to effectively implement this decision, UNDP is reviewing all recommendations regarding changes to the accountability framework holistically,

and will make any needed changes in one update by the end of the second quarter of 2025.

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

<i>Departments responsible:</i>	Bureau for Policy and Programme Support and all regional bureaux
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Third quarter of 2024
<i>Revised target date:</i>	First quarter of 2025

180. The regional bureaux are strengthening their monitoring of all programmes and projects in line with the recommendations of the 2023 thematic audit by the Office of Audit and Investigations on project monitoring and oversight practices in UNDP. Their strong link with the Global Policy Centre for Governance is ensured through the Centre's project board, in which regional bureaux representatives play a key role in the identification of frontier governance issues that drive the Centre's agenda, as well as project governance.

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 2023¹³

181. Table 10 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

Table 10
Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Office of Finance and Management Services	4	–	–	4	4	–
Multiple offices	3	–	–	3	3	–
Total	7	–	–	7	7	–

182. Table 11 summarizes the status of implementation of all recommendations of the Board as of August 2024.

¹³ A/79/5/Add.2, chap II.

Table 11
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Office of Finance and Management Services	5	–	–	5	5	–
Multiple offices	4	–	–	4	4	–
Total	9	–	–	9	9	–

183. **In paragraph 27 of its report, the Board recommended that the United Nations Capital Development Fund (UNCDF) clarify the criteria to distinguish between grants and exchange transactions in cases where the recipient of the financial transaction is not the end beneficiary of the operation.**

Departments responsible: Directorate and Programme Management Support Unit

Status: Under implementation

Priority: High

Target date: Second quarter of 2025

184. UNCDF will further improve the clarification between grant and exchange transactions through its implementing partners.

185. **In paragraph 34 of its report, the Board recommended that UNCDF continue and refine the reconciliation of payroll transactions to the financial statements.**

Department responsible: Office of Finance and Management Services

Status: Under implementation

Priority: High

Target date: Second quarter of 2025

186. UNCDF has taken steps to perform payroll reconciliation on a regular basis.

187. **In paragraph 75 of its report, the Board recommended that UNCDF clearly define the scope of its institutional budget, detailing the provisional revenues, expenditures and staffing positions, and formally submit it to the Executive Board for approval, as required by the financial regulations and rules.**

Department responsible: Office of Finance and Management Services

Status: Under implementation

Priority: High

Target date: Third quarter of 2025

188. UNCDF will include the required details in its budget submission to the Executive Board. In line with article 13 of its financial regulations and rules, UNCDF

will submit the regular resources-funded portion of its institutional budget as part of the integrated resources plan and integrated budget. The other resources-funded portion of the institutional budget will be provided to the Executive Board for information.

189. In paragraph 76 of its report, the Board recommended that UNCDF adopt, at the Executive Secretary level, a budget planning process defining responsibilities and expected outputs, and set up proper communication and training for staff to ensure its successful implementation.

Department responsible: Office of Finance and Management Services
Status: Under implementation
Priority: High
Target date: Third quarter of 2025

190. UNCDF is taking steps to develop an operational standard on the budget planning process.

191. In paragraph 77 of its report, the Board recommended that UNCDF build up an informative “integrated budget”, including provisional revenues and expenditures for both institutional and programmatic components, and present regular updates to the Executive Board.

Department responsible: Office of Finance and Management Services
Status: Under implementation
Priority: High
Target date: Third quarter of 2025

192. UNCDF is taking action to implement this recommendation by the third quarter of 2025.

193. In paragraph 111 of its report, the Board recommended that UNCDF formally adopt, at the Executive Secretary level, a fundraising strategy and regularly update it to ensure the appropriate level, predictability and quality of resources necessary to sustain its business model and strategic objectives.

Departments responsible: Directorate and Partnerships, Policy and Communications Unit
Status: Under implementation
Priority: High
Target date: Second quarter of 2025

194. UNCDF is taking steps to develop a resource mobilization strategy to help the organization achieve its strategic objectives.

195. In paragraph 140 of its report, the Board recommended that UNCDF increase the operational usefulness of its integrated results and resources matrix by updating indicators more frequently and, where appropriate, reviewing the targets.

<i>Departments responsible:</i>	Directorate and Programme Management Support Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Third quarter of 2025

196. UNCDF is taking action to implement this recommendation by the third quarter of 2025.

197. In paragraph 141 of its report, the Board recommended that UNCDF assign the ownership of performance indicators, with results reported to the Executive Board and taken into account for the development of the subsequent budget.

<i>Departments responsible:</i>	Directorate and Programme Management Support Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2025

198. UNCDF will assign the ownership of performance indicators.

199. In paragraph 142 of its report, the Board recommended that UNCDF perform a cost-benefit analysis in order to obtain real-time information on the use of resources and on expenditures.

<i>Department responsible:</i>	Office of Finance and Management Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2025

200. UNCDF management is in discussion with the information technology team on possible solutions.

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

201. In the annex to its report for the year ended 31 December 2023 ([A/79/5/Add.2](#), chap. II), the Board provided a summary of the status of implementation of recommendations for the previous financial period. As confirmed in the assessment by the Board, UNCDF had implemented all eight of the recommendations that were outstanding from the previous 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 2023¹⁴

202. Table 12 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

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

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division of Financial and Administrative Management	5	–	2	3	3	–
Division of Data, Analytics, Planning and Monitoring	3	–	1	2	2	–
Total	8	–	3	5	5	–

203. Table 13 summarizes the status of implementation of all recommendations of the Board as of August 2024.

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

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division of Financial and Administrative Management	9	–	2	7	7	–
Division of Data, Analytics, Planning and Monitoring	3	–	1	2	2	–
Division of Human Resources	1	–	–	1	1	–
Office of Emergency Programmes	1	–	–	1	1	–
Global Shared Service Centre	4	–	1	3	3	–
Information and Communications Technology Division	2	–	–	2	2	–
Public Partnerships Division	1	–	–	1	1	–
Sri Lanka country office	1	–	1	–	–	–
Total	22	–	5	17	17	–

204. **In paragraph 25 of its report, the Board recommended that the United Nations Children's Fund (UNICEF) address in a swift manner the long-standing grants with amounts available with negative balances that have been identified by reviewing the underlying transactions and making the necessary adjustments.**

¹⁴ A/79/5/Add.3, chap. II.

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

205. UNICEF has improved its system controls to minimize the possibility of negative balances. For the negative balances that remain, UNICEF will increase the frequency of its review, from annual to biannual, in order to ensure that the necessary corrective actions are taken without delay. The negative balances referred to in the Board's report have been corrected. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

206. In paragraph 26 of its report, the Board recommended that UNICEF implement a monitoring process at headquarters to ensure that negative budget amounts associated with financially closed grants are systematically reviewed and promptly cleared to verify that they have not experienced significant post-closing variations.

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

207. UNICEF refers to its comments in paragraph 205 above relating to the recommendation in paragraph 25 of the Board's report for the year ended 31 December 2023. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

208. In paragraph 36 of its report, the Board recommended that UNICEF update its budget policy and related guidelines to reflect eligibility for the 7 per cent set-aside allocation, the maximum percentage of distribution allowed between offices and possible duly justified exceptions.

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

209. UNICEF is revising the 7 per cent set-aside guidance and is also revisiting the simplified approach of issuing one 7 per cent set-aside grant number per year for each decision memorandum in order to clearly outline justified exceptional cases to prevent unauthorized funds from being allocated to programmes.

210. In paragraph 37 of its report, the Board recommended that UNICEF allocate the 7 per cent set-aside grants resources in accordance with the

applicable policy to prevent unauthorized categories of expenses from being allocated to the set-aside.

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

211. UNICEF will allocate the 7 per cent set-aside grants resources in accordance with the updated applicable policy to prevent unauthorized categories of expenses from being allocated to the set-aside.

212. In paragraph 47 of its report, the Board recommended that UNICEF strengthen the global monitoring system to track the recognition of voluntary contributions, in order to ensure their timely registration.

<i>Department responsible:</i>	Public Partnerships Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2025

213. UNICEF is in the process of replacing the Service Gateway system with a Sales Force platform in order to integrate grants management with its enterprise resource planning system, VISION, and funding pipeline to streamline and simplify the set-up of grants globally for the stakeholder offices and at all levels.

214. In paragraph 56 of its report, the Board recommended that UNICEF establish comprehensive guidelines within the Junior Professional Officer procedure, setting out criteria for determining the appropriate percentage for administrative charges.

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

215. UNICEF is currently updating its procedure for Junior Professional Officers to clarify instances and criteria for determining the percentage for administrative charges. The cost recovery rates of 14 per cent for full-service agreements and 12 per cent for partial-service agreements are mutually agreed upon with the donors from the onset, as each donor agreement reflects the appropriate administrative charge. These guidelines on the Junior Professional Officer administrative charges will be clearly stated in the updated procedure, which is expected to be completed by the fourth quarter of 2024.

216. In paragraph 74 of its report, the Board recommended that UNICEF remove from the eTools system the “All other roles” category, which is a legacy from past years and should no longer be assigned to users.

<i>Department responsible:</i>	Division of Data, Analytics, Planning and Monitoring
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2024

217. UNICEF is implementing a process to remove the “All other roles” category, which is a legacy role with no effect on or risk to the current role assignment. The removal is expected to be completed by the end of 2024.

218. In paragraph 75 of its report, the Board recommended that UNICEF ensure proper segregation of duties for high-priority action points resulting from spot checks and special audits within the eTools platform.

<i>Department responsible:</i>	Division of Data, Analytics, Planning and Monitoring
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Target date:</i>	Not applicable

219. UNICEF has introduced a new control to ensure the segregation of duties for high-priority action points in the eTools platform. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

220. In paragraph 76 of its report, the Board recommended that UNICEF leverage its digital tools for the planning and scheduling of the minimum assurance requirements set out in the UNICEF policies/guidelines and facilitate a balanced caseload throughout the year.

<i>Department responsible:</i>	Division of Data, Analytics, Planning and Monitoring
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2025

221. UNICEF recognizes that determining minimum assurance requirements is an automated process and is considering the possibility of automating the scheduling of assurance activities as part of the ongoing enhancement of digital processes.

222. In paragraph 83 of its report, the Board recommended that UNICEF evaluate positions vacant for over 24 months on a yearly basis, identifying those that are not necessary and abolishing them if applicable, and adjusting to the current entity staffing needs to ensure effective and efficient position management of UNICEF resources.

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

223. UNICEF is reviewing all positions that have been vacant for an extended period of time to determine whether there is a continuing need for them. This review is expected to be concluded by the end of 2024.

224. In paragraph 92 of its report, the Board recommended that the UNICEF Global Shared Service Centre ensure, as part of its regular monitoring, that overtime payment requests are reviewed to prevent payment of inappropriate or late claims.

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

225. In addition to the existing controls and to minimize the risk of errors in the processing of overtime payments, the Global Shared Service Centre has implemented the following automated controls in the VISION system: (a) staff members and their supervisors can no longer administer the overtime-related entries beyond a period of 12 months; (b) in accordance with the retroactivity of payments and the recovery of overpayments, the Global Shared Service Centre has restricted the overtime entries so that they do not go beyond a period of 24 months and can only be administered by authorized staff; and (c) overtime entries are permitted only for staff members in the General Service category. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

226. In paragraph 105 of its report, the Board recommended that the UNICEF Global Shared Service Centre, with the collaboration of the UNICEF Division of Human Resources, incorporate the different categories of personnel records, including essential and non-essential documents, into the personnel file procedure and communicate it globally.

<i>Department responsible:</i>	Global Shared Service Centre
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2024

227. To ensure the effective and efficient storage and usage of digitized systems, UNICEF has made significant progress in reviewing its existing inventory of all documents and has identified the key and essential and non-essential documents to be stored. These documents will be incorporated into the personnel file procedure and communicated to all staff by the end of 2024.

228. **In paragraph 106 of its report, the Board recommended that the UNICEF Global Shared Service Centre, with the collaboration of the UNICEF Information and Communications Technology Division, establish a control report with staff responsible for monitoring the proper flow of documents across all record categories.**

Department responsible: Global Shared Service Centre
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

229. UNICEF stores its records with digital document management tools, such as the electronic official status file, Service Gateway and the Talent Management System. To have better control and visibility of various documents stored within each of the systems, the Global Shared Service Centre and the Information and Communications Technology Division have commenced a review process to identify and establish the required reports and to determine the date by which the reports can be established and made available to the users.

230. **In paragraph 115 of its report, the Board recommended that UNICEF review the information related to repatriation weeks granted to staff members in the active census data, to ensure that repatriation weeks are granted to those who have completed the minimum five years of qualifying service with UNICEF.**

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

231. UNICEF is undertaking further actions to review the active census data in the VISION system with respect to repatriation weeks attributed to staff members, and all actions and inconsistencies will be considered and reconfigured to ensure that appropriate repatriation weeks are assigned to staff.

232. **In paragraph 129 of its report, the Board recommended that UNICEF revise and update its procedure on property, equipment and leases by providing a precise definition of the term “custodian”, along with the role. The procedure shall specify the asset classes for which custodianship is mandatory and the reasons for which it is not, including indications regarding who is responsible for their security in such cases.**

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

233. UNICEF has commenced the update of the procedure on property, equipment and leases to provide a precise definition of the term “custodian”, along with the roles and the asset classes for which the custodian assignment is mandatory. The update will also provide justifications on why certain asset classes cannot be mandatory.

234. In paragraph 130 of its report, the Board recommended that UNICEF update the mAsset application to make the custodian field compulsory when it applies to the asset class defined in the updated procedure, in order to achieve consistency with the procedure.

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: Medium

Target date: Third quarter of 2025

235. UNICEF will update the mAsset application to make the custodian field mandatory for the respective asset class and provide justifications on why certain asset classes are not mandatory, in compliance with the updated procedure.

236. In paragraph 131 of its report, the Board recommended that UNICEF keep its records up to date with regard to the room and custodian, as required by the procedure.

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: Medium

Target date: Third quarter of 2025

237. UNICEF updates the locations and custodians during the annual asset counts. UNICEF has also communicated the custodian and location requirements to users during the 2024 asset count webinars and instructions. UNICEF will undertake a quality review of the custodian and location field sections in the mAsset application following the completion of the annual asset count to keep the records up to date, as required by the procedure.

238. In paragraph 140 of its report, the Board recommended that UNICEF review the responsibilities assigned to the Office of Internal Audit and Investigations and the Evaluation Office for monitoring compliance with emergency procedures and update the emergency procedures accordingly.

Department responsible: Office of Emergency Programmes

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

239. UNICEF has started the process of updating its emergency procedures and will ensure that responsibilities are appropriately assigned.

240. **In paragraph 150 of its report, the Board recommended that the UNICEF Sri Lanka country office ensure compliance with the terms of reference of the Emergency Management Team, particularly by documenting the frequency and content of meetings and the follow-up actions as well as decisions related to activation or deactivation.**

Department responsible: Sri Lanka country office
Status: Closure requested
Priority: Medium
Target date: Not applicable

241. The Sri Lanka country office has ensured compliance with the terms of reference of the Emergency Management Team. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

242. **In paragraph 159 of its report, the Board recommended that the UNICEF Global Shared Service Centre, in collaboration with the UNICEF Division of Financial and Administrative Management, implement more stringent criteria in its policy for the assignment of local focal point and local focal point releaser, by, at minimum, specifying the optimal positions required for these roles, and ensure that the staff currently assigned to those roles meet the established criteria.**

Department responsible: Global Shared Service Centre
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

243. The minimum criteria have been agreed with the Division of Financial and Administrative Management. The issuance of a global broadcast message and global cleansing of roles is under way, and there is direct engagement with offices regarding the future role allocation within the parameters of set criteria.

244. **In paragraph 170 of its report, the Board recommended that UNICEF standardize the documentation and that the change process be consistently followed for change management in VISION.**

Department responsible: Information and Communications Technology Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

245. The Information and Communications Technology Division manages changes by means of sign-offs from the Division and business owners. The implementation of this recommendation is on course as internal communication on the need for consistent documentation has been completed and standard templates are being designed and are expected to be implemented by the end of 2024.

246. In paragraph 171 of its report, the Board recommended that UNICEF document the VISION client opening process formally, in order to clearly define the reasons and the specific actions to be taken during the opening process.

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

247. The implementation of this recommendation is ongoing as the process document is under development and formal communication to business owners will be initiated soon.

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

248. In the annex to its report for the year ended 31 December 2023 (A/79/5/Add.3, chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the nine recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

249. Table 14 summarizes the overall situation as of August 2024.

Table 14

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

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division of Financial and Administrative Management	3	–	–	3	3	–
Division of Data, Analytics, Planning and Monitoring	2	–	–	2	2	–
Office of the Executive Director	3	–	–	3	3	–
Supply Division	1	–	–	1	1	–
Total	9	–	–	9	9	–

Report of the Board for the year ended 31 December 2022¹⁵

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

¹⁵ A/78/5/Add.3, chap. II.

<i>Department responsible:</i>	Division of Data, Analytics, Planning and Monitoring
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2024

251. The maintenance of supporting documents for closed high-priority action points has improved since the issuance of the audit recommendation. Country offices are maintaining documents either in the Financial Assurance Module of eTools or in SharePoint. The programme implementation handbook is being updated to emphasize the need to maintain supporting documents. Also, system enhancement is in progress to facilitate the upload of supporting documents directly into the Action Points Module of the eTools system.

252. In paragraph 45 of its report, the Board recommended that UNICEF take measures to reduce the gaps between the time the expenditures are reported by the implementing partners and the spot checks are performed by the organization to ensure the effectiveness of this assurance activity.

<i>Department responsible:</i>	Division of Data, Analytics, Planning and Monitoring
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Second quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2024

253. UNICEF country offices have been instructed to closely monitor and reduce the gaps between the time the expenditures are reported by the implementing partners and spot checks are performed by UNICEF. On the basis of the root cause analysis conducted, this issue was not considered as a significant risk or weakness. Nonetheless, there are ongoing system enhancements on date validations and visualization of expenditures in the reporting period of spot checks and audits. Country offices are also monitoring the implementation of the assurance plan through the corporate key performance indicators, which are set in the system (InSight).

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

<i>Department responsible:</i>	Office of the Executive Director
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	First quarter of 2025

255. The UNICEF compendium, which was finalized in August 2023, complements the report of the accountability system and clearly outlines the responsibilities of the Chief Risk Officer and the overall functions of the Senior Management Risk Committee and other offices, including the Legal Office, the Evaluation Office and the Ethics Office. The detailed update to the enterprise risk management policy regarding the roles and responsibilities of the Executive Board and the other offices mentioned above is on course and is expected to be completed by the first quarter of 2025.

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

Department responsible: Office of the Executive Director

Status: Under implementation

Priority: Medium

Original target date: Second quarter of 2024

Revised target date: First quarter of 2025

257. The enterprise risk management policy that stipulated that risk reports be submitted to the Global Management Team is outdated. Submission of risk reports to the Senior Management Risk Committee and the Executive Board instead of to the Global Management Team is a requirement in the updated enterprise risk management policy, which is expected to be finalized by the first quarter of 2025.

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

Department responsible: Office of the Executive Director

Status: Under implementation

Priority: Medium

Original target date: Second quarter of 2024

Revised target date: Fourth quarter of 2024

259. UNICEF has developed an initial risk appetite statement, which has been discussed and endorsed by the Senior Management Risk Committee. It will be communicated and shared with all staff by the end of 2024.

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

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	First quarter of 2025

261. As this is a complex area, UNICEF has engaged in an extensive consultative process leading up to the revision of the post management procedure. This process is nearly complete, and UNICEF will finalize the updates to the policy and management procedures and associated system changes by the first quarter of 2025.

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

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	First quarter of 2025

263. UNICEF has made significant progress in finalizing requirements pertaining to all functional areas impacted by system changes in payroll funding using the standard cost methodology. UNICEF has therefore assigned resources to the development of key functionalities as a result of the complexity of the project and interdependencies. The key functionalities developed together with dashboards and reports would assist offices in monitoring their payroll funding status, and the implementation will take effect beginning in the first quarter of 2025.

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

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	First quarter of 2025

265. UNICEF has made significant progress in making additional changes to the current methodology to further simplify the charge-back process and improve its transparency and fairness. The implementation will take effect beginning in the first quarter of 2025.

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

<i>Department responsible:</i>	Supply Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2024

267. UNICEF is finalizing a procedure that documents the actions aimed at preventing the risk of inactive procurement services partner balances occurring. The procedure also details the steps to be taken if inactive partner balances start ageing. Prior to the finalization of the procedure, UNICEF continues to have strong controls, to undertake thorough analysis and to take appropriate action on inactive partner balances, which have been reduced by \$6.6 million in 2023. Discussions on the new procedure have taken time because UNICEF needs to carefully consider: (a) the different categories of inactive partner balances; (b) the different approaches to reach out to partners; and (c) the different approaches to conduct the consultation process, due to the underlying legal agreements.

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 2023¹⁶

268. Table 15 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

Table 15
Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Department of Finance	1	–	–	1	1	–
Department of Human Resources	1	–	–	1	1	–
Department of Relief and Social Services	1	–	–	1	1	–
Microfinance Department	2	–	–	2	2	–
Total	5	–	–	5	5	–

269. Table 16 summarizes the status of implementation of all recommendations of the Board as of August 2024.

¹⁶ A/79/5/Add.4, chap. II.

Table 16
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Department of External Relations and Communications	1	–	–	1	1	–
Department of Finance	3	–	1	2	2	–
Central Support Services Division	1	–	–	1	1	–
Department of Human Resources	3	–	–	3	3	–
Department of Relief and Social Services	3	–	1	2	2	–
Department of Health	1	–	–	1	1	–
Department of Digital Impact, Technology and Innovation	1	–	–	1	1	–
Microfinance Department	4	–	–	4	4	–
Total	17	–	2	15	15	–

270. **In paragraph 33 of its report, the Board recommended that the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) continue to take active measures to improve the implementation of the key indicators in the Resource Mobilization and Outreach Strategy by strengthening its capacity to mobilize resources in areas with proven return on investments, such as private sector partnerships.**

Department responsible: Department of External Relations and Communications

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

271. UNRWA is executing a robust growth strategy for private sector fundraising, building on the positive trajectory of the past few years. UNRWA remains committed to diversifying its funding base, with a particular emphasis on engaging lapsed and first-time donors. UNRWA is actively exploring new approaches and prioritizing advocacy for unearmarked, flexible and predictable funding commitments with both traditional and new partners, to attract a larger pool of donors. The promotion of the “single budget” model remains a key focus, allowing for flexible funding in 2024 and beyond, which is expected to help to smooth cash-flow bottlenecks and enable better financial management. UNRWA is also expanding its social media activity and maintaining its strong presence in global and top-tier media. Additionally, UNRWA is making progress in engaging with parliamentarians, think tanks, academia and civil society.

272. **In paragraph 41 of its report, the Board recommended that UNRWA normalize the use of daily paid workers and minimize the variance between the actual costs and the budget for daily paid workers.**

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

273. UNRWA has already put in place corrective measures, and new provisions have been included in the 2024 budget guidelines to restrain expenses for daily paid workers, allowing their use only in a more controlled fashion. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

274. In paragraph 47 of its report, the Board recommended that UNRWA take effective measures to strengthen the monitoring and approval process for redeployment between the budget line items of staff cost and non-staff cost in accordance with the provision of the budget guide.

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

275. Controls and monitoring over the redeployments between different budget categories have been established, and the Budget Division in the Department of Finance has been monitoring this closely. A guidance email cautioning finance teams on the need for approvals before redeployment was shared to strengthen compliance, and this was further emphasized in the 2024 budget and planning instructions and the 2024 budget implementation guidelines. In addition, a new budget document type was established in the system to streamline the approval process by the Budget Division at headquarters. Finally, the process of quarterly expenditure review has been automated to provide greater insight and transparency in the analysis of data and transactions. Compliance is monitored through this process as redeployments are detected and the implementation of budget instructions is reviewed so that remedial actions can be taken where required. UNRWA will discuss the actions that have been taken with the Board during its upcoming audit visit.

276. In paragraph 57 of its report, the Board recommended that UNRWA conduct a thorough field inspection of property, plant and equipment in Gaza when conditions are suitable, and adjust impairment loss if needed based on the results of the inspection.

<i>Department responsible:</i>	Department of Finance
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2025

277. The Department of Infrastructure and Camp Improvement programme in Gaza is working on the rapid assessment survey at both the premises and building levels, which will be completed in two and six months, respectively. Furthermore, the Department of Finance will conduct a comprehensive survey at the year-end based on

the UNRWA guiding policies and the applicable IPSAS. The Department of Finance will also review and adjust impairment loss accordingly.

278. In paragraph 64 of its report, the Board recommended that UNRWA extract slow-moving reports on a regular basis showing all slow-moving items, so as to facilitate the use of dormant stocks and the disposal of surplus stocks.

Department responsible: Central Support Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

279. The slow-moving stock report has been added to the monthly key performance indicators of the units in charge of inventory management. In addition, the information technology team has been requested to add a new enhancement to the enterprise resource planning system to allow the use of a customized report to ease the extraction of these data for warehouse managers. The implementation of this request is currently at the stage of testing with the technical team.

280. In paragraph 72 of its report, the Board recommended that UNRWA make efforts to increase proactive communication and publicity and expedite the payments of death benefit.

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

281. UNRWA has commenced a communications process with personnel in Gaza to inform them and their families of the appropriate mechanism to request the benefits. From a finance perspective, funds have already been committed and made available and death benefits will be paid out as soon as all the procedures with the heirs are finalized.

282. In paragraph 79 of its report, the Board recommended that UNRWA gradually reduce the number of the existing fixed-term staff members funded by extrabudgetary resources in accordance with its applicable policies and the availability of funds.

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

283. UNRWA is coordinating internally to control the number of existing fixed-term staff members whose funding is provided from extrabudgetary resources and to ensure the availability of funds for those staff members. To this effect, the Department of Human Resources will work closely with the Department of Finance to issue guidance to the field offices to continue to reduce the number of fixed-term posts against extrabudgetary funding when appropriate funding sources are available.

284. **In paragraph 86 of its report, the Board recommended that UNRWA assess the purpose of individual service providers, sign all contracts based on deliverables and revise the titles to avoid individual service providers being engaged in functions that should be performed by regular staff.**

Department responsible: Department of Human Resources

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

285. UNRWA is in the process of developing a new contractual modality that will eliminate the current individual service provider modality and will be fully based on deliverables.

286. **In paragraph 94 of its report, the Board recommended that UNRWA balance the social safety net programme budget and the huge demand for assistance, adopt the new programme targeting criteria and conduct mandatory re-studies of all programme cases to free up more slots and reduce the waiting lists within the current programme budget ceilings.**

Department responsible: Department of Relief and Social Services

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2025

287. The Department of Relief and Social Services has put in place a compliance monitoring framework and is in continuous conversation with field offices through monthly meetings to ensure that provisions of the relief services instructions are being adhered to. The Department is reviewing target criteria and introducing digital identity verification, which will enhance efficiency and create room for deserving beneficiaries to be included in the social safety net programme.

288. **In paragraph 102 of its report, the Board recommended that UNRWA strengthen cross-checking among the social safety net programme distribution list, application list and re-study list to ensure that the six-month interval for reapplication is complied with and the beneficiaries meet eligibility requirements.**

Department responsible: Department of Relief and Social Services

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2025

289. The new relief services instructions compliance monitoring framework will be used to ensure compliance with provisions of the relief services instructions, such as those on reapplication, appeals against decisions and payments management. Using the compliance framework, all field offices will be made to abide by the relief services instruction. The Department of Relief and Social Services has embarked on an external evaluation of the relief services programme, whose recommendations will

shape how the social safety net programme will be designed and implemented, including issues of targeting, re-studies of beneficiaries and all other design and implementation parameters.

290. In paragraph 110 of its report, the Board recommended that UNRWA take measures to conduct in-depth self-checks of cash assistance payments and strengthen the control procedures embedded in the refugee registration information system.

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

291. The Department of Relief and Social Services, together with the Department of Digital Impact, Technology and Innovation, took measures to deal with the system bug that caused cases of duplicate payments in the West Bank field office. The Department of Digital Impact, Technology and Innovation was alerted and the matter was resolved technically in the refugee registration information system. To ensure that there is no recurrence of any duplicate payments, the Department of Relief and Social Services has set up a system of quarterly quality checks, which is being implemented in all field offices to ensure that all distribution lists are checked for duplicate cases before payments are made to the beneficiaries. Since the previous audit, no more cases of duplicate payments have been observed. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

292. In paragraph 117 of its report, the Board recommended that UNRWA re-evaluate the list of tracer items for both original and alternative and the methodology for calculating stock shortages across all fields, and enhance coordination with procurement or logistics teams to optimize the effectiveness and efficiency of the supply of medicines to the health centres.

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

293. UNRWA is launching competitive procurement processes to establish new long-term agreements. The Department of Health has started working on the review and standardization of the calculation methodology for stock shortages and on the list of items that will be considered in this calculation.

294. In paragraph 123 of its report, the Board recommended that UNRWA conduct a review of the Digital Transformation Strategy and update and improve the relevant objectives of each pillar for more effective implementation.

<i>Department responsible:</i>	Department of Digital Impact, Technology and Innovation
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2025

295. UNRWA has started a review of the status of the implementation of the Digital Transformation Strategy (2022–2026) to improve its effectiveness.

296. In paragraph 131 of its report, the Board recommended that UNRWA take further actions to gradually decrease portfolio at risk for the Microfinance Department in the West Bank field office by assessing the potential risks of the operating environment on a regular basis and developing contingency plans to mitigate adverse effects of unexpected events on loan portfolio risks.

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

297. Best practice measures are being applied by the Microfinance Department in the West Bank field office to decrease the portfolio at risk by adopting efficient follow-up procedures with late payment clients and strict measures in the loan disbursement process.

298. In paragraph 132 of its report, the Board recommended that UNRWA collaborate closely with stakeholders to solve the legal issue with the Jordan Credit Bureau, and take further measures to mitigate credit risks for the Microfinance Department in the Jordan field office, such as more prudent lending practices, and timely remedial actions in cases of late loan repayments.

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

299. The Microfinance Department in the Jordan field office is following the agreement with the Jordan Credit Bureau to mitigate credit risk in the lending process, applying efficient follow-up procedures and strengthening the loan disbursement process.

300. In paragraph 138 of its report, the Board recommended that UNRWA work towards strengthening compliance with the Microfinance Department operational manual and expedite the loan approval process.

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

301. The Microfinance Department developed the procedures for the loan approval process period and instructed all operations teams to strictly follow the procedure of obtaining clients' documentation and inquiring about clients' reputation to improve the efficiency of the loan disbursement cycle.

302. In paragraph 148 of its report, the Board recommended that UNRWA enhance control over the entry of collateral information in the loan information management system and the utilization of guarantors for disbursed loans to comply with the Microfinance Department operational manuals.

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

303. The Microfinance Department issued instructions to the field office in the Syrian Arab Republic to follow the approved procedures in obtaining compulsory guarantors for certain loans and instructed data entry staff to exercise sufficient care during the data entry process, which was subject to review and checking before system validation. The Department conducted training sessions on data entry for support staff to enhance controls on loan application information in the loan information management system. The actions taken by UNRWA will be reviewed by the Board during its forthcoming audit.

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

304. In annex I to its report for the year ended 31 December 2023 ([A/79/5/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 10 recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in annex I.

305. Table 17 summarizes the overall situation as of August 2024.

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

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Department of Planning	4	–	–	4	4	–
Department of Human Resources	2	–	–	2	2	–
Department of Relief and Social Services	1	–	–	1	1	–
Department of Education	1	–	–	1	1	–
Multiple offices	2	–	–	2	2	–
Total	10	–	–	10	10	–

Report of the Board for the year ended 31 December 2019¹⁷

306. **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.**

Departments responsible: Department of Digital Impact, Technology and Innovation and Department of Relief and Social Services

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2020

Revised target date: Second quarter of 2025

307. In the past six months, the UNRWA approach and policy on the storage and disposal of hard copies has drastically changed. In recent months, the Department of Digital Impact, Technology and Innovation has initiated recruitment for a Data Officer, who will be responsible for the broader information management framework and policy. The Department of Relief and Social Services has also initiated the process to recruit an Archivist. The Department of Digital Impact, Technology and Innovation has also created a new high-level governance group that is focused on ensuring effective data management throughout the Agency. In view of the above-mentioned significant changes, there has been a restructuring of the approach, including the development and revision of relevant policies and technical instructions.

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

¹⁷ A/75/5/Add.4, chap. II.

<i>Departments responsible:</i>	Department of Digital Impact, Technology and Innovation and Department of Relief and Social Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Second quarter of 2025

309. UNRWA refers to its comments in paragraph 307 above relating to the recommendation in paragraph 201 of the Board's report for the year ended 31 December 2019.

Report of the Board for the year ended 31 December 2020¹⁸

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

<i>Department responsible:</i>	Department of Planning
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2024

311. The development of the emergency response handbook continues to be on hold owing to capacity deficits in the Department of Planning and the prioritization of immediate response actions pertaining to the humanitarian crisis in Gaza and potential regional spillover. To complete the emergency response handbook, the Department of Planning has developed an emergency preparedness-focused project proposal that has been included on the 2024 UNRWA priority projects list.

Report of the Board for the year ended 31 December 2021¹⁹

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

<i>Department responsible:</i>	Department of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Second quarter of 2025

¹⁸ A/76/5/Add.4, chap. II.

¹⁹ A/77/5/Add.4, chap. II.

313. Significant progress has been achieved in recent months on the implementation of this recommendation. In November 2023, the Department of Human Resources reported that the 35 cases of discrepancies had been fixed and deployed to the production server. In addition, the Department of Human Resources and the Department of Digital Impact, Technology and Innovation have been working to extract post details from the obsolete enterprise resource planning system (RAMCO), review them and upload the correct data to the current enterprise resource planning system (SAP). However, owing to the onset of the Gaza crisis in October 2023, the target date was subsequently postponed to the second quarter of 2025.

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

<i>Department responsible:</i>	Department of Planning
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2024

315. As part of a broader review, the annual operational planning cycle that forms a part of organizational directive No. 21 was updated and reporting for the first and second quarters of 2024 against the priorities in the annual operational plan was completed. The prioritization of the emergency response to the humanitarian crisis in Gaza and potential regional spillover has delayed the issuance of this organizational directive to the fourth quarter of 2024.

Report of the Board for the year ended 31 December 2022²⁰

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

<i>Department responsible:</i>	Department of Relief and Social Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2024

317. The Department of Relief and Social Services has liaised with the Department of Digital Impact, Technology and Innovation to implement changes to the refugee registration information system in order to include the required functionality for administering selective cash assistance in the system and also to set up a selective cash assistance dashboard or monitoring mechanism to monitor the timely distribution of selective cash assistance. However, the improvement of the refugee registration information system has been delayed owing to funding challenges. In addition, the UNRWA Jordan field office is currently developing manual monitoring

²⁰ A/78/5/Add.4, chap. II.

tools to ensure proper reporting and adherence to compliance procedures. Therefore, the target date for this recommendation has been revised to the fourth quarter of 2024.

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

Department responsible: Department of Human Resources
Status: Under implementation
Priority: High
Original target date: First quarter of 2024
Revised target date: Fourth quarter of 2025

319. UNRWA agrees with the recommendation to reduce the use of daily paid workers. At the same time, the Agency continues to face serious funding shortfalls, which prohibit it from using its preferred contractual modality.

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

Department responsible: Department of Planning
Status: Under implementation
Priority: Medium
Original target date: Second quarter of 2024
Revised target date: Fourth quarter of 2024

321. The revised UNRWA project procedures manual has been developed in consultation with all UNRWA field offices and departments and is currently undergoing a final quality assurance review within the Department of Planning. It will be shared with members of the Agency's Senior Management Team for their review and comment. It is anticipated that the final version of the project procedures manual will be launched by the end of 2024.

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

Department responsible: Department of Planning
Status: Under implementation
Priority: Medium
Original target date: Second quarter of 2024
Revised target date: Fourth quarter of 2024

323. UNRWA refers to its comments in paragraph 321 above relating to the recommendation in paragraph 72 of the Board's report for the year ended 31 December 2022.

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

Department responsible: Department of Education

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2023

Revised target date: Fourth quarter of 2025

325. UNRWA developed a full plan, with detailed budget, resources and expected results, for the different field offices. However, owing to the ongoing resources challenges faced by the Agency, the Department of Education is not able to implement the plan. It is not possible to implement the plan or to adapt the proposal to be implemented without additional resources. The current funding limitations are the main obstacle to the implementation of the project. If new resources become available to the Department, it will implement the plan, since it is one of the Department's main priorities. It is important to note that the issuance of this audit recommendation was made in a different operational environment, which has completely changed owing to the funding challenges.

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 2023²¹

326. Table 18 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

Table 18

Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division for Operations	1	–	–	1	1	–
Division for Strategic Planning and Performance	2	–	–	2	2	–
Multiple offices	5	–	1	4	4	–
Total	8	–	1	7	7	–

²¹ A/79/5/Add.5, chap. II.

327. Table 19 summarizes the status of implementation of all recommendations of the Board as of August 2024.

Table 19
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division for Operations	3	–	–	3	3	–
Division for Strategic Planning and Performance	4	–	–	4	4	–
Multiple offices	7	–	1	6	6	–
Total	14	–	1	13	13	–

328. **In paragraph 31 of its report, the Board recommended that the United Nations Institute for Training and Research (UNITAR) ensure that annual leave requests are created, submitted, approved and recorded in Quantum in a timely manner.**

Department responsible: Division for Operations
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

329. UNITAR will reinforce the need for better monitoring of the leave requests once access to the relevant reports in Quantum is granted by the UNDP Quantum team.

330. **In paragraph 32 of its report, the Board recommended that UNITAR request access from UNDP Quantum administrators to all the features and reports necessary to carry out the monitoring role and establish adequate controls over annual leave processes.**

Department responsible: Division for Operations
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

331. The Division for Operations will liaise with the UNDP Quantum team to grant managers access to time and attendance reports in Quantum.

332. **In paragraph 42 of its report, the Board recommended that UNITAR assess and adopt measures regarding the current practice of rehiring individual contractors for extended periods to avoid inappropriate prolonged use of non-staff personnel.**

<i>Department responsible:</i>	Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2025

333. UNITAR will adopt measures to improve practices relating to the hiring of individual contractors. The Human Resources Unit is currently reviewing all existing individual contractor contracts. Individual contractors with contracts that cumulatively exceed three consecutive cycles will be considered for transition to more regular contract types, such as fellowships or regular staff positions.

334. In paragraph 43 of its report, the Board recommended that UNITAR strengthen its planning processes when engaging individual contractors in order to avoid the excessive and repetitive issuance of their contracts.

<i>Departments responsible:</i>	All UNITAR programmes and support units
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	First quarter of 2025

335. UNITAR will review its planning process for the recruitment of individual contractors. Contracts will be issued for longer periods and will be limited to three consecutive cycles.

336. In paragraph 54 of its report, the Board recommended that UNITAR evaluate the strength and effectiveness of the current reporting structure, mechanisms and practices in place and develop a formal corrective action plan to reduce the risk of late reporting.

<i>Department responsible:</i>	Division for Strategic Planning and Performance
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2025

337. UNITAR has taken steps to implement the recommendation, including establishing an information technology monitoring mechanism to provide automatic reminders of upcoming reporting deadlines and developing a real-time Power BI planning tool. Additionally, UNITAR will evaluate the strength and effectiveness of current reporting structures, mechanisms and practices and develop a formal corrective action plan to reduce the risk of late reporting.

338. In paragraph 55 of its report, the Board recommended that UNITAR ensure that reports are submitted to donors in accordance with the deadlines established in the signed agreements.

<i>Departments responsible:</i>	All programme units, Division for Strategic Planning and Performance and Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2025

339. UNITAR refers to its comments in paragraph 337 above relating to the recommendation in paragraph 54 of the Board's report for the year ended 31 December 2023. Based on the formal corrective action plan developed, UNITAR will take action and continue close monitoring of reporting deadlines through the existing information technology-based mechanisms.

340. In paragraph 65 of its report, the Board recommended that UNITAR conduct a competitive selection process, as applicable, and duly document the required information for the direct awarding procedure, thereby ensuring compliance with the implementing partner selection process in accordance with the relevant guidelines.

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

341. UNITAR has reviewed the implementing partner selection form and has taken action to ensure that it contains the required information for direct award procedures. The revisions made to the selection form clarify criteria on exceptions to competitive selection and address circumstances in which the donor for a project identifies the implementing partner. UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

342. In paragraph 77 of its report, the Board recommended that UNITAR ensure that due diligence assessments on implementing partners that meet the criteria always be conducted, thus ensuring that the Executive Director can make a more well-informed decision when granting a waiver.

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

343. UNITAR has initiated a review of due diligence requirements and will submit proposed revisions on such requirements, including more specific criteria on waivers, to enable the Executive Director to make well-informed decisions. Revisions will be proposed for consideration during the fourth quarter of 2024.

344. **In paragraph 78 of its report, the Board recommended that UNITAR ensure that programme managers expressly state in the due diligence assessment whether they have any recommendations for the implementing partners.**

Departments responsible: All programme units and Division for Strategic Planning and Performance

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

345. UNITAR is reviewing the due diligence requirements of implementing partners and thresholds and will revise the policy guidelines.

346. **In paragraph 86 of its report, the Board recommended that UNITAR conduct a review of its current control and monitoring mechanisms, identify the root causes of late and pending reports from implementing partners and develop an action plan to address these issues.**

Department responsible: Division for Strategic Planning and Performance

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

347. UNITAR has reviewed the controls and monitoring mechanisms for implementing partners' reporting and has developed a checklist to prevent further payments to those with outstanding reports. UNITAR expects its review to be completed with a proposal to revise the existing policy guidelines for consideration by the Board of Trustees at its sixty-fifth session, in November 2024.

348. **In paragraph 87 of its report, the Board recommended that UNITAR ensure that implementing partners meet their reporting obligations in line with their grants-out agreements.**

Departments responsible: All programme units

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

349. UNITAR refers to its comments in paragraph 347 above relating to the recommendation in paragraph 86 of the Board's report for the year ended 31 December 2023.

350. **In paragraph 95 of its report, the Board recommended that UNITAR ensure that the assessments required in the performance evaluations of implementing partners are conducted objectively and accurately, based on evidence and sufficiently substantiated.**

<i>Departments responsible:</i>	All programme units and Division for Strategic Planning and Performance
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2024

351. UNITAR is reviewing its approach on assessing the performance of implementing partners and will make revisions to ensure that the requirements contained in the present recommendation are met.

352. In paragraph 99 of its report, the Board recommended that UNITAR meet the criteria and descriptors for performance ratings of implementing partners by taking into consideration deadlines and outputs under the grants agreement.

<i>Departments responsible:</i>	All programme units and Division for Strategic Planning and Performance
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2024

353. UNITAR refers to its comments in paragraph 351 above relating to the recommendation in paragraph 95 of the Board's report for the year ended 31 December 2023.

354. In paragraph 104 of its report, the Board recommended that UNITAR establish specific deadlines for the completion of performance evaluations of implementing partners and establish procedures when the required outputs are not delivered by implementing partners.

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

355. UNITAR refers to its comments in paragraph 351 above relating to the recommendation in paragraph 95 of the Board's report for the year ended 31 December 2023.

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

356. In the annex to its report for the year ended 31 December 2023 ([A/79/5/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 13 recommendations that were assessed by the Board to be either under implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

357. Table 20 summarizes the overall situation as of August 2024.

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

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division for Operations	9	–	3	6	6	–
Division for Strategic Planning and Performance	1	–	–	1	1	–
Multiple offices	3	–	3	–	–	–
Total	13	–	6	7	7	–

Report of the Board for the year ended 31 December 2021²²

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

<i>Department responsible:</i>	Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2024

359. The Executive Director of UNITAR requested directors and managers to comply with the requirements, and the related administrative circular has been amended to update the list of mandatory training. UNITAR is testing a new online tool for recording certificates of mandatory training and anticipates that the tool will be released during the fourth quarter of 2024, which will allow for strengthened monitoring and reporting on the level of compliance with mandatory training requirements.

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

<i>Department responsible:</i>	Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2024

361. UNITAR has completed a review of various approaches to monitor compliance with the mandatory training requirement and has completed the first phase in

²² A/77/5/Add.5, chap. II.

developing a monitoring tool, consisting of a profile page with the list of mandatory training on the UNITAR intranet. The second phase, consisting of automated notifications, dashboards and Excel export functions, is under development by the Communications and Information Technology Support Unit and is planned to be tested, finalized and rolled out by the end of 2024.

Report of the Board for the year ended 31 December 2022²³

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

<i>Departments responsible:</i>	Office of the Executive Director and Division for Operations
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Not applicable

363. UNITAR has reminded all programme managers to comply with the policy regarding the authorization process of the revolving loan fund (administrative circular AC/UNITAR/2016/12). The Executive Director approves the revolving loan fund in accordance with the policy. UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

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

<i>Departments responsible:</i>	Office of the Executive Director and Division for Operations
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Not applicable

365. UNITAR has improved its loan monitoring mechanism by monitoring outstanding revolving loan fund balances on a monthly basis and informing the respective programmes of their long-outstanding balances. UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

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

²³ A/78/5/Add.5, chap. II.

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

367. UNITAR funds are spent in accordance with the budget plan approved by the donor through the signature of a special purpose grant, and the budget control and monitoring functions are performed at the project level. As the functional support units' budgets are entered into the enterprise resource planning system after approval by the Board of Trustees, and the budgets of the programme units are entered into the system after each special purpose grant agreement is signed, UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

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

<i>Department responsible:</i>	Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2024

369. UNITAR will enhance the analysis of the programme budget variances for the purpose of the budget revision exercise for the 2024–2025 biennium to identify the main issues causing these variances, in order to improve its budget formulation process by the fourth quarter of 2024.

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

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

371. UNITAR has measured all the result areas as contained in the programme budget for the 2022–2023 biennium. The performance report will be issued and submitted to the Board of Trustees at its session in November 2024.

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

Department responsible: Division for Operations
Status: Under implementation
Priority: Medium
Original target date: Third quarter of 2024
Revised target date: First quarter of 2025

373. UNITAR has reviewed the matter, and it is envisaged that each division will develop its own succession plan.

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

Department responsible: Division for Operations
Status: Under implementation
Priority: Medium
Original target date: First quarter of 2024
Revised target date: Fourth quarter of 2024

375. The Communications and Information Technology Support Unit has been requested to develop a recording system. The new circular on proper recording in the system is expected to be distributed to staff members during the fourth quarter of 2024.

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

Department responsible: Division for Operations
Status: Under implementation
Priority: Medium
Original target date: First quarter of 2024
Revised target date: Fourth quarter of 2024

377. UNITAR has agreed on a new policy following a consultation process with directors and managers, and it will be published during the fourth quarter of 2024.

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

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

379. UNITAR collected the outstanding balance following the signing of the agreement with the International Training Centres for Authorities and Leaders. The UNITAR Finance and Budget Unit recognized the affiliation fee revenue and reviewed the outstanding fees. UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

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

<i>Departments responsible:</i>	Division for Strategic Planning and Performance and Division for Operations
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Not applicable

381. UNITAR has reviewed and updated all data associated with non-expendable property in the inventory tool, including the items that were previously unaccounted for. UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

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

<i>Department responsible:</i>	Division for Operations
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Not applicable

383. All equipment has been verified and the tool has been updated. New procedures have been put in place and published to ensure proper controls and monitoring. UNITAR considers this recommendation to have been implemented and requests its closure by the Board.

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 2023²⁴

384. Table 21 summarizes the status of implementation of all recommendations of the Board as of August 2024.

Table 21
Status of implementation of all recommendations
 (Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division of Strategic Planning and Results	6	–	–	6	6	–
Division of Financial and Administrative Management	4	–	–	4	4	–
Division of External Relations	3	–	–	3	3	–
Division of Information Systems and Telecommunications	1	–	–	1	1	–
Division of International Protection	2	–	–	2	2	–
Division of Resilience and Solutions	1	–	–	1	1	–
Global Data Service	1	–	–	1	1	–
Multiple offices	1	–	–	1	1	–
Total	19	–	–	19	19	–

385. In paragraph 29 of its report, the Board recommended that the Office of the United Nations High Commissioner for Refugees (UNHCR) achieve a level of processing of financial reports from implementing partners that is at least as high as in the previous enterprise resource planning system at a comparable time within the annual reporting cycle.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2025

386. For the 2024 partnership project agreements, UNHCR is using the newly implemented system called the Project Reporting, Oversight and Monitoring Solution (PROMS), which will facilitate the processing of the corresponding project financial reports. UNHCR has also trained its operations personnel on the project financial reports processing functionality in PROMS and issued guidance materials to support the utilization by field offices of this new tool. This will ensure that the challenges faced in 2023 with regard to partners' reporting during the transition period will be substantively addressed.

²⁴ A/79/5/Add.6, chap. II.

387. **In paragraph 36 of its report, the Board recommended that UNHCR, for the next financial year, implement an automated report within the Cloud ERP system that enables it to control, at the entity level, all uninvoiced receipts that are accrued at the end of the reporting period.**

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

388. UNHCR will develop a new report or repurpose existing standard reports that will provide the uninvoiced receipts that should be accrued by the end of the reporting period. UNHCR will also work with the software vendor to resolve the technical constraints in the reporting platform that had impeded such reports in 2023.

389. **In paragraph 46 of its report, the Board recommended that UNHCR monitor the implementation of scheduled automations in the Cloud ERP system to ensure that they are fully in place and reliable for the next reporting period.**

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: High

Target date: Third quarter of 2025

390. UNHCR will continue to monitor manually operated processes that can eventually be scheduled and automated, including accounts payable invoice validations, invoice approval initiation, invoice accounting, bank statement auto-reconciliations and other processes related to the open or closed period activities.

391. **In paragraph 66 of its report, the Board recommended that UNHCR strengthen users' rights and access management for the Cloud ERP system by (a) performing a review of all users with privileged roles; (b) activating automated advanced access controls to detect inappropriate role combinations; (c) implementing advanced financial controls and developing procedures to clear inappropriate transactions; and (d) using advanced audit controls to track atypical use of the enterprise resource planning system.**

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: High

Target date: Third quarter of 2025

392. UNHCR will have its assigned focal points in country operations perform frequent reviews of the roles and privileges and maintain reports to evidence those reviews. UNHCR will also implement advanced access controls to highlight conflicting

privileges and advanced transaction controls to detect suspicious transactions. This will include a review of the privileges assigned to roles within UNHCR.

393. In paragraph 82 of its report, the Board recommended that UNHCR improve the management of incidents for the Cloud ERP system by: (a) enforcing maintenance clauses in the service-level agreement with the provider; (b) reducing the number of travel process incidents, starting with the most critical ones; and (c) using the regular incident classification to more appropriately assign the incidents.

<i>Department responsible:</i>	Division of Financial and Administrative Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2025

394. UNHCR is working with the product vendor and the maintenance provider to review and prioritize incidents and has already resolved many prioritized key travel-related issues. In 2024, additional resources were also provided to the travel team to address the backlog relating to the travel solution, improving the response time for technical and functional issues. UNHCR has also agreed with the provider to use category and subcategory incident fields to further identify and analyse root causes. In addition, ServiceNow resolution groups are periodically reviewed to ensure appropriate incident classifications.

395. In paragraph 95 of its report, the Board recommended that UNHCR strengthen the management of information technology security by: (a) continuing to implement, on a yearly basis, the self-assessment questionnaire initiative and adapting the staff security training accordingly; (b) developing specific training sessions for the information security focal points; and (c) pursuing anti-phishing campaigns and adapting training and communication on that threat accordingly.

<i>Department responsible:</i>	Division of Information Systems and Telecommunications
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2025

396. Having launched the self-assessment questionnaire on security standards and requirements in 2023, UNHCR will continue to implement it annually and update the training material to reflect changes in the environment as part of the 2024–2025 plan. UNHCR will also prepare an action plan to include all relevant stakeholders in mandatory cybersecurity training, including partner staff who access UNHCR information systems. Anti-phishing campaigns will continue, and the results will be used to adapt the training.

397. In paragraph 131 of its report, the Board recommended that UNHCR: (a) define a strategy to bring its budgeting methodology in line with the Global Compact on Refugees, with a programme of work that better describes the organization’s role and comparative advantage in relation to what is being done by other stakeholders, and in line with sustainable programming; and (b) consult

and agree with Member States on the most suitable ways to expand and improve information on allocations, priorities, trade-offs and urgent gaps based on funds available against the approved programme of work, so that they have greater visibility regarding and understanding of UNHCR activities on the ground, including, but not limited to, the provision of improved information in the budget and funding updates provided three times a year.

Department responsible: Division of Strategic Planning and Results

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2026

398. Sustainable programming reinforces the principles of the 2018 Global Compact on Refugees by working with stakeholders to empower forcibly displaced persons, maximizing self-reliance and minimizing dependency on humanitarian aid. UNHCR is committed to this approach across all operations, focusing on people-centred, inclusive and multi-stakeholder strategies and highlighting its catalytic role. In the coming years, efforts will be intensified to engage development actors. This approach is aligned with the current needs-driven budgeting methodology of UNHCR, introduced with COMPASS, which supports implementation of the Global Compact and considers stakeholders' contributions. Increased support will be provided to country operations to define a clear road map for sustainable programming, with context-specific guidance refined in consultation with regional bureaux. This will ensure that budgets and plans are aligned with the Global Compact. Consultations continue on providing strengthened information to Member States, including through presentations to the Standing Committee of the Executive Committee, the *Global Report* and the "underfunded report". In 2024, significant progress has been made in reporting allocations, priorities and trade-offs.

399. In paragraph 132 of its report, the Board recommended that UNHCR improve its needs assessment methodology in order to better inform the budget process.

Department responsible: Division of Strategic Planning and Results

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2026

400. UNHCR is planning to update its needs assessment handbook and further strengthen the Assessment and Monitoring Resource Centre, which provides practical tools for various types of operations planning assessments related to the development and implementation of guidance on sustainable programming. In addition, an assessment module will be included in the e-learning system accompanying the programme handbook, which will be launched in early 2025. Consultations will be undertaken within headquarters divisions and with regional bureaux and operations to enhance guidance and ensure that assessment data better inform budget preparation.

401. In paragraph 171 of its report, the Board recommended that UNHCR leverage its resource mobilization strategy, including the new private sector engagement strategy, to: (a) increase both the volume and quality of its voluntary contributions, in terms of flexibility, multi-year visibility and diversification,

including by demonstrating to donors the impact of its operations; and (b) assess the pros and cons and feasibility of progressively introducing new financing models.

Department responsible: Division of External Relations

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2026

402. UNHCR is finalizing its new private sector engagement framework for 2024. This organization-wide approach aims to harness the full potential of the private sector. Continued investment in acquiring and retaining new supporters will remain essential. In addition, UNHCR is assessing the feasibility of introducing new financing models, and will complete this assessment by the end of 2024. UNHCR plans to address any action points, including by consulting Member States as appropriate, in 2025 and 2026.

403. In paragraph 218 of its report, the Board recommended that UNHCR define and implement a comprehensive strategy to increase its efficiency, identifying desirable business process re-engineering, opportunities to consolidate back-office functions at a global or regional level, taking advantage of the digital transformation resulting from the business transformation programme, and ensuring that the organization develops measures to monitor and report on that strategy.

Departments responsible: Office of the Deputy High Commissioner and Office of the Assistant High Commissioner for Operations

Status: Under implementation

Priority: High

Target date: First quarter of 2026

404. UNHCR will develop a comprehensive efficiency agenda for the organization, including measures to monitor and report on this corporate agenda. UNHCR headquarters will further refine and enhance various dashboards and key cost indicators, which will be made available to country offices and regional bureaux to support them in better monitoring efficiency. Bureaux will be asked to organize regional sessions on cost efficiency and measurement to raise staff awareness. Back-office support functions will be further rationalized to leverage the automation provided by the new system adopted as part of business transformation programme. Building on the experience of the finance hub established in response to the Ukraine emergency in 2022, UNHCR will explore further centralization of invoice processing, payments, bank reconciliations and travel claims globally. This will increase efficiencies by reducing the administrative burden on field operations while strengthening internal controls and fraud prevention.

405. The Transformation and Change Service will be replaced by a strengthened organizational design entity to be known as the “Design and Development Service”, which will support implementation of the UNHCR management vision and advise on optimizing and streamlining the architecture, processes and systems of UNHCR to achieve strategic priorities, including those in the Global Compact on Refugees.

406. In paragraph 241 of its report, the Board recommended that UNHCR strengthen the quality of its reporting on budget and results to both the Executive Committee and donors, and better use the performance framework as a managerial tool for the organization.

Department responsible: Division of Strategic Planning and Results

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2025

407. UNHCR introduced a new results-based management system in 2021 with a new framework to demonstrate impact and outcomes from its work. The first *Global Report* using this new framework was published in June 2023, and the second report in July 2024. The *Global Report 2023*, issued in 2024, was recognized by Member States for its quality, including analytics, summaries and conclusions and navigability. In 2025, the report will be further strengthened with output-level results using core output indicators and enabling areas. These improvements, welcomed by Member States, will be useful for management purposes as the enhanced information on outputs and enabling indicators will better inform managerial needs. Furthermore, in 2024 and 2025, the new business transformation programme systems will be fully functional, enabling UNHCR to integrate financial, operational and results data more effectively for management and reporting.

408. In paragraph 262 of its report, the Board recommended that UNHCR strengthen its strategy and knowledge of the large camps, in particular by: (a) defining priority actions; (b) regularly collecting and updating quantitative and qualitative operational data on the populations concerned, including by means of statistical estimates; and (c) providing structured communication on the situation in the camps and the results of their management.

Department responsible: Global Data Service

Status: Under implementation

Priority: High

Target date: Third quarter of 2025

409. UNHCR will define priority actions in conjunction with the measures taken to address the recommendations on camp management, particularly alternatives to camps, registration and identity management, collecting better information on needs and expenditure, and mitigating gender-based violence risks. These actions are covered in detail in the comments by UNHCR below relating to the recommendations in paragraphs 278, 301, 316 and 352 of the Board's report for the year ended 31 December 2023. Regarding part (b) of the recommendation, UNHCR will develop a methodology for statistical estimates for camps and establish a site management system, integrated with UNHCR enterprise data, to ensure a single and consistent source for operational data. The site management system will be accessible through the revamped UNHCR data portal, providing better-structured information on camp situations, thus addressing part (c) of the recommendation.

410. In paragraph 278 of its report, the Board recommended that UNHCR expand the initiatives to promote, where possible, a variety of alternatives and exit solutions for large camps.

<i>Department responsible:</i>	Division of Resilience and Solutions
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2025

411. UNHCR plans to issue a new urban policy emphasizing the importance of shaping interventions to avoid encampment and prioritizing urban responses whenever possible. UNHCR will also develop guidance on sustainable programming to ensure the inclusion and self-reliance of forcibly displaced persons and stateless persons. UNHCR will provide field support to implement this approach in contexts hosting large camps.

412. UNHCR will also develop guidance on transforming camps into integrated settlements, based on promising examples such as the Shirika plan in Kenya and the Melkadida Refugee Compact, 2024–2027, in Ethiopia. In addition, monitoring of the implementation of pledges of the 2023 Global Refugee Forum, held under the theme “human settlements”, will be conducted regularly, and countries hosting large camps will be encouraged to share information, collaborate and learn from one another. UNHCR policy directions will emphasize “inclusion from the start” while promoting sustainable programming.

413. In paragraph 301 of its report, the Board recommended that UNHCR improve registration processes in large camps, including by: (a) reviewing the Guidance on Registration and Identity Management in order to foster a continuous registration approach in a one-year cycle and to set verification schedules in case that approach is not feasible; (b) reinforcing capacity-building and support on anti-fraud procedures and ensuring a full application of the new policy and procedures on addressing fraud committed by forcibly displaced and stateless persons, including the nomination of fraud focal points where required; and (c) implementing an interoperability gateway in all operations in which data are exchanged between UNHCR and the World Food Programme (WFP).

<i>Department responsible:</i>	Division of International Protection
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2026

414. UNHCR will review and update the guidelines to promote continuous registration, using the “Digital Gateway” as the most cost-efficient option for verifying presence in a non-verification setting. The guidance will be developed in 2025, with the Digital Gateway feature expected to be implemented in 2026. Anti-fraud focal points will be appointed in operations with large camps, which will be complemented by a revision of the e-learning course on integrity to address new policies and procedures. In addition, UNHCR has successfully implemented data exchanges with WFP using the interoperability gateway in two operations, and will continue to coordinate with WFP to design and implement a global roll-out plan for all operations where data are exchanged.

415. In paragraph 316 of its report, the Board recommended that UNHCR better inform the budget process with the needs and expenditure associated with the management of large camps.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2025

416. The UNHCR planning and budgeting processes occur at the country level using a bottom-up approach. Needs assessment, budgeting, planning and implementation for large camps follow the same process as for other UNHCR operations requiring planning and budgeting. Feasibility and technical assessments will be undertaken to find suitable ways to better identify needs and expenditures for camp management, enhancing knowledge and improving budget preparation and management.

417. In paragraph 335 of its report, the Board recommended that UNHCR strengthen its relations with the United Nations resident coordinator to better integrate refugee issues into the system-wide United Nations strategy in the host country, in order to develop synergies and avoid duplications.

<i>Department responsible:</i>	Division of External Relations
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2026

418. At the global level, a proposed policy dialogue between UNHCR and the Development Coordination Office is expected to focus on: (a) how to improve and clarify coordination and leadership structures and accountabilities for countries with significant refugee responses in a development context; and (b) how the United Nations Sustainable Development Cooperation Framework and refugee response plans can be better linked.

419. At the country level, UNHCR has developed a guidance note on engagement on the United Nations Sustainable Development Cooperation Framework. In the context of the proposed UNHCR-Development Coordination Office dialogue, an interim UNHCR guidance note will be updated and finalized on the basis of the outcome of the dialogue. UNHCR will also expand the use of the Sustainable Development Goals tool to additional countries in accordance with the UNDP-UNHCR Global Collaboration Framework for Inclusion and Solutions, 2023–2025. The Sustainable Development Goals tool, jointly developed by UNDP and UNHCR at the global level, aids in identifying and analysing critical factors for delivering sustainable solutions to forcibly displaced and stateless populations, supporting resident coordinators in including forced displacement in the United Nations Sustainable Development Cooperation Framework.

420. In paragraph 352 of its report, the Board recommended that UNHCR better identify and mitigate the risks related to the protection of forcibly displaced and stateless persons in large camps, including those concerning gender-based violence, and reinforce capacity-building in that field.

<i>Department responsible:</i>	Division of International Protection
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2026

421. UNHCR will strengthen the multi-year protection and solutions strategies at the country level and will support operations in implementing and monitoring gender-based violence risk mitigation activities across UNHCR sectoral responses, within available resources. Regional bureaux will also advise operations to assess whether substantial residual gender-based violence risks exist in protection or other sectoral programming and reflect it in their risk registers to ensure proper management.

422. In paragraph 364 of its report, the Board recommended that UNHCR study ways of improving coordination in the management of the large camps, by clearly defining, through an update of the Refugee Coordination Model, the priority tasks entrusted to UNHCR and those for which the other partners are responsible.

<i>Department responsible:</i>	Division of External Relations
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2026

423. UNHCR is at the final stage of consultations to update the 2019 Refugee Coordination Model guidance. The 2024 update will capitalize on over 10 years of lessons learned from implementation of the Model. UNHCR is committed to establishing predictable, inclusive, collaborative, efficient and effective coordination through partnerships that complement expertise and capacity. UNHCR advocates for adequate and safe living conditions of refugees and discourages the establishment of camps where possible. The new guidance will provide direction on coordination arrangements for different sectors, including situations where refugee camps or settlements are to be established.

424. In paragraph 378 of its report, the Board recommended that UNHCR improve reporting on the management of large camps, including costs and results achieved, and develop scenarios for making savings and increasing efficiency and effectiveness.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2026

425. UNHCR refers to its comments in paragraph 407 above relating to the recommendation in paragraph 241 of the Board's report for the year ended 31 December 2023. Core output indicators presented in the *Global Report* will be used to better understand costs and results achieved in large camps.

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

426. In the annex to its report for the year ended 31 December 2023 ([A/79/5/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 21 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.

427. Table 22 summarizes the overall situation as of August 2024.

Table 22

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

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division of Strategic Planning and Results	7	–	1	6	6	–
Division of Emergency, Security and Supply	5	–	–	5	5	–
Division of Financial and Administrative Management	3	–	–	3	3	–
Division of Human Resources	2	–	–	2	2	–
Evaluation Office	1	–	–	1	1	–
Global Data Service	1	–	1	–	–	–
Transformation and Change Service	1	–	–	1	1	–
Enterprise Risk Management Service	1	–	–	1	1	–
Total	21	–	2	19	19	–

Report of the Board for the year ended 31 December 2022²⁵

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

Department responsible: Division of Financial and Administrative Management

Status: Under implementation

Priority: High

Original target date: First quarter of 2024

Revised target date: Second quarter of 2025

429. UNHCR will implement a new approach for calculating freight costs using standard enterprise resource planning functionalities by which a freight cost uplift is identified and assigned and the value is added to the purchase value of the goods each time they are received. The standard uplifts will be modified regularly on the basis of recent actual experience. The new functionality is being prepared and will be tested accordingly.

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

²⁵ A/78/5/Add.6, chap. II.

<i>Department responsible:</i>	Enterprise Risk Management Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Third quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2024

431. UNHCR is in the advanced stages of drafting a global risk appetite statement, which has undergone extensive consultation at headquarters and in the field. Four pilot country operations have identified key risk indicators and started collecting corresponding data. Discussions to set tolerance thresholds for the indicators are ongoing. On the basis of the pilot results, UNHCR will develop a consistent methodology for defining tolerance for operational risks to be rolled out more broadly.

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

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

433. UNHCR is finalizing the revision of its administrative instruction on procurement, in which it is introducing lower financial thresholds for formal solicitation methods at the country operation level. The revised administrative instruction is aligned with the supply strategy and supply operating model, defining procurement responsibilities and oversight and addressing part (a) of the recommendation. The revised administrative instruction provides a comprehensive description of roles, accountabilities and authorities across country operations, regional bureaux and headquarters units, which is essential for effective implementation of the supply operating model. Regarding the procurement planning and staff qualifications, the Division of Emergency, Security and Supply will conduct an annual review based on the consolidated procurement plans from country operations and is developing a workforce development plan aligned with the new supply strategy for the period 2024–2030. This plan will offer new training and toolkits for supply staff at different levels.

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

<i>Department responsible:</i>	Division of Emergency, Security and Supply
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2024

435. The new UNHCR supply strategy, issued in May 2024, introduced the new supply operating model, which recalibrates the roles and responsibilities between UNHCR global, regional and local supply teams, ensuring alignment of day-to-day operations with strategic objectives. The model enhances collaboration, accountability and oversight across regions and functional areas by aligning resources, supply processes and expertise. The full roll-out is ongoing and is expected to be completed by the end of 2024.

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

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

437. The new supply operating model being implemented by UNHCR envisions a stronger role for the regional bureaux supply teams in coordinating annual procurement planning and consolidation at the regional level. UNHCR will also review which part of the consolidated procurement plan should be sourced internationally (through the Supply Management Service at headquarters), and which part should be procured locally (through local or regional supply teams). Furthermore, UNHCR will explore solutions using the demand and supply plan on the basis of a categorization triggered by the “area of business” cost code in the Cloud ERP system.

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

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

439. The new supply operating model strengthens the role of regional bureaux within the second line of defence model, giving them responsibility for complex local purchases previously handled by country teams. Regional bureaux will have enhanced

responsibilities for reviewing and monitoring contract award recommendations and procurement case submissions to the Headquarters Committee on Contracts (previously managed directly by the supply function at headquarters). In addition, the upcoming revision of the policy and administrative instruction on procurement will introduce provisions to further strengthen the role of regional bureaux in validating, overseeing and consolidating country procurement plans for all requirements exceeding the request for quotations threshold.

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

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

441. With the full implementation of the Cloud ERP system, procurement processes are standardized, allowing for better identification of non-compliant transactions using Cloud ERP exception reports. Moreover, the revised administrative instruction on procurement, along with the updated instruction on committees on contracts, aims to provide enhanced guidance to tackle identified causes of non-compliance and reinforce mechanisms for more effective oversight of procurement actions.

Report of the Board for the year ended 31 December 2021²⁶

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

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

443. A comprehensive evaluation of the decentralization and regionalization reform is included in the work programme for 2023–2024 of the UNHCR Evaluation Office and is expected to be completed in the fourth quarter of 2024.

444. In paragraph 37 of its report, the Board recommended that UNHCR summarize existing documents into one formal accountability framework that

²⁶ A/77/5/Add.6, chap. II.

defines roles, authorities and accountabilities in the organization in a compulsory manner and includes reporting lines and authorities.

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

445. In 2022, UNHCR revised and issued an updated version of the roles, accountabilities and authorities for country offices, regional bureaux and headquarters divisions based on the lessons from the first three years of decentralization and regionalization. The roles, accountabilities and authorities, along with policies and administrative instructions, form the foundation of the UNHCR accountability framework, guiding teams and supporting decision-making at every level. UNHCR will issue a formal accountability framework by the end of 2024. This framework will complement the roles, accountabilities and authorities by clarifying the overall accountability objectives of UNHCR and providing an overview of its organization-wide accountability systems and principles. The design has been informed by the Joint Inspection Unit report on the review of accountability frameworks in the United Nations system organizations (JIU/REP/2023/3), issued in July 2023.

446. 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 PROMS, to feed into COMPASS, the new results-based management tool.

<i>Department responsible:</i>	Division of Strategic Planning and Results
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2023
<i>Revised target date:</i>	Not applicable

447. Updated guidance on managing the core indicators is included in the recently issued programme handbook, providing a clearer link to other operational data systems for comprehensive monitoring, adjustment and reporting. In addition, UNHCR has implemented Orion, creating a robust foundation for combining operational data, starting with population and location data, into a centralized data platform that enables data-driven decisions and offers valuable insights that enhance advocacy and effective targeting of interventions.

448. The Global Data Service has expanded the data inventory in the Orion Analytics Centre to include more data collected by operations and bureaux or extracted from other data domains. In addition, in collaboration with the regional data identity management analysis units, the Global Data Service has established a global data inventory, which aims to reference all data collected by operations from 2022 onwards. Both Orion and the global data inventory contribute to greater integration of data from various sources. UNHCR considers this recommendation to have been implemented and requests its closure by the Board.

449. **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

Original target date: Fourth quarter of 2023

Revised target date: Second quarter of 2025

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

451. **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

Original target date: Fourth quarter of 2022

Revised target date: Fourth quarter of 2024

452. The introduction of the new systems, coupled with the dynamic nature of staff in between assignments, has led to the establishment of an internal working group on staff in between assignments under the Division of Human Resources. This group is designing a report to address all needs in detail. It will ensure that reports are based on a consistent source of underlying data and meet the needs of various target audiences.

453. **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

Original target date: Third quarter of 2023

Revised target date: First quarter of 2025

454. As part of the Cloud ERP project, UNHCR will identify relevant key performance indicators that can be extracted from the new system for assessing various controls. These indicators will complement information from the self-certified internal control questionnaire and will be used altogether to prepare the statement of internal control. The Cloud ERP system was launched in the third quarter of 2023, and needs to stabilize before the new indicators can be effectively implemented. The first version of a dashboard called Country Financial Report, which contains data supporting the calculation of key performance indicators, was launched in June 2024 using Fusion Analytics. The development of additional Country Financial Report reports and metrics is ongoing and will be tested during the preparation of an internal control questionnaire for 2024.

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

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

456. As part of the business transformation programme, UNHCR has implemented the PROMS system, which has automated the main partnership management processes and reduced the manual intervention in the posting of financial transactions. With increased use and stabilization of PROMS across the organization in 2024, UNHCR is seeing greater simplification and automation, including in partnership management accounting.

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

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

458. UNHCR has improved the link between performance review and financial verification for requesting new instalments. The process has been automated within the PROMS system, which went live in the fourth quarter of 2023. With the increased use of PROMS across the organization starting in 2024, automation has been significantly enhanced in the area of partnership management.

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

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

460. UNHCR refers to its comments in paragraph 456 above relating to the recommendation in paragraph 310 of the Board's report for the year ended 31 December 2021. The partner reporting for 2024 agreements is being carried out through PROMS, enhancing compliance with requirements for the timely submission and revision of the partner financial reports through automation.

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

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

462. UNHCR has designed harmonized templates and digitalized construction project management process flows within PROMS, available to all users since its launch. In addition, the Division of Strategic Planning and Results launched the programme in November 2023 and the partnership handbook in March 2024, which provide guidance on project planning, implementation, monitoring and evaluation, including construction project samples. These handbooks are expected to improve consistency and harmonization of practices for planning, monitoring and reporting on construction projects from 2024 onwards. PROMS will also digitalize key construction management milestones and tasks, ensuring a clear audit trail of project documentation.

463. 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.

<i>Department responsible:</i>	Division of Human Resources
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2024
<i>Revised target date:</i>	No change

464. UNHCR has drafted an overarching workforce planning strategy to be finalized in 2024 with a results framework. To further develop its workforce planning approach

and leveraging the capabilities of the new human resources system, UNHCR has initiated the design of a workforce planning module and “Organization Studio”. This solution aims to enhance the UNHCR strategic workforce planning, align the workforce with multi-year plans and strategies, reduce misalignment risks, optimize the workforce and structures, and improve the efficiency and effectiveness of operations and divisions.

Report of the Board for the year ended 31 December 2020²⁷

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

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

466. UNHCR will continue to examine its amended budget structure over the coming budget cycles and report to its Executive Committee as required by the relevant decision of the Committee (A/AC.96/1209, chap. III, para. 13), in which it endorsed a review on the impact of the changes to the budgetary structure and periods on management efficiencies and the ability of UNHCR to deliver on its mandate, with revisions to be presented no later than 2025. In October 2021, the Committee approved the UNHCR programme budget for 2022, the first to reflect the new UNHCR global results framework. The programme budget for 2023 was also approved, allowing for the assessment of concerns about the transparency and quality of the budgetary structure. In the 2024 budget, further improvements were brought through the introduction of a new budget line for country operational technical support costs, providing a more detailed presentation of budget and expenditure. In October 2023, the Committee approved the programme budget for 2024 for country, regional, global and headquarters programmes.

Report of the Board for the year ended 31 December 2019²⁸

467. 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.

²⁷ A/76/5/Add.6, chap. II.

²⁸ A/75/5/Add.6, chap. II.

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

468. UNHCR refers to its comments in paragraph 429 above relating to the recommendation in paragraph 63 of the Board's report for the year ended 31 December 2022.

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

<i>Department responsible:</i>	Global Data Service
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Not applicable

470. UNHCR has successfully decommissioned proGres v3. UNHCR confirms that proGres v3 is obsolete and is no longer in use. Furthermore, the Global Data Service communicated the standard operating procedures for the final stage of the decommissioning process to the regional bureaux in February 2024. For all completed operations, UNHCR can confirm full compliance with the standard operating procedures, including confirming from personal data controllers regarding the proGres v3 status and securing backups for long-term digital preservation. UNHCR considers this recommendation to have been implemented and requests its closure by the Board.

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 2023²⁹

471. Table 23 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

²⁹ A/79/5/Add.7, chap. II.

Table 23
Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Corporate Services Division	3	–	–	3	3	–
Policy and Programme Division	3	–	–	3	3	–
Total	6	–	–	6	6	–

472. Table 24 summarizes the status of implementation of all recommendations of the Board as of August 2024.

Table 24
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Corporate Services Division	9	–	–	9	9	–
Policy and Programme Division	4	–	–	4	4	–
Evaluation Office	2	–	–	2	2	–
Office of the Chief Digital Officer	1	–	–	1	1	–
Total	16	–	–	16	16	–

473. **In paragraph 25 of its report, the Board recommended that the United Nations Environment Programme (UNEP) undertake an investigation to clarify the procedures for managing open long-outstanding commitments and enhance the review of open commitments within the year-end closing processes.**

Department responsible: Corporate Services Division

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

474. The United Nations Office at Nairobi is spearheading consultations with United Nations Headquarters on resolving reports for unliquidated obligations in business intelligence. UNEP expects to make progress on this matter in the third quarter of 2024 and enhance year-end reporting procedures in the fourth quarter of 2024.

475. **In paragraph 32 of its report, the Board recommended that UNEP review the 30 grants case by case to record the Controller’s approval information in Umoja and take measures to ensure that each special programme support costs rate of a grant be approved by the Controller in the future.**

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

476. UNEP and the United Nations Office at Nairobi have conducted a review of the grants and requested the responsible offices to send supporting documents for update to Umoja. In addition, UNEP has sent a memorandum to the Controller for approval of a special programme support cost rate for the Climate Technology Centre and Network trust fund.

477. In paragraph 38 of its report, the Board recommended that UNEP review the 24 items on a case-by-case basis and identify the reasons for the lack of compliance with the provision of instalments and financial reporting, accelerate the implementation of the 24 agreements and increase United Nations entities' awareness of financial reporting.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

478. UNEP has launched an exercise to review non-compliance of implementing partners based on the 2023 year-end closure update to the Executive Director and is planning to issue additional guidance on this matter for the administrative and financial management officers in the fourth quarter of 2024.

479. In paragraph 44 of its report, the Board recommended that UNEP document, in form of standard operating procedures, the process for the estimates provided by programme managers, record the expenditures and document any exceptional cases.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

480. Standard operating procedures on the process for estimation of accrued expenses will be drafted in the third quarter of 2024 and incorporated into the year-end closing procedures by the end of 2024.

481. In paragraph 50 of its report, the Board recommended that UNEP review the implementation plans for United Nations Environment Assembly resolutions 5/4, 5/5, 5/7 and 5/8 to include implementation timelines, data accuracy and clear internal accountability, and that resolution focal points upload them in the United Nations Environment Assembly Monitoring and Reporting Portal.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: High
Target date: First quarter of 2025

482. UNEP will undertake dedicated training sessions every six months related to United Nations Environment Assembly resolutions monitoring and reporting, which will include strengthening the implementation plans and addressing data quality issues.

483. In paragraph 58 of its report, the Board recommended that UNEP conduct an in-house inventory of all Sendai Framework-related projects and activities across the UNEP programme of work.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

484. The Policy and Programme Division will lead the mapping exercise of all projects and activities related to the Sendai Framework by the end of 2024.

485. In paragraph 64 of its report, the Board recommended that UNEP reduce by 30 per cent the percentage of projects that have expired and are pending operational closure for more than two years by April 2025.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

486. Of the 140 ageing projects, 114 were operationally closed and 18 were financially closed, leaving only 1 ageing project as of the third quarter of 2024. The closure rate of 99 per cent resulted from a dedicated data cleansing exercise targeting the closure of expired and closed projects mistakenly converted to the Integrated Planning, Management and Reporting module during the transition period. UNEP therefore requests the closure of this recommendation.

487. In paragraph 65 of its report, the Board recommended that UNEP reduce the percentage of projects pending financial closure for more than two years.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: High
Target date: Second quarter of 2025

488. The Corporate Services Division is in the process of advertising and recruiting for a P-4 temporary job opening that will focus on the closure of projects pending financial closure. The initial focus will be on projects pending financial closure for more than two years, and the scope will expand to all other projects pending financial closure.

489. In paragraph 71 of its report, the Board recommended that UNEP update its guidance on project asset management and develop a tracking tool for monitoring the submission of the inventory of non-expendable equipment by implementing partners, in line with the requirements of the respective legal instruments.

Department responsible: Corporate Services Division

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

490. The implementing partner module has been updated with a new function that enables users to know whether annual and final inventory reports for non-expendable equipment are required for each implementing partner agreement. All new agreements involving budgets for inventory and non-expendable equipment will utilize this function when processed in Umoja. UNEP will centrally add inventory report requirements to all implementing partner agreements processed in Umoja prior to the implementation of the new function. UNEP will also update the programme manual and associated guidance notes with precise reporting requirements for the inventory of non-expendable equipment. In addition, UNEP will collaborate with the relevant colleagues at United Nations Headquarters to capture reporting requirements through a report in Umoja Analytics.

491. In paragraph 77 of its report, the Board recommended that UNEP ensure management actions to track the implementation status of UNEP-wide evaluation recommendations.

Department responsible: Evaluation Office

Status: Under implementation

Priority: Medium

Target date: First quarter of 2025

492. An approach to ensure management actions on UNEP-wide evaluation recommendations was developed and discussed with UNEP senior management in January 2024. The Evaluation Office will prepare detailed narratives capturing UNEP implementation with respect to this recommendation. The Evaluation Office will report on implementation annually to the senior management team beginning in January 2025.

493. In paragraph 85 of its report, the Board recommended that UNEP consider a targeted training session or seminar to raise the awareness and competency of its technical staff in further integrating sustainability in Global Environment Facility (GEF) projects within the available resources.

<i>Department responsible:</i>	Policy and Programme Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2025

494. UNEP is currently evaluating the most effective approach for the training or seminars in consultation with several internal stakeholders. To achieve the intended outcomes, the training will be informed by findings from previous projects, necessitating a preliminary desk review. The terms of reference defining the scope are being finalized, and consultations with experts are under way to determine the parameters for the training methodology.

495. In paragraph 91 of its report, the Board recommended that UNEP specify in its programme of work document that the detailed evaluation plan for a subprogramme is in the form of terms of reference, which will be prepared annually and will cover the requisites of an evaluation plan.

<i>Department responsible:</i>	Evaluation Office
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2025

496. The evaluation section of the UNEP programme of work will be amended during the drafting of the 2026–2027 programme of work to address the requirements of this recommendation. Annual plans in the form of subprogramme evaluation terms of reference continue to be prepared.

497. In paragraph 108 of its report, the Board recommended that UNEP formulate a framework to regulate its engagement with collaborating centres, including their establishment, management and operational issues.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2025

498. UNEP started investigating the issues related to the collaborating centres in 2021, and since then, various proposals on the way forward have been presented. Resources need to be allocated to the Corporate Services Division to further establish the framework and ensure full implementation of this recommendation. Given the considerable number of actions to be taken and noting the recruitment timelines, UNEP expects full implementation by the end of 2025.

499. In paragraph 116 of its report, the Board recommended that UNEP prepare an updated report on the implementation of the interim memorandum on the integration of the digital monitoring and reporting mechanism in the Partners Portal for private sector partnerships, including monitoring of risk elements.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

500. UNEP approved the 2024 partnership policy and procedures on 29 June 2024, and they are scheduled to be implemented with transitional measures in September 2024. UNEP will finalize the preparation of a report that contains its update on the implementation of the interim memorandum on the integration of the digital monitoring and reporting mechanism for private sector partnerships on the Partners Portal and will embed this procedural approach in the updates to the 2024 partnership policy and procedures. The UNEP Private Sector Unit continues to monitor its established partnerships internally in coordination with the responsible officers.

501. In paragraph 124 of its report, the Board recommended that UNEP request the Global Resource Information Database – Geneva to complete the handover process of the World Environment Situation Room data platform, including the data source used in the World Environment Situation Room Common Country Analysis and other technical and management aspects.

Department responsible: Office of the Chief Digital Officer
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

502. UNEP notes that the pending action is for the Global Resource Information Database – Geneva. UNEP has asked for the remainder of the handover to be completed and is following up with the Global Resource Information Database – Geneva.

503. In paragraph 132 of its report, the Board recommended that UNEP introduce a standard template for procurement planning which may accompany the project documentation depending on the size and high-risk profile of the project.

Department responsible: Corporate Services Division
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

504. The Policy and Programme Division and the Corporate Services Division will further discuss the criteria and develop templates for the procurement plans with the aim of completing this exercise by the end of 2024.

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

505. In the annex to its report for the year ended 31 December 2023 (A/79/5/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 25 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.

506. Table 25 summarizes the overall situation as of August 2024.

Table 25

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

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Corporate Services Division	6	–	1	5	6	–
Policy and Programme Division	11	–	1	10	11	–
Secretariat of the Convention on Biological Diversity	5	–	3	2	5	–
Regional Office for Europe	1	–	1		1	–
Ozone Secretariat	1	–	–	1	1	–
Industry and Economy Division	1	–	–	1	1	–
Total	25	–	6	19	25	–

Report of the Board for the year ended 31 December 2018³⁰

507. **In paragraph 79 of its report, the Board recommended that UNEP carry out a review and consolidation of all current UNEP-GEF projects, with the necessary information to ensure adequate accountability and programme management.**

Department responsible: Policy and Programme Division

Status: Under implementation

Priority: High

Original target date: First quarter of 2021

Revised target date: Fourth quarter of 2024

508. Apart from several problematic entries, the transition and enhancement of the largest UNEP portfolio into the Integrated Planning, Management and Reporting module was successfully completed in the first quarter of 2024. Currently, a data verification exercise is in progress to ensure that project data entry in the module complies with established standards and guidelines, with corrections being made as necessary.

³⁰ A/74/5/Add.7, chap. II.

Report of the Board for the year ended 31 December 2019³¹

509. In paragraph 98 of its report, the Board recommended that UNEP coordinate with the Regional Office for Latin America and the Caribbean and the Regional Office for Africa in order to take liaison measures with the external institutions involved in project implementation, aiming to improve the efficiency of the project implementation process.

<i>Departments responsible:</i>	Corporate Services Division, Regional Office for Latin America and the Caribbean and Regional Office for Africa
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2021
<i>Revised target date:</i>	Third quarter of 2025

510. The UNEP partnership policy was approved in June 2024 and will enter into force on 29 September 2024. The procedures include clear guidance on monitoring partners, with the aim of improving the efficiency of the project implementation process, and the policy will be implemented through a one-year transition period.

511. In paragraph 170 of its report, the Board recommended that UNEP establish the proper liaison between its headquarters and the Executive Secretary of the Convention on Biological Diversity and its Protocols in order to agree on the procedures and responsibilities that each entity shall assume with regard to the provision of secretariat services to the Conference of the Parties to the Convention on Biological Diversity, including the aspects related to non-administrative functions.

<i>Department responsible:</i>	Secretariat of the Convention on Biological Diversity
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2021
<i>Revised target date:</i>	Not applicable

512. After internal consultations and careful review of the existing policies, administrative arrangements, the delegation of authority framework and United Nations Environment Assembly resolutions, UNEP and the secretariat of the Convention on Biological Diversity have concluded that no additional instruments are needed to clarify procedures and responsibilities that each entity shall assume regarding the provision of secretariat services to the Conference of the Parties to the Convention on Biological Diversity. UNEP and the secretariat of the Convention on Biological Diversity believe that the intent and purpose of these recommendations are addressed by existing instruments. UNEP considers this recommendation to have been implemented and requests its closure by the Board.

³¹ [A/75/5/Add.7](#), chap. II.

513. **In paragraph 171 of its report, the Board recommended that UNEP liaise with the Executive Secretary of the Convention on Biological Diversity to propose to the Conferences of Parties to the Convention on Biological Diversity and its Protocols the adoption of a memorandum of understanding. If agreed, this instrument shall include the arrangements for the provision of secretariat functions by UNEP, aiming to establish a regulatory framework that sets out clear responsibilities, transparency, guidance and accountability among the parties and Member States.**

<i>Department responsible:</i>	Secretariat of the Convention on Biological Diversity
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2021
<i>Revised target date:</i>	Not applicable

514. After internal consultations and careful review of the existing policies, administrative arrangements, the delegation of authority framework and United Nations Environment Assembly resolutions, UNEP and the secretariat of the Convention on Biological Diversity have concluded that no additional instruments are needed to clarify procedures and responsibilities that each entity shall assume regarding the provision of secretariat services to the Conference of the Parties to the Convention on Biological Diversity. UNEP considers this recommendation to have been implemented and requests its closure by the Board.

515. **In paragraph 221 of its report, the Board recommended that UNEP assist and liaise with the secretariat of the Convention on Biological Diversity to coordinate with the Conference of the Parties to the Convention in order to agree on the implementation of a more effective resource mobilization mechanism for the secretariat.**

<i>Department responsible:</i>	Secretariat of the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2025

516. In 2021, following the recognition that a results-based management framework should be a priority for the secretariat of the Convention on Biological Diversity, a framework was developed and formed the basis for the 2023–2024 programme budget. The framework will be updated in early 2025, with the aim of becoming fully operational during the 2025–2026 biennium. The secretariat of the Convention is planning the development of an evaluation policy as part of the process of strengthening its programme management function, which will incorporate the results-based management framework. This will be completed by the first quarter of 2025 and inform the resource mobilization strategy to be completed by the end of 2025.

Report of the Board for the year ended 31 December 2020³²

517. **In paragraph 168 of its report, the Board recommended that UNEP accelerate the clean-up of legacy matters and complete the closure procedures for delayed projects as soon as possible.**

Department responsible: Policy and Programme Division

Status: Under implementation

Priority: High

Original target date: First quarter of 2022

Revised target date: Fourth quarter of 2024

518. UNEP continues to follow up on pending financial closures in the Integrated Planning, Management and Reporting module. The Deputy Executive Director reminded all project managers to ensure that full closure processes (operational and financial) are followed for their projects in the module. Project managers working with fund management officers are allocated 12 months for this exercise in line with the UNEP programme and project management manual. Therefore, this recommendation is expected to be completed by the end of 2024.

Report of the Board for the year ended 31 December 2021³³

519. **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

Original target date: Third quarter of 2023

Revised target date: Fourth quarter of 2024

520. A revised draft monitoring and reporting framework has been circulated to all divisions and offices for comments. A revised version of the draft monitoring and reporting policy will be submitted to the senior management team for consideration by the end of 2024.

521. **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.**

³² A/76/5/Add.7, chap. II.

³³ A/77/5/Add.7, chap. II.

<i>Department responsible:</i>	Secretariat of the Convention on Biological Diversity
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Not applicable

522. The secretariat of the Convention on Biological Diversity was successful in mobilizing voluntary contributions for the meetings of the open-ended working group on the post-2020 global biodiversity framework and other related meetings and workshops. The secretariat continues to monitor the spending in the overhead trust account closely and pursues efforts to remain within the approved allocation, which significantly reduced the overhead trust account overrun during the 2022–2023 biennium, from \$650,000 in 2020–2021 to \$10,000 in 2022–2023. UNEP considers this recommendation to have been implemented and requests its closure by the Board.

523. In paragraph 65 of its report, the Board recommended that UNEP review ageing and not expensed advance transfers to implementing partners on a case-by-case basis and clear those pending advances in coordination with the United Nations Office at Nairobi.

<i>Department responsible:</i>	Corporate Services Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2024

524. UNEP has resolved 106 out of 110 items reported by the Board, amounting to \$5,591,630.23. The appropriate offices are taking the necessary actions to resolve the pending items, which UNEP aims to settle by the fourth quarter of 2024. For items under implementing partner agreements, UNEP will not approve any further payments until all previous outstanding matters are resolved.

525. 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 balance of closed grants.

<i>Department responsible:</i>	Secretariat of the Convention on Biological Diversity
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	Second quarter of 2025

526. Since the beginning of 2024, the secretariat of the Convention on Biological Diversity has closed over 50 grants in close collaboration with UNEP. Following the

directives from the UNEP Executive Director to close old grants and with the recruitment of an associate finance officer in June 2024, the secretariat will continue the process and expects implementation by mid-2025.

527. In paragraph 94 of its report, the Board recommended that UNEP ensure that the prescribed comparative analysis is properly conducted in conformity with UNEP policy.

Department responsible: Corporate Services Division

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2023

Revised target date: Fourth quarter of 2024

528. The UNEP partnership policy was approved on 29 June 2024 and will enter into force on 29 September 2024. The procedures include clear guidance on competitive selection, including criteria for exceptions to competitive selection. Implementation is expected in the third and fourth quarters of 2024.

529. 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: Policy and Programme Division

Status: Under implementation

Priority: Medium

Original target date: First quarter of 2023

Revised target date: Fourth quarter of 2024

530. Apart from several problematic entries, the transition and enhancement of the largest UNEP portfolio into the Integrated Planning, Management and Reporting module was successfully completed in the first quarter of 2024. Currently, a data verification exercise is in progress to ensure that project enhancements within the module comply with established standards and guidelines, with corrections being made as necessary.

531. 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: Policy and Programme Division

Status: Under implementation

Priority: Medium

Original target date: First quarter of 2023

Revised target date: Fourth quarter of 2024

532. A memorandum has been issued that outlines the need to speed up project start-ups, especially for project extensions that require division director approval. The memorandum includes, in particular, two facilities to speed up project start-ups by ensuring the creation of “planned posts” to initiate recruitment processes while the receipt of funds is awaited, drafting subcontract agreements earlier, and offering guidance on procurement planning to reduce lag time.

Report of the Board for the year ended 31 December 2022³⁴

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

Department responsible: Regional Office for Europe

Status: Closure requested

Priority: Medium

Original target date: Fourth quarter of 2023

Revised target date: Not applicable

534. The equipment list of the UNEP Regional Office for Europe was fully reviewed, and adjustments were completed by the United Nations Office at Nairobi in the Umoja enterprise resource planning system in April 2024. UNEP considers this recommendation to have been implemented and requests its closure by the Board.

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

Department responsible: Ozone Secretariat

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2024

Revised target date: No change

536. The thirty-fifth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer requested the Ozone Secretariat, in consultation with the secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol, to provide options for sustainable funding and establish new regional monitoring capacities. The Multilateral Fund secretariat provided a note on how the Multilateral Fund could be used to finance such activities. In addition, the Ozone Secretariat developed a note on funding options for the general trust fund for financing activities on research and systematic observations relevant to the Vienna Convention. The Multilateral Fund secretariat and the Ozone Secretariat notes will be discussed by the parties during the forty-sixth meeting of the Open-ended Working Group of the Parties to the Montreal Protocol and submitted for review and decision by the Conference of the Parties scheduled for the end of 2024, in line with the original target date.

³⁴ A/78/5/Add.7, chap. II.

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

Department responsible: Corporate Services Division

Status: Under implementation

Priority: High

Original target date: Fourth quarter of 2023

Revised target date: Fourth quarter of 2024

538. The UNEP partnership policy was approved on 29 June 2024 and will enter into force by the end of 2024. The procedures include clear guidance on risk treatment and monitoring.

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

Department responsible: Corporate Services Division

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2023

Revised target date: Fourth quarter of 2024

540. The UNEP partnership policy was approved on 29 June 2024 and will enter into force by the end of 2024. The new terms of reference for the Partnership Committee include clear review criteria.

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

Department responsible: Policy and Programme Division

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2023

Revised target date: Fourth quarter of 2024

542. Follow-up was conducted with the project managers of the 47 sampled projects in the Programme Information and Management System: a midterm review, terminal review or lessons learned report was provided for 28 projects, and no review was conducted but a rationale was provided for 14 projects. Five projects are pending

feedback. UNEP is liaising with the project managers of these projects to gather the related documents.

543. In paragraph 118 of its report, the Board recommended that UNEP assess the workload of incumbent task managers of GEF projects and formulate a response plan to mitigate the potential imbalance of project allocations.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: High
Original target date: First quarter of 2024
Revised target date: Fourth quarter of 2024

544. Two GEF teams have successfully transitioned to the newly established Climate Change Division, and significant recruitment efforts are currently in progress. Meanwhile, management is evaluating the most effective approach for the assessment and mitigation measures.

545. In paragraph 126 of its report, the Board recommended that UNEP formulate more specific guidelines on no-cost extension and encourage project/task managers to minimize the need for project extensions.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: Medium
Original target date: First quarter of 2024
Revised target date: Fourth quarter of 2024

546. Given the diversity of programming and the potential impact on broader operations, consultations are still ongoing to ensure that all aspects are considered, particularly from legal, financial, and policy perspectives.

547. In paragraph 144 of its report, the Board recommended that UNEP complete the data enrichment of the ongoing projects in the Integrated Planning, Management and Reporting module according to the transition plan.

Department responsible: Policy and Programme Division
Status: Closure requested
Priority: Medium
Original target date: Fourth quarter of 2023
Revised target date: Not applicable

548. The data enrichment of the GEF biodiversity and land degradation portfolio was successfully completed in the second quarter of 2024. The process involved the enrichment of 159 projects, which included accurately updating the project title in compliance with the GEF Integrated Planning, Management and Reporting module naming convention, updating the framework at the objective, outcome and output levels, and completing the geography and Sustainable Development Goals tagging for

all projects. UNEP considers this recommendation to have been implemented and requests its closure by the Board.

549. In paragraph 167 of its report, the Board recommended that UNEP consider publishing 75 per cent of active projects' information and conducting a quarterly review on the updating of Open Data portal content to help ensure the integrity, accuracy and consistency of the voluntary information disclosures.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2023
Revised target date: Fourth quarter of 2024

550. A scoping exercise on the work that needs to be done to meet the requirements of the recommendation has been completed, following which a process was initiated to recruit a dedicated consultant to undertake the task of automating the publishing of UNEP projects from the Integrated Planning, Management and Reporting module to the Open Data portal and to make other additional enhancements as needed. The recruitment of a consultant to undertake the automation of publishing projects and other improvements on the Open Data portal is in process, and the consultancy will be for a duration of 12 months.

551. In paragraph 168 of its report, the Board recommended that UNEP disclose the safeguard information and information on Sustainable Development Goals when the safeguards and gender online system and the Integrated Planning, Management and Reporting solution, respectively, are ready.

Department responsible: Policy and Programme Division
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2023
Revised target date: Fourth quarter of 2024

552. The safeguards and gender online system underwent additional testing in the first quarter of 2024, during which some system issues were identified and addressed. The first phase of the system is ready for roll-out, pending a few technical issues that need to be addressed and the issuance of user guidance. During the second phase, the user interface and user experience aspect will be addressed, which is expected to take six months from the start of the work of the consultant, currently under recruitment.

553. In paragraph 183 of its report, the Board recommended that UNEP develop a plan to monitor the preselected vendor modality.

Department responsible: Corporate Services Division
Status: Closure requested
Priority: High
Original target date: Fourth quarter of 2023
Revised target date: Not applicable

554. This recommendation refers to one case from 2022. Since then, no recurrence has been recorded. Operational guidance was issued, under which it is required that requests for the approval of preselected vendors be submitted in advance. UNEP considers this recommendation to have been implemented and requests its closure by the Board.

555. In paragraph 193 of its report, the Board recommended that UNEP establish a long-term strategic clean fleet management plan, including a replacement plan for its old vehicles and a procurement plan for accelerating the transformation to zero-emission vehicles.

Department responsible: Industry and Economy Division

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2024

Revised target date: No change

556. In the past few years, UNEP has, among other things, established appropriate electric infrastructure and after-care services in Nairobi, allowing United Nations agencies in Kenya to procure fully electric cars. In addition, UNEP is currently drafting a policy proposal for the United Nations Secretariat to start switching to electric vehicles, where possible. UNEP is now consolidating all ongoing and planned actions into a long-term strategic clean fleet management plan and is aligning executive guidance on future fleet management practices, aiming for full implementation in line with the original target date of year-end 2024.

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 2023³⁵

557. Table 26 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

Table 26

Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division for Management Services	4	–	–	4	4	–
Humanitarian Response Division	3	–	–	3	3	–
Supply Chain Management Unit	3	–	–	3	3	–
Multiple offices	3	–	–	3	3	–
Total	13	–	–	13	13	–

³⁵ A/79/5/Add.8, chap. II.

558. Table 27 summarizes the status of implementation of all recommendations of the Board as of August 2024.

Table 27
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Humanitarian Response Division	9	–	1	8	8	–
Supply Chain Management Unit	6	–	1	5	5	–
Division for Management Services	4	–	–	4	4	–
Programme Division	3	–	–	3	3	–
Information Technology Solutions Office	2	–	–	2	2	–
Multiple offices	8	–	–	8	8	–
Total	32	–	2	30	30	–

559. **In paragraph 38 of its report, the Board recommended that the United Nations Population Fund (UNFPA) assess and update the terms of reference of its Humanitarian Response Division and establish a clear plan with an activities implementation schedule and accountabilities.**

Department responsible: Humanitarian Response Division

Status: Under implementation

Priority: High

Target date: First quarter of 2025

560. The Humanitarian Response Division will leverage the opportunity of the roll-out and implementation of the emergency policy and procedures to amend the Division's terms of reference, particularly the part relating to the operations centre. The Division has already developed its results framework with a clear workplan and activities implementation schedule. Both the emergency policy and procedures and the results framework define clear accountabilities.

561. **In paragraph 39 of its report, the Board recommended that UNFPA take the actions needed to fill the vacant posts in the Humanitarian Response Division.**

Department responsible: Humanitarian Response Division

Status: Under implementation

Priority: High

Target date: Second quarter of 2025

562. The Humanitarian Response Division is actively recruiting for vacant posts in the Division. It currently has seven vacant fixed-term posts and is currently recruiting for five of them. Two others are on hold pending the revision of their terms of reference.

563. In paragraph 50 of its report, the Board recommended that UNFPA establish a mechanism to conduct and record in a timely manner the fast-track procedure activation risk assessments and oversee their activation.

Department responsible: Humanitarian Response Division
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

564. The Humanitarian Response Division is currently finalizing the emergency policy and procedures, which are a UNFPA corporate-wide priority. The new policy will integrate the human resources, supply chain and finance components of the fast-track procedures. This integration will render redundant the fast-track procedures, which will thus be archived. UNFPA will establish a mechanism, through the emergency policy and procedures, to monitor and record the activation and risk assessment of the components of the fast-track procedures that are subsumed into the emergency policy and procedures.

565. In paragraph 51 of its report, the Board recommended that UNFPA ensure the timeliness of submissions of usage reports and subsequent assessments to implement the lessons learned.

Department responsible: Humanitarian Response Division
Status: Closure requested
Priority: Medium
Target date: Not applicable

566. The Humanitarian Response Division produced, in January 2024, the 2021–2022 usage report, which included a section on lessons learned and recommendations derived from the usage reports. A summary of the report, as well as access to its full version, was provided to the Humanitarian Steering Committee as part of the written updates for the meeting held on 31 January 2024. Likewise, the usage report covering fast-track procedure activations and extensions in 2023 was prepared and shared with the Committee as part of the written updates for the meeting held on 15 May 2024. Both reports have informed the discussions on the way forward for the integration of the fast-track procedures into the upcoming emergency policy and procedures. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

567. In paragraph 52 of its report, the Board recommended that UNFPA update its policy and procedures in order to align them with the current fast-track procedure.

Department responsible: Humanitarian Response Division
Status: Under implementation
Priority: Medium
Target date: Third quarter of 2025

568. The emergency policy and procedures will trigger changes and amendments to other policies in place to align them with the new direction that the organization is taking with their implementation.

569. In paragraph 64 of its report, the Board recommended that UNFPA issue guidance on risk ranking and subsequent actions depending on the level of risk, in line with the Inter-Agency Standing Committee, with the aim of ensuring that risk assessment ranking, duly advanced preparedness actions and contingency planning are conducted.

Department responsible: Humanitarian Response Division

Status: Under implementation

Priority: High

Target date: Second quarter of 2025

570. The Humanitarian Response Division is finalizing the development of the minimum preparedness actions in line with the Inter-Agency Standing Committee guidelines, which are a set of mandatory actions that all UNFPA regional and country offices should implement to increase their readiness to respond to emergencies. The minimum preparedness actions will be presented to the Humanitarian Steering Committee for endorsement as soon as the last round of internal consultations is concluded. A roll-out plan will then be developed in collaboration with regional and country offices. The next step after the endorsement and roll-out of the minimum preparedness actions will be the development by the Division of the advanced preparedness actions. The Division will focus on identified risks and guide advanced preparedness actions and contingency planning according to the risk identification exercise.

571. In paragraph 74 of its report, the Board recommended that UNFPA conduct the minimum preparedness actions by completing the necessary information and uploading all the relevant documents in strict accordance with the guidance on minimum preparedness actions.

Department responsible: Humanitarian Response Division

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2025

572. Once the minimum preparedness actions are rolled out, all UNFPA regional and country offices will be required to implement them. The minimum preparedness actions will also include a set of documents and templates to be completed by regional and country offices and uploaded into Quantum.

573. In paragraph 75 of its report, the Board recommended that UNFPA establish a robust oversight mechanism to ensure quality and completeness by requiring country and regional offices to complete the minimum of preparedness actions.

<i>Department responsible:</i>	Humanitarian Response Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2025

574. The Humanitarian Response Division will establish a robust oversight mechanism to ensure quality and completeness by requiring country and regional offices to complete the minimum of preparedness actions. The development of the oversight mechanism will be part of the roll-out plan. The documents uploaded by country and regional offices will be reviewed by the Division's technical experts in minimum and advanced preparedness.

575. In paragraph 76 of its report, the Board recommended that UNFPA review and approve a new version of the guidance on minimum preparedness actions in order to clarify milestones, provision of evidence and responsibilities of headquarters, regional offices and country offices in this matter.

<i>Department responsible:</i>	Humanitarian Response Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2025

576. The updated minimum preparedness actions have been reviewed, streamlined and simplified to include 10 updated actions instead of the previous 13 actions. The minimum preparedness actions define and clarify milestones, provision of evidence and responsibilities of headquarters, regional offices and country offices in implementing preparedness actions.

577. In paragraph 88 of its report, the Board recommended that the Humanitarian Response Division, in coordination with the Supply Chain Management Unit, ensure the implementation of the humanitarian supplies strategy activities through the precise identification of a cost proposal, the assignment of accountabilities and the needed budget arrangements in Quantum.

<i>Departments responsible:</i>	Humanitarian Response Division and Supply Chain Management Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2025

578. The Humanitarian Response Division and the Supply Chain Management Unit commit to quarterly reporting and review meetings. As an integral component within the broader context of humanitarian supplies strategy implementation, the UNFPA monitoring mechanism will be strengthened by tracking and assessing progress, identifying deviations from the plan and making necessary adjustments. Each business unit is responsible for ensuring that the necessary budgets for its respective activities are reflected in Quantum.

579. In paragraph 89 of its report, the Board recommended that UNFPA establish a monitoring mechanism to ensure that the action plans submitted to the Executive Board are fully implemented.

Departments responsible: Humanitarian Response Division and Supply Chain Management Unit

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

580. The Humanitarian Response Division will engage with other relevant stakeholders to develop the required monitoring and reporting mechanism on pre-positioning activities, to ensure that the action plans are fully implemented.

581. In paragraph 104 of its report, the Board recommended that UNFPA assess its internal control activities and apply the necessary adjustments considering the use of Quantum.

Department responsible: Division for Management Services

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2025

582. UNFPA is working to enhance its internal control activities affected by the new system. System access controls have been enhanced by introducing stronger segregation of duties controls, are continuously updated and adjusted based on user requests, and follow a strict protocol that requires clearance from the internal control framework focal point. Additional reporting features and dashboards are being developed to ensure timely and informed decision-making and to enhance accountability. Relevant corporate policies and related risk-control matrices (mandatory elements of all policies) are being updated as needed.

583. In paragraph 105 of its report, the Board recommended that UNFPA update the resource management policy and related guidelines to reflect the Quantum procedures and controls.

Department responsible: Division for Management Services

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

584. UNFPA is in the process of updating the resource management policy and expects to have the updated policy internally approved and operational by the end of 2024. Guidelines and guidance notes pertinent to resource management are also in the process of being updated.

585. In paragraph 106 of its report, the Board recommended that UNFPA implement a tool similar to the financial data quality dashboard to assist in the monitoring of field offices.

Department responsible: Division for Management Services
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2025

586. UNFPA will develop and implement a tool similar to the financial data quality dashboard to assist field offices with monitoring.

587. In paragraph 107 of its report, the Board recommended that UNFPA align its financial management community with Quantum resources.

Department responsible: Division for Management Services
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

588. All Quantum training and learning resources, including those produced for the financial community, were included on a central platform to make it easier for all users to find the information in one place. In addition, UNFPA will update the financial management community page to align it with Quantum resources by the end of 2024.

589. In paragraph 118 of its report, the Board recommended that UNFPA implement a mechanism to ensure timely operational and financial closures.

Department responsible: Programme Division
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2025

590. UNFPA will include a mechanism with the required information for offices and budget owners to monitor and implement timely operational and financial closures.

591. In paragraph 119 of its report, the Board recommended that UNFPA update the guidance note on programme cycles, project identification and activity identification creation and closure, and related procedures, with the aim of reflecting the processes to be implemented in the Quantum system.

Department responsible: Programme Division
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2025

592. UNFPA is updating the guidance note for alignment with the launch of the UNFPA results and resources planning system, Quantum Plus.

593. In paragraph 131 of its report, the Board recommended that UNFPA establish the necessary procedures to align its current ICT environment with all

International Organization for Standardization/International Electrotechnical Commission 27000 standards in a timely manner in order to support compliance with the information security policy.

<i>Department responsible:</i>	Information Technology Solutions Office
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2025

594. The following policies have been issued since the interim audit: policy for ICT, information security threat and vulnerability policy, information systems acceptable use policy, ICT hardware and software guidelines, and information security awareness guidelines. The information security programme for 2024 includes activities to establish the remaining policies, and the Information Technology Solutions Office is preparing to have them approved by the end of 2024.

595. In paragraph 132 of its report, the Board recommended that UNFPA formulate a procedure for conducting comprehensive and periodic reviews of the segregation of duties in Quantum to ensure that different staff members are responsible for distinct parts of any task to prevent errors.

<i>Department responsible:</i>	Information Technology Solutions Office
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2025

596. UNFPA has introduced periodic reviews as follows: (a) review at the headquarters level (in July 2023); and (b) annual validation/certification at the business unit level (in April 2024). These procedures will be performed on an annual basis and will be captured in the next version of the user provisioning and segregation of duties policy, and related standard operating procedures. The next annual review will be conducted by the second quarter of 2025.

597. In paragraph 143 of its report, the Board recommended that UNFPA conduct an updating exercise of the policies and procedures manual, establishing deadlines for each content owner, with the aim of reflecting the technological and organizational changes in a timely manner.

<i>Department responsible:</i>	Programme Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2025

598. UNFPA is in the process of updating its policies to reflect the technological and organizational changes.

599. In paragraph 156 of its report, the Board recommended that UNFPA reinforce the accountability of the country offices in the data quality of procurement records for locally procured goods.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: Medium
Target date: Second quarter of 2025

600. UNFPA will ensure the data quality of procurement records for locally sourced goods. UNFPA has planned additional measures to enhance data governance in this area.

601. In paragraph 157 of its report, the Board recommended that UNFPA record both accurately and in a timely manner the supplies, in accordance with the nature of the transaction (physical receipt, storage, handover, disposals and adjustments) and in agreement with the applicable accounting standards.

Department responsible: Supply Chain Management Unit
Status: Closure requested
Priority: Medium
Target date: Not applicable

602. In 2024, UNFPA took a number of measures to ensure the timely recording of actions related to supplies. These included introducing the quarterly closure of accounting periods in the shipment tracker, prompting country offices and the Supply Chain Management Unit to promptly record physical receipt, storage, disposal, distribution and adjustments. UNFPA conducted a series of webinars in different languages aimed at increasing the capacity and knowledge of the related personnel to manage inventories. UNFPA, together with UNDP, introduced another system control to prompt the timely recording of receipts via enterprise resource planning (three-week backdating option for financial receipts, a reduction from 180 days). UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

603. In paragraph 158 of its report, the Board recommended that UNFPA update the guidance to include all locally procured goods, reflecting all relevant concepts and categories used during the performance of the procedure.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2026

604. UNFPA will update its guidance to country offices to enhance the monitoring of procured goods at various stages in the supply chain. Concurrent with the implementation of additional enterprise resource planning modules, UNFPA is also streamlining its supply chain policies and guidelines to improve controls.

605. In paragraph 173 of its report, the Board recommended that UNFPA ensure that its country offices record transactions in Quantum relating to the pre-positioning of supplies in a timely manner.

<i>Departments responsible:</i>	Humanitarian Response Division and Supply Chain Management Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2024

606. UNFPA is developing an interim solution in Quantum Plus that will have a similar functionality to the shipment tracker in Atlas to facilitate the recording and tracking of pre-positioned supplies. This will eventually be replaced by a long-term enterprise resource planning solution for inventory management by the end of 2025 that will allow business units to record the related transactions and provide visibility to the lowest transactional level in real time. This will be accompanied by the development of and capacity-building on relevant standard operating procedures on pre-positioning at the country level.

607. In paragraph 174 of its report, the Board recommended that UNFPA implement a monitoring and reportability mechanism for country offices that maintain pre-positioned supplies to avoid manual errors and inaccuracies and to ensure that inventories are delivered to final beneficiaries and used for their intended purposes.

<i>Departments responsible:</i>	Humanitarian Response Division and Supply Chain Management Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2024

608. UNFPA will use the enterprise resource planning solution for inventory management to improve the visibility of pre-positioned supplies. The Supply Chain Management Unit and the regional supply chain management teams will regularly review reports generated from the solution and follow up with country offices to resolve errors and inaccuracies and offer training as appropriate. An added level of oversight and accountability will be ensured through the last mile assurance processes, which will assess and verify the distribution of supplies to service delivery points. UNFPA will also explore, together with the Information Technology Solutions Office team, the possibility of a built-in reporting functionality in its long-term enterprise resource planning solution for inventory management, providing data and dashboards to allow efficient inventory management and oversight.

609. In paragraph 175 of its report, the Board recommended that the UNFPA Humanitarian Response Division incorporate guidelines regarding compliance with the pre-positioned supply planning initiative to maintain supplies in warehouses for a timely emergency response.

<i>Departments responsible:</i>	Humanitarian Response Division and Supply Chain Management Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2024

610. The Humanitarian Response Division, as the policy owner, will lead the development of the corporate policy on pre-positioning as a component of preparedness. The policy will include specific guidance regarding compliance requirements of country and regional offices that wish to pre-position supplies for emergency response.

611. In paragraph 185 of its report, the Board recommended that UNFPA establish a monitoring mechanism for the risks included in the policy related to the management of programme supplies.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

612. UNFPA management agrees to establish a monitoring mechanism for the risks identified in the supply chain policies. While UNFPA plans to issue a new supply chain policy following the implementation of additional controls given by new enterprise resource planning modules, these risks will be incorporated into the annual enterprise risk management exercise to ensure a consistent and thorough assessment.

613. In paragraph 186 of its report, the Board recommended that UNFPA implement automatic controls in Quantum to prevent country offices from procuring pharmaceuticals and medical devices without authorization and restrict the purchase of contraceptives at this level.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2025

614. UNFPA agrees with implementing automatic controls in Quantum to prevent country offices from procuring pharmaceuticals and medical devices without authorization. In collaboration with UNDP, UNFPA will take immediate action to explore the enterprise resource planning requirements for implementing such preventive controls.

615. In paragraph 187 of its report, the Board recommended that UNFPA categorize the products in Quantum according to the type of programme supplies to enable monitoring by the Supply Chain Management Unit.

Department responsible: Supply Chain Management Unit
Status: Under implementation
Priority: High
Target date: Second quarter of 2025

616. UNFPA agrees with the recommendation to categorize the products in the enterprise resource planning system according to the programme supplies typology. This process will be part of the greater data governance model, and in the interim,

UNFPA will explore using other tools to enhance Supply Chain Management Unit data for monitoring purposes.

617. In paragraph 202 of its report, the Board recommended that UNFPA develop a control mechanism for the signed and posted agreements to prevent delays in the recording of revenue.

Departments responsible: Division for External Relations and Division for Management Services

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

618. UNFPA will develop a dedicated standard operating procedure detailing the process of recording signed contribution agreements, clearly assigning responsibilities and specifying the associated turnaround time for each step.

619. In paragraph 203 of its report, the Board recommended that UNFPA implement a mechanism to enable the oversight and traceability of the agreements from the negotiation process to the revenue posting in Quantum, by codifying the negotiation processes and developing dashboards.

Departments responsible: Division for External Relations and Division for Management Services

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2025

620. UNFPA will institute measures for performing and duly documenting regular reconciliations between signed contribution agreements and contribution revenue recognized over a period of time. As part of the second phase of Quantum Plus, a new solution will be developed, allowing oversight and traceability of opportunities from agreement negotiation to agreement execution.

621. In paragraph 204 of its report, the Board recommended that UNFPA issue a new version of the terms of reference of the Resource Mobilization Branch to reflect its current accountabilities, systems used, functions and interactions with the Finance Branch.

Departments responsible: Division for External Relations and Division for Management Services

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

622. UNFPA has updated the terms of reference of the Division for External Relations. It is also reviewing the terms of reference of the Public Funding and Financing Branch (the new name of the Resource Mobilization Branch), which will clarify the responsibilities of the Division for External Relations with regard to the timely processing of contribution agreements.

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

623. In the annex to its report for the year ended 31 December 2023 (A/79/5/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 17 recommendations that were assessed by the Board to be either under implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

624. Table 28 summarizes the overall situation as of August 2024.

Table 28

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

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Supply Chain Management Unit	8	–	–	8	8	–
Division for Management Services	2	–	1	1	1	–
Executive Board Branch	2	–	2	–	–	–
Information Technology Solutions Office	2	–	–	2	2	–
Office of Audit and Investigation Services	2	–	2	–	–	–
Programme Division and Legal Unit	1	–	–	1	1	–
Total	17	–	5	12	12	–

Report of the Board for the year ended 31 December 2019³⁶

625. In paragraph 165 of its report, the Board recommended that the UNFPA offices in Ethiopia, Mozambique and Myanmar incorporate into the information system strengthened tools related to the travel management process, in order to increase the effectiveness and efficiency of that process.

Department responsible: Division for Management Services

Status: Closure requested

Priority: Medium

Original target date: Second quarter of 2022

Revised target date: Not applicable

626. The required training, both online and in person, for involved staff took place in July 2024. Global roll-out of the travel module was completed in August 2024, as planned. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

³⁶ A/75/5/Add.8, chap. II.

Report of the Board for the year ended 31 December 2020³⁷

627. **In paragraph 89 of its report, the Board recommended that UNFPA incorporate preventive controls related to inventory information in the new enterprise resource planning system, in order to provide early alerts at each stage of the supply process.**

<i>Department responsible:</i>	Supply Chain Management Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Second quarter of 2022
<i>Revised target date:</i>	Fourth quarter of 2025

628. The Supply Chain Management Unit is rolling out the interim shipment tracker module in Quantum Plus to manage inventory movements and provide a reporting functionality. Planned for launch by the end of 2024, it will be followed by a comprehensive inventory management module in 2025, covering end-to-end processes from planning to last mile assurance. In addition, the Unit is developing a set of key performance indicators and dashboard tools, including inventory alerts and red flags, to enhance oversight, guidance and support to field offices.

Report of the Board for the year ended 31 December 2021³⁸

629. **In paragraph 78 of its report, the Board recommended that UNFPA strengthen the assurance activities plan and put in place preventive controls in its formulation process for the implementing partners assessment.**

<i>Department responsible:</i>	Division for Management Services
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Not applicable
<i>Revised target date:</i>	Fourth quarter of 2024

630. Development work has started, with the aim of having a new implementing partners assurance system with additional preventive controls for assessments in place by the end of 2024.

631. **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.**

³⁷ A/76/5/Add.8, chap. II.

³⁸ A/77/5/Add.8, chap. II.

<i>Department responsible:</i>	Supply Chain Management Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2025

632. A new comprehensive end-to-end inventory management solution will be developed in 2025 and will provide the required automation and integration of the inventory actions via the enterprise resource planning system. An interim solution is due to be rolled out before the end of 2024.

Report of the Board for the year ended 31 December 2022³⁹

633. In paragraph 54 of its report, the Board recommended that UNFPA accelerate the action taken to define the modules developed on Atlas, pending their inclusion in the Quantum enterprise resource planning system.

<i>Department responsible:</i>	Information Technology Solutions Office
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2024

634. The development of an inventory management system in Quantum Plus is under way and is expected to go live by the end of 2024.

635. In paragraph 68 of its report, the Board recommended that UNFPA ensure that the procedure for revoking access for all ICT resources for separated staff is carried out in a timely manner.

<i>Department responsible:</i>	Information Technology Solutions Office
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2024

636. Routine checks are under way to revoke access for separated staff in Atlas until it is decommissioned by the end of 2024.

637. In paragraph 90 of its report, the Board recommended that UNFPA develop and issue a supply chain management policy so that a coordinated approach to supply chains and logistics is implemented within the Fund.

³⁹ A/78/5/Add.8, chap. II.

<i>Department responsible:</i>	Supply Chain Management Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2026

638. The Supply Chain Management Unit plans to first complete the implementation of enhanced supply chain system solutions. Subsequently, the Unit will develop and issue a comprehensive supply chain management policy. This approach ensures that the policy is aligned with the updated systems and provides a coordinated approach to supply chains and logistics within the Fund.

639. In paragraph 91 of its report, the Board recommended that UNFPA conduct an assessment with regard to the fulfilment of the functions included in the Supply Chain Management Unit's terms of reference to ensure a clear implementation schedule and accountabilities, in order to fulfil the Unit's mandate.

<i>Department responsible:</i>	Supply Chain Management Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2024
<i>Revised target date:</i>	No change

640. An assessment of the fulfilment of the functions was conducted, which resulted in new terms of reference for the Supply Chain Management Unit and a corresponding organizational structure. The practical demonstration of these functions and their fulfilment will be confirmed upon the complete implementation of the new structure.

641. The process is currently in progress and under implementation: as of August 2024, 131 positions were approved and 61 existing eligible staff members have been successfully placed in the new structure. Recruitment is ongoing for the vacant positions. The Supply Chain Management Unit is actively recruiting skilled professionals to create a critical mass of talent for the remaining functions, with onboarding planned for over 60 new staff by the end of 2024.

642. In paragraph 101 of its report, the Board recommended that UNFPA define and approve a supply chain strategy to provide the organization with a holistic supply chain system.

<i>Department responsible:</i>	Supply Chain Management Unit
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Third quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2024

643. The Supply Chain Management Unit is developing its 2024–2029 strategy framework, which will provide clear direction and prioritization to the Unit to fulfil its mandate and accelerate progress towards achieving the Fund’s three transformative results. Some highlights include enhanced humanitarian supplies intervention through contingency planning, global and regional pre-positioning, and supply chain resilience in disaster-prone areas. An updated last mile assurance process to reflect evolving business processes, with a focus on developing and monitoring annual workplans and risk assessments, will strengthen these initiatives. In addition, the strategy is aimed at building the Unit’s financial sustainability through the benchmarking of costing strategies, analysis of costs and identification of areas for improvement so that the Unit can optimize financial resources.

644. The Supply Chain Management Unit is conducting consultations with UNFPA headquarters, regional offices and selected country offices to validate the draft strategy framework and ensure that the strategy is comprehensive and fit for purpose before finalization. The presentation of the draft strategy for senior management approval is scheduled for the fourth quarter of 2024.

645. In paragraph 110 of its report, the Board recommended that UNFPA conduct the Supply Chain Management Unit and supply chain function risk assessments in order to address a complete risk approach.

Department responsible: Supply Chain Management Unit

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2025

Revised target date: First quarter of 2025

646. The Supply Chain Management Unit is focusing on its enterprise risk management activities, beginning with a comprehensive risk identification exercise and the creation of the Unit’s risk register. The next steps include conducting a risk assessment, identifying risk mitigation actions and implementing the actions to ensure operational consistency and compliance.

647. In paragraph 133 of its report, the Board recommended that UNFPA ensure that its business units conduct vendor assessments when the purchase order is closed.

Department responsible: Supply Chain Management Unit

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2024

Revised target date: Third quarter of 2025

648. The Supplier Portal module was launched in April 2024 as a component of the enterprise resource planning roll-out schedule. The module will allow users to perform basic vendor assessment activities. Further improvements will result from the data gathered from the Order Transport module, planned to be launched in the third quarter of 2024.

649. Furthermore, the Supply Chain Management Unit is implementing a solution developed by UNDP for a more advanced, qualitative supplier evaluation. Led by UNDP, the solution is expected to be finalized by the first quarter of 2025 and will be accessible to both the Unit and country and regional offices. After the solution's launch, staff will be trained to improve the timely fulfilment of vendor evaluations and assessments. In addition, periodic checks will be conducted to ensure compliance.

650. In paragraph 134 of its report, the Board recommended that UNFPA improve oversight of business units with the timely fulfilment of vendor assessments in the vendor assessment application that are defined by the Fund.

Department responsible: Supply Chain Management Unit

Status: Under implementation

Priority: Medium

Original target date: Fourth quarter of 2024

Revised target date: Third quarter of 2025

651. The Supplier Portal module was launched in April 2024 as a component of the enterprise resource planning roll-out schedule. The module will allow users to perform basic vendor assessment activities. Further improvements will result from the data gathered from the Order Transport module, planned to be launched in the third quarter of 2024.

652. Furthermore, the Supply Chain Management Unit is implementing a solution developed by UNDP for a more advanced, qualitative supplier evaluation. Led by UNDP, the solution is expected to be finalized by the first quarter of 2025 and will be accessible to both the Unit and country and regional offices. After the solution's launch, staff will be trained to improve the timely fulfilment of vendor evaluations and assessments. In addition, periodic checks will be conducted to ensure compliance.

653. In paragraph 169 of its report, the Board recommended that UNFPA ensure the Oversight Advisory Committee's independence by updating its terms of reference with the aim of aligning them with the International Standards for the Professional Practice of Internal Auditing and best practices.

Department responsible: Executive Board Branch

Status: Closure requested

Priority: Medium

Original target date: Not applicable

Revised target date: Not applicable

654. UNFPA management underlines that the Oversight Advisory Committee is an independent advisory body to the UNFPA Executive Director, in line with the Executive Board-approved oversight policy of UNFPA. This is the same as the current practice in other United Nations organizations whereby Oversight Advisory Committee-equivalent advisory bodies report to their respective executive heads.

655. To further strengthen the relationship between the Oversight Advisory Committee and the Executive Board, and to respond to the report of the Joint Inspection Unit on the review of audit and oversight committees in the United Nations

system (see A/74/670), UNFPA revised the Committee's terms of reference in 2021.⁴⁰ In accordance with its terms of reference, the Committee undertakes structured and systematic reviews of the organization's governance, risk management and internal control practices, including the independent oversight functions of audit and investigations, evaluation and ethics to assist the Executive Director in fulfilling her oversight responsibilities. The Committee Chair has unrestricted access to the Executive Board and its President. The terms of reference of the Committee also establish safeguards and spell out clearly the rationale for the independence of the Committee's appointees.

656. As indicated in the terms of reference, and in response to Executive Board decision 2023/7, in addition to the Committee submitting its annual report to the Executive Board, the Chair of the Committee presents it at the annual session of the Executive Board. This practice was started at the annual session in 2024 and will be maintained in future annual sessions.

657. UNFPA appreciates that there are different approaches to securing the independence of audit committees and maintains that the current structure and functioning of the UNFPA Oversight Advisory Committee, as an advisory body to enable the Executive Director to fulfil her oversight responsibilities, is of immense value to the organization in strengthening its oversight, transparency and risk management. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

658. In paragraph 170 of its report, the Board recommended that UNFPA strengthen its third line of defence by reviewing and updating the related oversight policies in order to reflect the new Oversight Advisory Committee definition and purpose.

<i>Department responsible:</i>	Executive Board Branch
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Not applicable
<i>Revised target date:</i>	Not applicable

659. UNFPA notes that this recommendation is related to that contained in paragraph 169 of the Board's report for the year ended 31 December 2022. As noted in the Fund's response in paragraphs 654 to 657 above, management is of the view that the Oversight Advisory Committee is an independent advisory body to the UNFPA Executive Director, in line with the Executive Board-approved oversight policy of UNFPA. This is the same as the current practice in other United Nations organizations whereby Oversight Advisory Committee-equivalent advisory bodies report to their respective executive heads. Such bodies are not described or intended as "audit committees" (i.e. formal governance bodies) but as "advisory" committees – established to assist the executive heads of United Nations organizations in discharging their oversight responsibilities effectively. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

660. In paragraph 184 of its report, the Board recommended that UNFPA review and approve a new version of the charter of the Office of Audit and Investigation

⁴⁰ See https://www.unfpa.org/sites/default/files/admin-resource/UNFPA_-_OAC_ToR_REVISIED_FINAL_APPROVED_12_May_2021_SIGNED_ANNEX.pdf.

Services that ensures adherence to the International Standards for the Professional Practice of Internal Auditing.

<i>Department responsible:</i>	Office of Audit and Investigation Services
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Not applicable
<i>Revised target date:</i>	Not applicable

661. The Office of Audit and Investigation Services takes note of the assessment of the Board and wishes to reiterate its position that the recommendation is already implemented. The Office maintains that it conforms to the Institute of Internal Auditors standards (2017), and this was confirmed and attested by the Institute during the external quality assessment conducted in 2022. The external quality assessment demonstrated the Office's alignment with both the Attribute Standards and the Performance Standards issued by the Institute in 2017.

662. In fact, Institute of Internal Auditors standard 1110 (organizational independence) states that the chief audit executive must report to a level within the organization that allows the internal audit activity to fulfil its responsibilities. The chief audit executive must confirm to the Executive Board, at least annually, the organizational independence of the internal audit activity.

663. This is fully achieved, as the Director of the Office of Audit and Investigation Services reports functionally to the highest authority within UNFPA, who is the Executive Director, and has a direct reporting line with the Executive Board whereby the Director of the Office can provide any information or update when necessary. This is in addition to all regular briefings, closed-door sessions, and discussions and presentations during the annual session of the Executive Board. Furthermore, the Institute of Internal Auditors provided some examples to demonstrate this independence. These examples are not exclusive and should serve as reference. According to the Institute, organizational independence is effectively achieved when the chief audit executive reports functionally to the Executive Board. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

664. In paragraph 201 of its report, the Board recommended that UNFPA adhere to the timelines of audit reports and investigations and develop a mechanism to periodically review the level of compliance.

<i>Department responsible:</i>	Office of Audit and Investigation Services
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2024
<i>Revised target date:</i>	Not applicable

665. The Office of Audit and Investigation Services has already implemented multiple measures to reduce the chronic backlog of cases, including increased recruitment of investigation consultants, completion of recruitment for investigation staff positions, definition of specific criteria for the closure and accelerated

investigation of backlog cases, investment in digital forensic capacity, and issuance of a new investigations manual. This has resulted, inter alia, in a record number of closures in 2023 (160), as well as the closure of outstanding cases from 2017 and reduction of those dating from 2018. For 2024, the Office aims to close a total of 150 cases and clear all the backlog from the 2017–2020 period.

666. The Office of Audit and Investigation Services has also made initiatives to further reduce both the total backlog and the ageing of cases. Notably, the Office has further expanded its consultants pool, but this time to specific geographical locations as well as specialized areas of support (language expertise, subject matter expertise and quality assurance capability) to assist in reducing backlog cases. In addition, it has refined its case closure criteria as part of its efforts to bring to conclusion chronic backlog cases. Finally, the Office is streamlining a number of internal processes to enable more expeditious resolution of cases. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

667. In paragraph 239 of its report, the Board recommended that UNFPA formalize and incorporate a confidential management clause regarding beneficiaries into the agreements signed with its implementing partners.

Departments responsible: Policy and Strategy Division and Legal Unit

Status: Under implementation

Priority: Medium

Original target date: Not applicable

Revised target date: Fourth quarter of 2024

668. The amendment of the general terms and conditions of implementing partner agreements will be concluded by the end of 2024.

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 2023⁴¹

669. Table 29 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

Table 29

Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Management, Advisory and Compliance Service	3	–	–	3	3	–
External Relations, Strategy, Knowledge and Innovation Division	1	–	–	1	1	–
Office of the Executive Director	3	–	–	3	3	–
Total	7	–	–	7	7	–

⁴¹ A/79/5/Add.9, chap. II.

670. Table 30 summarizes the status of implementation of all recommendations of the Board as of August 2024.

Table 30
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Management, Advisory and Compliance Service	9	–	–	9	9	–
External Relations, Strategy, Knowledge and Innovation Division	4	–	–	4	4	–
Office of the Executive Director	7	–	–	7	7	–
Total	20	–	–	20	20	–

671. **In paragraph 25 of its report, the Board recommended that the United Nations Human Settlements Programme (UN-Habitat) obtain the consent or official evidence of consultation from the donor before transferring balances of earmarked voluntary contributions to the unearmarked grant and specify clearly the utilization of the balances in the project financial reports or grant agreements in the future.**

Department responsible: Management, Advisory and Compliance Service

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

672. UN-Habitat will revise the contribution agreement template to include the disposition of project balances.

673. **In paragraph 31 of its report, the Board recommended that UN-Habitat review the status and cash balances of grants regularly and address cash balances in accordance with donor agreements before grants are closed, thereby enhancing the efficient utilization of funds.**

Department responsible: Management, Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Target date: Third quarter of 2025

674. UN-Habitat will update its guidance on cash balances and its grant closure checklist.

675. **In paragraph 40 of its report, the Board recommended that UN-Habitat obtain and review implementing partners' reports to monitor project progress and the utilization of advances in a timely manner, effectively measure advances and expenses and appropriately disclose accrued expenses.**

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

676. UN-Habitat will update its guidance on the monitoring of advances and will disclose accrued expenses in its financial statements.

677. In paragraph 50 of its report, the Board recommended that UN-Habitat allocate adequate funds for evaluations in the project budget and conduct evaluations of projects in line with the evaluation policies in order to ensure that evaluation activities are carried out effectively and that evaluation reports are publicly available.

Department responsible: Office of the Executive Director
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

678. UN-Habitat will update its guidance on budgeting for evaluation activities.

679. In paragraph 60 of its report, the Board recommended that UN-Habitat disclose information on extrabudgetary posts more transparently and strengthen the monitoring of long-term positions, to ensure that the extrabudgetary resource estimates presented in the budget fascicles are as complete and accurate as possible.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

680. UN-Habitat will disclose the totality of extrabudgetary posts in the budget fascicle.

681. In paragraph 76 of its report, the Board recommended that UN-Habitat initiate implementation of the mainstreaming indicator, improve the quantity and quality of national reports and strengthen data analysis on the global urban monitoring framework to improve data availability for more robust monitoring and reporting on the New Urban Agenda.

Department responsible: External Relations, Strategy, Knowledge and Innovation Division
Status: Under implementation
Priority: High
Target date: Third quarter of 2026

682. UN-Habitat will strengthen its monitoring and reporting on the New Urban Agenda.

683. In paragraph 86 of its report, the Board recommended that UN-Habitat enhance its capacities in monitoring and reporting on the achievement of Sustainable Development Goal 11 and produce a progress report on indicators 1.4.1 and 1.4.2 demonstrating horizontal collaboration and coordination as a custodian agency for the Goal and the indicators.

Department responsible: External Relations, Strategy, Knowledge and Innovation Division

Status: Under implementation

Priority: Medium

Target date: Third quarter of 2026

684. UN-Habitat will strengthen its monitoring and reporting on Goal 11 and indicators 1.4.1 and 1.4.2.

685. In paragraph 87 of its report, the Board recommended that UN-Habitat strengthen the monitoring of Sustainable Development Goal progress at the project level by ensuring that every approved project makes correct indicator links and that it draw clear conclusions on project sustainability in the evaluation report.

Department responsible: External Relations, Strategy, Knowledge and Innovation Division

Status: Under implementation

Priority: Medium

Target date: First quarter of 2026

686. UN-Habitat will systematically link projects to Sustainable Development Goal indicators.

687. In paragraph 94 of its report, the Board recommended that UN-Habitat optimize the Cities Investment Facility portal and exploit the Facility's potential as the accelerator of the Sustainable Development Goals Cities flagship initiative in terms of fundraising.

Department responsible: External Relations, Strategy, Knowledge and Innovation Division

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2025

688. UN-Habitat will optimize the Cities Investment Facility portal to accelerate the financing of the Sustainable Development Goals Cities flagship initiative.

689. In paragraph 109 of its report, the Board recommended that UN-Habitat strengthen the background and risk assessments in the project planning stage

and improve the accuracy of budget preparations, to ensure that projects are completed within the planned time frame and budget.

Department responsible: Office of the Executive Director
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2025

690. UN-Habitat will integrate risk analysis into project planning so that timelines are realistic.

691. In paragraph 110 of its report, the Board recommended that UN-Habitat strengthen expenditure control to ensure consistency with budgets through the conduct of a regular review of a project's substantive work and consolidate it with financial information in the Enterprise Core Component module, and regularly submit high-quality financial and progress reports to donors, in order to enhance the latter's confidence in UN-Habitat.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2025

692. UN-Habitat will strengthen monitoring and reporting on project progress by conducting regular reviews of substantive work and consolidating it with financial information in Umoja.

693. In paragraph 111 of its report, the Board recommended that UN-Habitat update the information regarding projects in the Integrated Planning, Management and Reporting module on a timely basis to ensure consistency with the actual status.

Department responsible: Office of the Executive Director
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2025

694. UN-Habitat will improve the accuracy of information by periodically reviewing project progress and adjusting the timeline accordingly.

695. In paragraph 118 of its report, the Board recommended that UN-Habitat comply with the Programme Review Committee guideline and the Integrated Planning, Management and Reporting module deployment policy to ensure that the projects are approved firstly in the module, and update the guideline to clarify the role of the module in programme and project approval.

Department responsible: Office of the Executive Director
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2025

696. UN-Habitat will ensure compliance in project governance and update its internal guidance.

697. In paragraph 126 of its report, the Board recommended that UN-Habitat strengthen compliance oversight of the signing of community agreements, review the existing payment terms of community agreement, considering the on-the-ground reality in the relevant country office, and establish appropriate payment terms to control financial risks.

Department responsible: Office of the Executive Director
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2025

698. UN-Habitat will update its internal guidance and strengthen compliance therewith.

699. In paragraph 132 of its report, the Board recommended that UN-Habitat integrate regulations of community agreement management into the implementing partner policy, include the standardized completion report at the organization level and review the existing community agreement template to ensure compliance with the updated implementing partner policy.

Department responsible: Office of the Executive Director
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2025

700. UN-Habitat will update its community agreement template and its internal guidance.

701. In paragraph 140 of its report, the Board recommended that UN-Habitat enhance the overall oversight of payments in agreements between United Nations entities, present prerequisites and payment ratios clearly and upload all prerequisite documents to the Umoja Grantor Management module to facilitate payment verification.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2025

702. UN-Habitat will strengthen oversight of agreements between United Nations entities with the inclusion of prerequisites and payment ratios.

703. In paragraph 151 of its report, the Board recommended that UN-Habitat standardize the due diligences criteria for implementing partners and strictly adhere to them to ensure quality and effectiveness.

Department responsible: Office of the Executive Director

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2025

704. UN-Habitat will strengthen the criteria and its compliance therewith.

705. In paragraph 152 of its report, the Board recommended that UN-Habitat expand the indicators for assessing implementing partner performance to ensure a comprehensive and objective evaluation, link the indicators to the overall performance rate and share the evaluation result of all implementing partners within the organization.

Department responsible: Management, Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2025

706. UN-Habitat will enhance implementing partner performance management with more comprehensive indicators and evaluations and with results accessible within the organization.

707. In paragraph 159 of its report, the Board recommended that UN-Habitat adhere strictly to the implementing partner policy regarding the selection of implementing partner auditors, the allocation of budgets for implementing partner audits and the provisions for implementing partner payments; conduct comprehensive audits on implementing partners, covering all required audit services in line with the terms of reference; and establish a knowledge base for audit findings and recommendations to identify key control risks for future collaborations.

Department responsible: Management, Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2025

708. UN-Habitat will strengthen the management of audits of implementing partners through compliance with internal guidelines on the selection of auditors, the allocation of audit budgets and the provisions for implementing partner payments.

709. In paragraph 165 of its report, the Board recommended that UN-Habitat not split requirements for the same or related requirement in an effort to bypass the bidding process.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2025

710. UN-Habitat will ensure compliance with procurement policy on split requirements.

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

711. In the annex to its report for the year ended 31 December 2023 ([A/79/5/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 38 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.

712. Table 31 summarizes the overall situation as of August 2024.

Table 31

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

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Management, Advisory and Compliance Service	35	–	25	10	10	–
External Relations, Strategy, Knowledge and Innovation Division	1	–	1	–	–	–
Office of the Executive Director	2	–	1	1	1	–
Total	38	–	27	11	11	–

Report of the Board for the year ended 31 December 2017⁴²

713. 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.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2018
<i>Revised target date:</i>	Not applicable

⁴² [A/73/5/Add.9](#), chap. II.

714. UN-Habitat has implemented the Umoja Grantor Management module to improve implementing partner management and has matured in its use, in full compliance with the best practices. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2018⁴³

715. 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: Closure requested
Priority: High
Original target date: Fourth quarter of 2019
Revised target date: Not applicable

716. UN-Habitat has completed the evaluation of the application of impairment provisions to advance accounts. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

717. 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: Closure requested
Priority: High
Original target date: Fourth quarter of 2019
Revised target date: Not applicable

718. UN-Habitat has developed a system to improve implementing partner management and has updated the implementing partner policy. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

719. 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: Fourth quarter of 2025

⁴³ A/74/5/Add.9, chap. II.

720. UN-Habitat is in the process of updating its internal guidance, and the delay is due to capacity constraints and staff turnover.

721. 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: Fourth quarter of 2025

722. UN-Habitat is in the process of updating its leave management oversight, and the delay is due to capacity constraints and staff turnover.

Report of the Board for the year ended 31 December 2019⁴⁴

723. 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: Closure requested
Priority: Medium
Original target date: Fourth quarter of 2020
Revised target date: Not applicable

724. As part of the physical verification process, UN-Habitat has updated the assignment of the location and user responsible for each equipment. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

725. 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: Closure requested
Priority: Medium
Original target date: Fourth quarter of 2020
Revised target date: Not applicable

⁴⁴ A/75/5/Add.9, chap. II.

726. UN-Habitat staff members are now the custodians of and are responsible for operational equipment. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

727. 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: Closure requested
Priority: Medium
Original target date: Fourth quarter of 2020
Revised target date: Not applicable

728. As part of the physical verification process, UN-Habitat has strengthened its processes to monitor accurate registration of equipment for capitalization and its disposal. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

729. 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: Closure requested
Priority: Medium
Original target date: Fourth quarter of 2020
Revised target date: Not applicable

730. UN-Habitat has completed its efforts to ensure that the depreciation of assets complies with relevant financial regulations and rules and has reduced its stock to avoid the issuance of depreciated assets. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

731. In paragraph 292 of its report, the Board recommended that UN-Habitat hold the ICT Committee meetings periodically in order to achieve the objectives and purposes established in Secretary-General's bulletin [ST/SGB/2003/17](#) and the Committee's terms of reference.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2020
Revised target date: First quarter of 2025

732. UN-Habitat is in the process of establishing the Committee, with a delay due to capacity constraints and staff turnover.

Report of the Board for the year ended 31 December 2020⁴⁵

733. 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: Closure requested
Priority: High
Original target date: Fourth quarter of 2021
Revised target date: Not applicable

734. UN-Habitat has converted recurring requirements to multi-year contracts in lieu of annual contracts. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

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

736. UN-Habitat now conducts vendor performance evaluations prior to the extension of contracts. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

737. In paragraph 132 of its report, the Board recommended that UN-Habitat, in collaboration with the United Nations Office for Project Service (UNOPS), amend the individual contractor agreement by further specifying the scope of entitlement in compliance with the administrative instruction on consultants and individual contractors.

Department responsible: Management, Advisory and Compliance Service
Status: Closure requested
Priority: Medium
Original target date: Fourth quarter of 2022
Revised target date: Not applicable

⁴⁵ A/76/5/Add.9, chap. II.

738. The agreement with UNOPS has been amended. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

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

740. UN-Habitat has generated barcodes for all equipment and entered the acquisition dates in Umoja. UN-Habitat conducted asset management refresher training for members of staff in the Egypt country office and all asset focal points. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

741. In paragraph 181 of its report, the Board recommended that UN-Habitat strengthen its travel planning process to ensure that the booking and purchase of tickets be finalized 16 calendar days in advance of the commencement of official travel.

Department responsible: Management, Advisory and Compliance Service
Status: Closure requested
Priority: Medium
Original target date: Fourth quarter of 2021
Revised target date: Not applicable

742. UN-Habitat has instituted internal controls to strengthen compliance with the advance purchase policy. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2021⁴⁶

743. In paragraph 45 of its report, the Board recommended that UN-Habitat regularly communicate with donors about the possibility of recollecting voluntary contributions receivables, especially for grants with closing status, and start the write-off or write-down process in time when eligible.

⁴⁶ [A/77/5/Add.9](#), chap. II.

<i>Department responsible:</i>	External Relations, Strategy, Knowledge and Innovation Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	Not applicable

744. UN-Habitat regularly communicates on aged receivables and monitors write-downs as part of the year-end financial closure process. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

745. 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.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	Not applicable

746. UN-Habitat reviews workforce distribution and employment priorities in its Budget Committee. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

747. 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.

<i>Department responsible:</i>	Management, Advisory and Compliance Service
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	Not applicable

748. UN-Habitat performs due diligence on non-staff personnel and cross-checks the data and hiring records. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

749. 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: Closure requested
Priority: High
Original target date: First quarter of 2023
Revised target date: Not applicable

750. UN-Habitat has updated its internal guidance on implementing partner selection. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

751. 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: Closure requested
Priority: High
Original target date: First quarter of 2023
Revised target date: Not applicable

752. UN-Habitat has updated its internal guidance on implementing partner selection. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

753. 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
Original target date: First quarter of 2023
Revised target date: Fourth quarter of 2025

754. UN-Habitat plans to use the UN Partner Portal for this requirement, including the advertisement of implementing partner opportunities and as a database for screened implementing partners.

755. 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: Closure requested
Priority: Medium
Original target date: First quarter of 2023
Revised target date: Not applicable

756. UN-Habitat has updated its internal guidance on implementing partner selection. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

757. 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: Management, Advisory and Compliance Service
Status: Closure requested
Priority: Medium
Original target date: First quarter of 2023
Revised target date: Not applicable

758. UN-Habitat has established standards for computing equipment and has clarified the allocation rules for laptops and computers. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2022⁴⁷

759. In paragraph 31 of its report, the Board recommended that UN-Habitat strengthen the review of the budget for the ICT strategy by submitting the ICT budget to the Office of Information and Communications Technology for further consideration.

Department responsible: Management, Advisory and Compliance Service
Status: Closure requested
Priority: Medium
Original target date: First quarter of 2024
Revised target date: Not applicable

760. UN-Habitat submits the ICT budget for review by the Office of Information and Communications Technology. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

⁴⁷ A/78/5/Add.9, chap. II.

761. **In paragraph 48 of its report, the Board recommended that UN-Habitat develop guidance on unearmarked grants to ensure the efficient and effective management of funds.**

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: High
Original target date: First quarter of 2024
Revised target date: Fourth quarter of 2025

762. UN-Habitat will update internal guidance on the use of unearmarked grants.

763. **In paragraph 49 of its report, the Board recommended that UN-Habitat comply with the cash management policy, put in place a repayment plan for overdue loans, and ensure that internal loans are repaid in a timely manner.**

Department responsible: Management, Advisory and Compliance Service
Status: Closure requested
Priority: High
Original target date: First quarter of 2024
Revised target date: Not applicable

764. UN-Habitat has complied with the cash management policy, as it automatically collects repayment of loans when due. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

765. **In paragraph 57 of its report, the Board recommended that UN-Habitat develop a policy and establish a mechanism to ensure that programme support cost rates are in line with the United Nations policy and that exceptions to standard rates are properly reviewed and approved.**

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: High
Original target date: First quarter of 2024
Revised target date: Fourth quarter of 2025

766. UN-Habitat is in the process of updating internal guidance on standard programme support cost rates, including the treatment of exceptions.

767. **In paragraph 65 of its report, the Board recommended that UN-Habitat take actions to strengthen the control of grants, including cleaning up deficit balances in grants accounts and settling the liability of closing grants, to ensure that projects are operationally and financially closed in a timely manner.**

Department responsible: Management, Advisory and Compliance Service
Status: Closure requested
Priority: Medium
Original target date: First quarter of 2024
Revised target date: Not applicable

768. UN-Habitat reviews deficits in grants as part of the year-end financial closure process. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

769. In paragraph 104 of its report, the Board recommended that UN-Habitat clarify the roles of the various offices in relation to implementing partner management, and designate a unit or office responsible for the overall coordination, oversight and management of implementing partners, including supervising the use of the implementing partners module.

Department responsible: Management, Advisory and Compliance Service
Status: Closure requested
Priority: Medium
Original target date: First quarter of 2024
Revised target date: Not applicable

770. UN-Habitat has updated its internal guidance on implementing partner selection. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

771. In paragraph 105 of its report, the Board recommended that UN-Habitat strengthen the uploading of documents related to the selection of implementing partners, including review documents of the Implementing Partners Selection Committee, and improve the maintenance of the payment schedule and report schedule functions in the implementing partner module of Umoja.

Department responsible: Management, Advisory and Compliance Service
Status: Closure requested
Priority: Medium
Original target date: First quarter of 2024
Revised target date: Not applicable

772. UN-Habitat has standardized the inclusion of documentation in the meetings of the Implementing Partners Selection Committee. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

773. In paragraph 115 of its report, the Board recommended that UN-Habitat appoint the members of the Implementing Partners Selection Committee through official documents signed by the person designated in the terms of reference of the Committee.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: First quarter of 2024
Revised target date: Fourth quarter of 2025

774. UN-Habitat will update the terms of reference of the Implementing Partners Selection Committee and formally designate its members.

775. In paragraph 116 of its report, the Board recommended that UN-Habitat review various options to solve the issue of not meeting the quorum and ensure that only appointed members and designated alternates can participate in meetings.

Department responsible: Management, Advisory and Compliance Service
Status: Closure requested
Priority: Medium
Original target date: First quarter of 2024
Revised target date: Not applicable

776. UN-Habitat has met the quorum in all meetings since 2022. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

777. In paragraph 117 of its report, the Board recommended that each member of the Implementing Partners Selection Committee sign a non-conflict of interest statement at every meeting prior to the review of proposals.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: Medium
Original target date: First quarter of 2024
Revised target date: First quarter of 2025

778. UN-Habitat will integrate non-conflict of interest attestations into all meetings of the Committee.

779. In paragraph 127 of its report, the Board recommended that UN-Habitat ensure that the ICT requirements of all divisions and offices are effectively coordinated and consolidated in the development of applications.

Department responsible: Management, Advisory and Compliance Service
Status: Under implementation
Priority: High
Original target date: Third quarter of 2024
Revised target date: Fourth quarter of 2025

780. UN-Habitat will coordinate and consolidate requirements for the development of applications.

781. In paragraph 162 of its report, the Board recommended that UN-Habitat continue to develop a clear strategy regarding the total number of core operational staff who are under UNDP and UNOPS contracts, implement the “lift and shift” project and move core operational staff with UNDP and UNOPS contracts to United Nations Secretariat contracts.

Department responsible: Office of the Executive Director

Status: Under implementation

Priority: Medium

Original target date: Third quarter of 2024

Revised target date: Fourth quarter of 2025

782. UN-Habitat has transitioned all UNOPS fixed-term staff to United Nations Secretariat contracts and is in the process of converting UNDP contracts as part of the Secretariat “lift and shift” project. UNOPS confirms a declining trend in fixed-term staff contracts since 2021, with the final ongoing contract ending in April 2025.

783. In paragraph 167 of its report, the Board recommended that UN-Habitat strengthen its management of consultants and individual contractors by further clearly defining their roles, responsibilities and authorization levels within the agency’s hierarchy to ensure that they do not exceed their delegation of authority.

Department responsible: Management, Advisory and Compliance Service

Status: Under implementation

Priority: High

Original target date: First quarter of 2024

Revised target date: Fourth quarter of 2025

784. UN-Habitat will update its internal guidance on the delegation of authority for consultants and individual contractors.

785. In paragraph 172 of its report, the Board recommended that UN-Habitat follow strictly break-in-service regulations and develop mechanisms to ensure that the reappointment of staff fully meets the break-in-service requirement.

Department responsible: Management, Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Original target date: Second quarter of 2024

Revised target date: Fourth quarter of 2025

786. UN-Habitat will strengthen its compliance with the break-in-service policy and will closely monitor staff members on temporary appointments to ensure compliance

with the mandatory break in service in accordance with administrative instruction [ST/AI/2010/4/Rev.1](#).

787. Three months before any appointment reaches the maximum 729-day duration, UN-Habitat will notify the recommending officers, reminding them of the requirement to separate the staff member upon contract expiration. The staff member will also be informed accordingly.

788. In paragraph 180 of its report, the Board recommended that UN-Habitat track the evaluation recommendations in a timely manner and complete the implementation of recommendations according to established timelines.

Department responsible: Office of the Executive Director

Status: Closure requested

Priority: Medium

Original target date: Third quarter of 2024

Revised target date: Not applicable

789. UN-Habitat has enhanced the evaluation monitoring system to track the implementation of evaluation recommendations and regular reporting. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

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 2023⁴⁸

790. Table 32 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

Table 32

Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division for Management	6	–	–	6	6	–
Multiple offices	1	–	–	1	1	–
Total	7	–	–	7	7	–

791. Table 33 summarizes the status of implementation of all recommendations of the Board as of August 2024.

⁴⁸ [A/79/5/Add.10](#), chap. II.

Table 33
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division for Management	8	–	–	8	8	–
Multiple offices	4	–	–	4	4	–
Total	12	–	–	12	12	–

792. **In paragraph 30 of its report, the Board recommended that the United Nations Office on Drugs and Crime (UNODC) review retrospectively, at least since the issuance of the partnership policy, all finalized agreements with implementing partners and conduct the pending performance evaluations.**

Department responsible: Division for Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

793. UNODC is working closely with its programme managers to obtain performance evaluations for the expired agreements and to ensure that any pending performance evaluations are conducted.

794. **In paragraph 31 of its report, the Board recommended that UNODC ensure that all performance evaluations for implementing partners are conducted in a timely manner.**

Department responsible: Division for Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

795. In order to ensure that all performance evaluations for implementing partners are conducted in a timely manner, UNODC will send out reminders to programme managers upon the expiration of implementing partner agreements and remind them of their responsibility to finalize performance evaluations.

796. **In paragraph 32 of its report, the Board recommended that UNODC include the delay in the return of unspent balances by the implementing partner when assessing its performance.**

Department responsible: Division for Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

797. UNODC updated the performance evaluation form to include guidance on the partner's performance assessment, which will consider any delays in returning unspent balances when assessing overall compliance with the agreement.

798. In paragraph 38 of its report, the Board recommended that UNODC ensure that its implementing partners refund their unspent balances in a timely manner.

Department responsible: Division for Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

799. UNODC will remind programme managers of their contract management responsibilities to initiate timely closure of agreements and necessary follow-up for timely refunds.

800. In paragraph 39 of its report, the Board recommended that UNODC include in its partnership policy a standard deadline for the return of the unspent balances by implementing partners.

Department responsible: Division for Management

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2024

801. A requirement for all implementing partners to refund balances within 30 days of submission of the final financial report will be reflected in the partnership policy.

802. In paragraph 46 of its report, the Board recommended that UNODC establish a control mechanism for the programme managers to ensure that the instalments to implementing partners are paid in accordance with the agreements signed.

Department responsible: Division for Management

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

803. UNODC will inform programme managers of the obligation to process payments to the implementing partners in accordance with the signed agreements.

804. In paragraph 55 of its report, the Board recommended that UNODC keep the information on implementing partners updated in the Umoja Grantor Management module to ensure its accuracy and consistency.

Departments responsible: Division for Management and Division for Operations

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2024

805. UNODC has established a regular monitoring system to track the status of the agreements and to keep the information on the implementing partners updated in the Umoja Grantor Management module.

806. In paragraph 67 of its report, the Board recommended that UNODC analyse the root causes of the low compliance rates by each office for the submission and approval of travel requests and take actions to strengthen and increase compliance with the travel processing requirements.

Departments responsible: Division for Management and Division for Operations

Status: Under implementation

Priority: High

Target date: First quarter of 2025

807. UNODC will analyse the root causes of the low compliance rates by each office, based on the quarterly travel reports. UNODC is committed to following up through interdivisional meetings and to working with senior management on better consistency and accountability measures in relation to the travel policy and rules.

808. In paragraph 68 of its report, the Board recommended that UNODC include in its periodic reports a more detailed analysis of the advance purchase policy by including, at least, the rates related to the 21-day rule and a narrative analysis of the non-compliance, and disseminate the results across its staff.

Department responsible: Division for Management

Status: Under implementation

Priority: High

Target date: First quarter of 2025

809. UNODC will include a detailed analysis of its advance purchase policy in periodic reports, specifically outlining the rates for purchases made at least 21 days in advance.

810. In paragraph 76 of its report, the Board recommended that UNODC establish a follow-up and review mechanism to ensure that all expenditure reports are submitted in a timely manner, as required by the current instructions.

<i>Department responsible:</i>	Division for Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2025

811. UNODC will periodically send out reports on the expenditure report compliance rates to its divisions. UNODC will also remind staff during the refresher training sessions that expense reports must be submitted within 14 days.

812. In paragraph 86 of its report, the Board recommended that UNODC compile and review the data regarding the procurement mechanisms for travel management across its offices to manage accurate and updated information supporting the travel management process.

<i>Departments responsible:</i>	Division for Management and Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2024

813. UNODC will review, compile and update all existing long-term agreements across its offices to coordinate and manage information supporting the travel management processes.

814. In paragraph 87 of its report, the Board recommended that UNODC conduct due diligence assessment and establish an appropriate contractual mechanism for the procurement of travel services in its respective offices.

<i>Departments responsible:</i>	Division for Management and Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2024

815. UNODC will conduct due diligence assessment and establish an adequate contractual mechanism for coherent procurement of travel services in all field offices.

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

816. In the annex to its report for the year ended 31 December 2023 ([A/79/5/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 13 recommendations that were assessed by the Board to be either under implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

817. Table 34 summarizes the overall situation as of August 2024.

Table 34
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Division for Management	3	–	–	3	3	–
Division for Policy Analysis and Public Affairs	1	–	–	1	1	–
Regional Office for the Middle East and North Africa	1	–	–	1	1	–
Multiple offices	8	–	–	8	8	–
Total	13	–	–	13	13	–

Report of the Board for the year ended 31 December 2018⁴⁹

818. **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 2025

819. The segregation of duties within the Integrated Planning, Management and Reporting solution, in particular related to monitoring and reporting processes, was covered extensively in training sessions conducted at the UNODC Regional Office for South Asia and the UNODC Regional Office for South-East Asia and the Pacific in 2023. Furthermore, UNODC has continuously updated related parts of its project management guide. Delays by UNODC in the transition of projects from the Programme and Financial Information Management System to the Integrated Planning, Management and Reporting solution resulted in project managers not being ready to insert data into the Integrated Planning, Management and Reporting monitoring application and to issue the annual project progress report on time.

Report of the Board for the year ended 31 December 2019⁵⁰

820. **In paragraph 115 of its report, the Board recommended that UNODC make a review of the United Nations Office at Vienna/UNODC information technology services disaster recovery plan and add all the missing elements that the current United Nations disaster recovery plan technical procedures require.**

⁴⁹ A/74/5/Add.10, chap. II.

⁵⁰ A/75/5/Add.10, chap. II.

<i>Department responsible:</i>	Division for Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2021
<i>Revised target date:</i>	First quarter of 2025

821. The United Nations Office at Vienna/UNODC information technology services disaster recovery plan is ready and has been successfully tested on different disaster scenarios. The United Nations Office at Vienna is now working on the integration of the plan into an updated business continuity plan for the United Nations Office at Vienna/UNODC.

Report of the Board for the year ended 31 December 2020⁵¹

822. In paragraph 73 of its report, the Board recommended that the UNODC Regional Office for the Middle East and North Africa carry out, in a timely manner, the mandatory project progress reports as required under the current Programme and Operations Manual.

<i>Department responsible:</i>	Regional Office for the Middle East and North Africa
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2021
<i>Revised target date:</i>	Second quarter of 2025

823. The delay in the implementation of the progress reports is due to the migration, in 2020, to the new Integrated Planning, Management and Reporting system. The UNODC Regional Office for Middle East and North Africa is following the approval process, including the segregation of duties mandated by the system. The Regional Office is improving its process to be able to complete the project progress reports on time.

Report of the Board for the year ended 31 December 2021⁵²

824. 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 contract holders recruited for a long period of time, in order to avoid an improper use of this contract modality.

⁵¹ A/76/5/Add.10, chap. II.

⁵² A/77/5/Add.10, chap. II.

<i>Departments responsible:</i>	UNODC Country Office in Peru, Division for Management and Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	First quarter of 2025

825. UNDP service contracts are undergoing a transition to a new modality, which will include all service contract holders at the UNODC Country Office in Peru. UNODC started coordinating the roll-out of the partner personnel services agreement modality and will involve the field offices with service contracts in the transition thereto by the first quarter of 2025. UNODC monitors all long-term service contractors and issues recommendations twice a year (in January and July) to its field office representatives to regulate the proper use of the service contracts modality, as well as to offer career development opportunities.

826. In paragraph 61 of its report, the Board recommended that UNODC assess the establishment of minimum procedures for regulating the recruitment process under the service contracts modality, while adopting the good practices already implemented by the UNODC Country Office in Colombia.

<i>Departments responsible:</i>	Division for Management and Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2022
<i>Revised target date:</i>	First quarter of 2025

827. UNODC translated its good practices and shared them with all its field offices over a year ago. The practices used by the UNODC Country Office in Colombia are being extended to other field offices in the region, inspiring local workflows and standard operating procedures. UNODC started coordinating the roll-out of the partner personnel services agreement modality and will involve the field offices with service contracts in the transition thereto by the first quarter of 2025.

828. In paragraph 91 of its report, the Board recommended that the UNODC Country Offices in Colombia and Peru ensure that project revisions are approved in a timely manner, following the current instructions in this regard.

<i>Departments responsible:</i>	UNODC Regional Office for the Andean Region and the Southern Cone and UNODC Country Office in Peru
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	First quarter of 2023
<i>Revised target date:</i>	First quarter of 2025

829. The UNODC Regional Office for the Andean Region and the Southern Cone and the Country Office in Peru ensured that upcoming project revisions were submitted and approved in a timely manner, in accordance with existing instructions. During 2024 both offices submitted timely revisions, and the related evidence will be shared with the Board.

830. In paragraph 99 of its report, the Board recommended that UNODC review and update its management instructions and internal procedures related to programme and project management, while considering the incorporation and use of the Integrated Planning, Management and Reporting solution, as well as consolidate all of the new and relevant information within the programme and operations guidance map.

Department responsible: Division for Policy Analysis and Public Affairs

Status: Under implementation

Priority: High

Original target date: Fourth quarter of 2022

Revised target date: Fourth quarter of 2024

831. UNODC is in the process of updating all its management instructions. The revision of the management instruction relating to direct approval of programmes is ongoing and expected to be finalized by the end of 2024. This is the last in the chain of management instructions on procedures relating to programme and project management that needs to be revised. Field office reporting on programme and operational issues will be taken up during the last quarter of 2024, and global, regional and country programmes will be revised once the management instruction on direct approval of programmes and projects has been endorsed by the Executive Director.

Report of the Board for the year ended 31 December 2022⁵³

832. In paragraph 40 of its report, the Board recommended that UNODC take the actions necessary to further ensure that the balance of the fund “64DCR” is maintained at an appropriate level in accordance with relevant policies and guidance.

Department responsible: Division for Management

Status: Under implementation

Priority: High

Original target date: Fourth quarter of 2027

Revised target date: No change

833. UNODC has initiated action to implement this recommendation. A plan and an implementation road map have been established and agreed with Member States. The process will continue as a matter of practice, with an annual review conducted by UNODC and Member States, and future revisions are expected annually. UNODC expects that the multi-year execution plan will bring the 64DCR fund balance to the appropriate levels by the end of December 2027.

⁵³ A/78/5/Add.10, chap. II.

834. **In paragraph 56 of its report, the Board recommended that UNODC strengthen its internal controls in the framework of programme and project implementation to avoid the reiteration of ex post facto approval of assets transferred to end beneficiaries.**

<i>Departments responsible:</i>	Division for Management, Division for Operations and Division for Treaty Affairs
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Not applicable
<i>Revised target date:</i>	Fourth quarter of 2025

835. The standard operating procedure on transfer of property to end beneficiaries was issued in March 2022 and shared with all UNODC field offices. An updated standard operating procedure was shared by UNODC in March 2023 within its management, including UNODC field office representatives. This procedure outlines the end-to-end handover process, emphasizing the importance of obtaining pre-approval from the relevant authority. Furthermore, the “Policy interpretation and guidance for disposal of property” document, provided by the Global Asset Management Policy Service, has been shared, together with the standard operating procedure, through the property management Microsoft Teams channel with UNODC field offices.

836. **In paragraph 101 of its report, the Board recommended that UNODC and its field offices evaluate their current mitigation measures and establish more specific actions to prevent the reoccurrence of ex post facto procurement cases.**

<i>Departments responsible:</i>	Division for Management and Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2024
<i>Revised target date:</i>	No change

837. UNODC offices are in the process of reviewing the current mitigation measures with a view to identifying potential ways to enhance contract management locally so that ex post facto cases can be prevented.

838. **In paragraph 108 of its report, the Board recommended that UNODC, in liaison with its field offices, analyse the root causes of delays in the payments, and that concrete measures be established to improve the overall payment process in order to avoid reputational damage.**

<i>Departments responsible:</i>	Division for Management and Division for Operations
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2024
<i>Revised target date:</i>	No change

839. UNODC has assessed the time spent on different steps in the payment process and is implementing concrete steps in addressing these root causes. The implementation of this recommendation is ongoing.

840. In paragraph 117 of its report, the Board recommended that UNODC implement further effective measures and timelines, such as those implemented in its field offices, to allow for the efficient management of grants with extended operational closing status.

<i>Departments responsible:</i>	Division for Management, Division for Operations, Division for Treaty Affairs and Division for Policy Analysis and Public Affairs
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2024
<i>Revised target date:</i>	No change

841. An interdivisional working group on grants monitoring and closure in UNODC presented a list of recommended measures. Some of these recommendations are being implemented, while others are currently being evaluated by management. A grant monitoring tool was developed and is now sent monthly to relevant branches, with the aim of maximizing the utilization of funds or providing sufficient time to request a no-cost extension.

842. In paragraph 136 of its report, the Board recommended that UNODC ensure that reporting obligations to be met by implementing partners are timely and properly delivered.

<i>Department responsible:</i>	Division for Management
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Fourth quarter of 2025

843. UNODC will remind programme managers regularly of their contract management responsibilities to ensure that reporting obligations to be met by implementing partners are delivered in a timely and proper manner.

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 2023⁵⁴

844. Table 35 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

Table 35

Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Finance Group	6	–	–	6	6	–
Infrastructure and Project Management Group	2	–	–	2	2	–
Legal Group	1	–	–	1	1	–
Total	9	–	–	9	9	–

845. Table 36 summarizes the status of implementation of all recommendations of the Board as of August 2024.

Table 36

Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Finance Group	9	–	–	9	9	–
Infrastructure and Project Management Group	4	–	–	4	4	–
Legal Group	1	–	–	1	1	–
Peace and Security Cluster	1	–	–	1	1	–
People and Culture Group	1	–	–	1	1	–
Process innovation and digitalization programme	1	–	–	1	1	–
Procurement Group	1	–	–	1	1	–
Shared Service Centre	1	–	–	1	1	–
Total	19	–	–	19	19	–

846. In paragraph 36 of its report, the Board recommended that UNOPS establish clear guidance for carrying forward and usage of balances from shared services to improve the recovery of shared services costs.

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

⁵⁴ A/79/5/Add.11, chap. II.

847. UNOPS has started working on the relevant guidance material, which should be released in its internal process and quality management system in the second half of 2024.

848. In paragraph 37 of its report, the Board recommended that UNOPS report the nature of shared services to the Executive Board in compliance with the United Nations harmonized cost recovery guidance during the budget estimate process for 2026–2027.

Department responsible: Finance Group
Status: Under implementation
Priority: High
Target date: Third quarter of 2025

849. UNOPS will report the nature of its shared services to the Executive Board in compliance with the United Nations harmonized cost recovery guidance during the budget estimate process for 2026–2027. This recommendation will be implemented with the submission of the budget estimate for 2026–2027.

850. In paragraph 38 of its report, the Board recommended that UNOPS include a reference in the standard legal agreement about the UNOPS cost recovery policy related to shared services to strengthen transparency in the future.

Department responsible: Finance Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

851. UNOPS will include a clause in its standard legal agreement by the end of 2024.

852. In paragraph 52 of its report, the Board recommended that UNOPS conduct an assessment of projects with internal discrepancies arising during project classification, and conduct relevant training to promote the effective execution of the project classification process.

Department responsible: Finance Group
Status: Under implementation
Priority: High
Target date: First quarter of 2025

853. UNOPS will conduct an assessment of projects with internal discrepancies arising during project classification and will conduct relevant training to promote the effective execution of the project classification process by the first quarter of 2025.

854. In paragraph 53 of its report, the Board recommended that UNOPS enhance the guidance provided in the project classification guidance note in conjunction with the impending implementation of IPSAS 47.

Department responsible: Finance Group
Status: Under implementation
Priority: High
Target date: First quarter of 2025

855. UNOPS will, by the first quarter of 2025, enhance the guidance provided for project classification in conjunction with the impending implementation of IPSAS 47 before its implementation date of 1 January 2026.

856. In paragraph 64 of its report, the Board recommended that UNOPS present to the Executive Board a revised calculation methodology for calculating accurate levels of excess reserves that is in line with the Executive Board's request to ensure there is no accumulation of liquid excess reserves in UNOPS operations.

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

857. UNOPS has engaged with key stakeholders to develop a revised calculation methodology. The methodology will focus only on liquid assets held by UNOPS in excess of the minimum operational reserves. UNOPS expects to present the revised calculation methodology to the Executive Board at the first regular session of 2025.

858. In paragraph 72 of its report, the Board recommended that UNOPS establish operational guidelines to ensure timely completion of excess reserves refunds.

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

859. UNOPS has started to document all key processes for a policy document to guide future refunds of accumulated excess reserves. UNOPS expects to issue the document by the end of 2024.

860. In paragraph 94 of its report, the Board recommended that UNOPS report to the Executive Board and the Advisory Committee on Administrative and Budgetary Questions, as part of its review of the financial regulations and rules, on the need for further clarification of the circumstances requiring the submission of supplementary proposals to the management budget.

Department responsible: Finance Group
Status: Under implementation
Priority: Medium
Target date: First quarter of 2026

861. UNOPS is currently conducting an ongoing review of the financial regulations and rules. As the review encompasses the entire policy, UNOPS confirms that the regulations related to supplementary budget proposals are within the scope of the review.

862. In paragraph 95 of its report, the Board recommended that UNOPS improve the budget formulation for the multi-year process innovation and digitalization programme based on actual project implementation schedules and optimize the expenditure plan to effectively utilize the resources allocated.

Department responsible: Process innovation and digitalization programme
Status: Under implementation
Priority: Medium
Target date: First quarter of 2025

863. UNOPS is actively working to implement the recommendation concerning the budget formulation for the process innovation and digitalization programme. The effort centres on improving the alignment between the process innovation and digitalization budgets and the actual project implementation schedules and expenditure plans.

864. In paragraph 126 of its report, the Board recommended that UNOPS conduct a comprehensive review of the nature, strategy, internal control, and potential gains or losses of derivatives, to ensure that the use and disclosure of financial derivatives transactions by UNOPS comply with the IPSAS requirements.

Department responsible: Finance Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

865. UNOPS will conduct a comprehensive review of the nature and strategy of its policies relating to derivatives. The review will encompass the internal control mechanisms to ensure compliance with applicable policies and is expected to be completed in the fourth quarter of 2024.

866. In paragraph 140 of its report, the Board recommended that UNOPS maintain its involvement and continue targeted efforts in the recovery of funds from the Sustainable Investments in Infrastructure and Innovation investments in collaboration with the Office of Legal Affairs.

Department responsible: Legal Group
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2025

867. UNOPS will continue to liaise with the Office of Legal Affairs in its efforts to recover the funds associated with the Sustainable Investments in Infrastructure and Innovation. Fund recovery efforts are ongoing.

868. In paragraph 157 of its report, the Board recommended that UNOPS effectively manage infrastructure projects as per contract agreements to ensure monitoring of timelines and costs and timely action for issues raised.

<i>Department responsible:</i>	Infrastructure and Project Management Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2026

869. The UNOPS portfolio and project management system, oneUNOPS Projects, facilitates the tracking of project time and cost variations, and metrics related to time and cost are incorporated into the quarterly assurance tool within the system. As part of the UNOPS transformation programme, the infrastructure team is presently engaged in conceptualizing improvements to the project management system. The location data records, which represent infrastructure project sites in the system, along with the associated project plans, works contracts and project progress monitoring, will enable an enhanced system-based tracking of time and cost performance. This will include key metrics, as well as risks and issues related to time and cost. The transformation programme, along with the enhanced project management system, is estimated to be developed by the end of 2026.

870. In paragraph 158 of its report, the Board recommended that UNOPS strengthen training on infrastructure project management to enhance technical review and regular supervision of infrastructure projects.

<i>Department responsible:</i>	Infrastructure and Project Management Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2025

871. To complement its existing technical training resources, UNOPS recently launched a course on infrastructure design management tailored to the international development context, available in English, French and Spanish. As of June 2024, 120 out of over 250 enrolled UNOPS personnel had completed the course. In addition, UNOPS has published guidance notes and technical tipsheets for better management of contracts for works.

872. In paragraph 166 of its report, the Board recommended that UNOPS avoid bypassing mandatory review by the Integrated Practice Advice and Support Unit and reinforce the tracking of residual risks identified during the review.

<i>Department responsible:</i>	Infrastructure and Project Management Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Third quarter of 2025

873. The Infrastructure and Project Management Group and the Integrated Practice Advice and Support Unit will jointly review and propose solutions for an enhanced system-based tracking of residual risks identified during the engagement acceptance

process. As part of the new system's development, the review includes strengthening the residual risk management oversight process at appropriate organizational levels. The proposed implementation timeline accommodates requirements that are to be established in the envisioned process and system changes under the process innovation and digitalization programme.

874. In paragraph 174 of its report, the Board recommended that UNOPS consider the project/programme focus as it develops and resources capacity for outcome-based reporting during the next indicator review, and finalize the country-level reporting indicators for its contribution goals.

<i>Department responsible:</i>	Infrastructure and Project Management Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Fourth quarter of 2025

875. The expanded results framework sets out the ambition for impact, contribution and management results. Correspondingly, it outlines three levels for impact focus, contribution goals and management goals. The framework has been tailored to the UNOPS implementation role, which is different from that of agencies, funds and programmes. The impact level of the framework has been designed given that the role of UNOPS is not programmatic (see decision 2023/4) and that what UNOPS contributes is in response to the demand of partners. This results in flexible but uneven geographical and thematic deployment of effort. Thus, realistic ex ante prediction of global targets for impact is impossible. In mid-2024, UNOPS commissioned a third-party study on resourcing capabilities for outcome-based planning and reporting. Through the study, options for approaches, institutional arrangements, capabilities and resourcing will be identified to enhance UNOPS global capabilities for results-focused design, monitoring, assessment/evaluations and reporting on projects and programmes for contribution to outcomes and impact. UNOPS will review and refine management and contribution indicators by the end of 2025 in the context of preparing the results framework for its strategic plan for 2026–2029.

876. In paragraph 186 of its report, the Board recommended that UNOPS, collaborating with partners, actively play its role in the design of peace and security projects and improve the quality of the indicators and targets set forth in legal agreements to comprehensively reflect actual progress and achievement of the projects.

<i>Department responsible:</i>	Peace and Security Cluster
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2025

877. UNOPS will take steps to: (a) improve the review of draft financial agreements to ensure that targets and indicators are well designed; (b) ensure that reports to partners accurately measure progress against targets; and (c) ensure that, in cases where targets are not achieved, the reasons are explained to the partner and, if necessary, project targets are revised.

878. In paragraph 197 of its report, the Board recommended that UNOPS ensure prudent application of emergency procurement procedures in future procurement activities.

Department responsible: Procurement Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2024

879. UNOPS is currently conducting a comprehensive assessment of its emergency procurement procedures. A task force has been established to review and update the relevant policies and procedures.

880. In paragraph 204 of its report, the Board recommended that UNOPS take a proactive approach and supervision measures in overseeing performance management, to ensure the appropriateness of individual performance evaluation.

Department responsible: People and Culture Group
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2026

881. UNOPS appreciates the recommendation from the Board and acknowledges the need for improvements in this area. As part of the UNOPS commitment to reshaping its organizational culture and enhancing accountability at all levels, UNOPS is reviewing and redesigning the performance management philosophy, improving the performance management process, and advancing performance management technology. Concurrently, UNOPS will strengthen monitoring and oversight mechanisms and improve the fairness and accuracy of performance assessments across the organization, ensuring that accountability for non-performance is addressed.

882. In paragraph 214 of its report, the Board recommended that UNOPS establish regulations or procedural guidelines on the management of computing devices and enhance the oversight of registration, disposal and data security at headquarters and in the regional and country offices, respectively.

Department responsible: Shared Service Centre
Status: Under implementation
Priority: Medium
Target date: Fourth quarter of 2025

883. This recommendation will be addressed in two ways: (a) system enhancements: the current enterprise resource planning system lacks the capability to assign assets to human resource contracts. Improvements to the system will enable the generation of asset IDs for items such as computing devices to be associated with human resource contracts. The proposed solution will allow the assignment of asset IDs (including computing devices) to individual human resource contracts in a user-friendly manner, enhancing oversight in asset management. Given the dependence on the process innovation and digitalization programme, the tentative implementation date is set for

the end of 2025; (b) formulation of guidance on computing devices: specific guidance on the management of computing devices is currently being developed, with implementation planned for the end of 2024.

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

884. In the annex to its report for the year ended 31 December 2023 ([A/79/5/Add.11](#), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 12 recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

885. Table 37 summarizes the overall situation as of August 2024.

Table 37

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

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Executive Office	1	–	1	–	–	–
Finance Group	5	–	1	4	4	–
Infrastructure and Project Management Group	2	–	–	2	2	–
Legal Group	1	–	–	1	1	–
Partnerships and Liaison Group	1	–	1	–	–	–
People and Culture Group	1	–	1	–	–	–
Procurement Group	1	–	–	1	1	–
Total	12	–	4	8	8	–

Report of the Board for the year ended 31 December 2021⁵⁵

886. In paragraph 72 of its report, the Board recommended that UNOPS conduct a comprehensive, in-depth and adequate evaluation or review of the decision-making, management and internal control of the We Are the Oceans and Ocean Generation projects, and establish a compliance and accountability mechanism to avoid the recurrence of such issues.

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

887. UNOPS has addressed the two parts of the recommendation as seen below.

⁵⁵ [A/77/5/Add.11](#), chap. II.

888. With regard to the first part of the recommendation, an independent third-party review conducted by an international audit firm assessed the decision-making, management and internal control of the We Are the Oceans and Ocean Generation projects. The review was conducted alongside two other reviews, specifically examining the UNOPS oversight mechanisms for Sustainable Investments in Infrastructure and Innovation investments and the internal control systems, risk management and overall governance structures within UNOPS. The final report on the decision-making, management and internal control of the We Are the Oceans and Ocean Generation grants was issued in February 2023, and a copy of the report was provided to the Board.

889. With regard to the second part of the recommendation and in response to the independent evaluation, UNOPS has established compliance and accountability mechanisms to prevent future occurrences of similar issues. These include the following: (a) establishment of the Portfolio Oversight Committee: the establishment of the Committee, including its terms of reference, was approved by the UNOPS management team, and it is currently being operationalized. The role of the new Committee goes beyond what was being performed by the Engagement Acceptance Committee. It will oversee all high-stakes engagements (proposed or ongoing) with high residual risks, including reputational, financial, legal, compliance and other related risks arising from major consequences (e.g. mandate misalignment, social and environmental safeguards, fraud and corruption, etc.); (b) the due diligence process has been strengthened as part of the review of all contracts and engagements. Further enhancements will be made with a system-based control mechanism scheduled to be in place by the end of 2024, which requires that minimum due diligence, “know your client” and capacity assessment procedures be conducted and documented prior to any contracts being signed and any disbursements being made; and (c) UNOPS has continued to strengthen its management and oversight structures to ensure sufficient segregation of duties. These include the creation of a second Deputy Executive Director position as well as the strengthening of the Risk Management Unit, which has been integrated into the Risk and Compliance Group since January 2024. These changes were made to ensure that decision-making is subject to robust internal processes. These structural measures will ensure compliance and that full accountability mechanisms are in place going forward. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

890. 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.

<i>Department responsible:</i>	Partnerships and Liaison Group
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2023
<i>Revised target date:</i>	Not applicable

891. UNOPS and the United Nations Secretariat finalized a new memorandum of understanding in the second quarter of 2024. The delay in implementing this recommendation was due to the complexity of the memorandum and the time required to finalize the negotiations between the two parties. The memorandum, effective from 1 May 2024, states that personnel engaged by UNOPS to deliver projects on behalf of the United Nations Secretariat are under the responsibility of UNOPS and are, therefore, governed by UNOPS human resources policies. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

892. **In paragraph 206 of its report, the Board recommended that UNOPS list clearly in its rules the positions that entail “inherently UN activities” and must be filled by staff members to ensure that staff members remain the core human resources of the organization.**

Department responsible: People and Culture Group

Status: Closure requested

Priority: High

Original target date: Fourth quarter of 2022

Revised target date: Not applicable

893. The implementation of this recommendation included the conversion of 107 fixed-term appointment employee contracts, which was completed in March 2024 in line with the recommendation. Due to the net zero revenue target that UNOPS was required to adopt, a decision was made not to progress as originally planned but to include these roles in the regular business planning and budgeting cycle using the same conversion guidelines. All necessary actions have been taken, and the 2023 positions have been established as United Nations staff contracts. Going forward, UNOPS is taking a conservative approach to increasing fixed-term appointments. They will be established in line with guidelines, and all future fixed-term posts will be included in the regular business planning and budgeting cycle. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2022⁵⁶

894. **In paragraph 35 of its report, the Board recommended that UNOPS conduct a thorough review of its revenue and make reasonable revenue forecasts to ensure the integrity of revenue estimates in the budget preparation process in accordance with its financial regulations and rules.**

Department responsible: Finance Group

Status: Under implementation

Priority: Medium

Original target date: Third quarter of 2025

Revised target date: No change

895. UNOPS has, through the budget estimates for the biennium 2024–2025 (DP/OPS/2023/7, para. 41), committed to presenting an approach that will integrate its finance income into its planning processes for the next budget estimates.

896. **In paragraph 68 of its report, the Board recommended that UNOPS take all measures necessary within its remit to recover the funds associated with Sustainable Investments in Infrastructure and Innovation investment losses.**

⁵⁶ A/78/5/Add.11, chap. II.

<i>Department responsible:</i>	Legal Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2025
<i>Revised target date:</i>	No change

897. UNOPS is liaising with the Office of Legal Affairs in its efforts to recover the funds associated with the Sustainable Investments in Infrastructure and Innovation. Fund recovery efforts are ongoing.

898. In paragraph 81 of its report, the Board recommended that UNOPS establish a global budgeting and recovery approach of locally managed direct costs for client projects to keep the recovery at a reasonable level.

<i>Department responsible:</i>	Finance Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2024
<i>Revised target date:</i>	No change

899. UNOPS has contracted a consulting company to review and benchmark the cost-recovery model of UNOPS. The assignment has commenced, and UNOPS expects the conclusions before the end of 2024. UNOPS will implement the recommendation in line with the results of the review/benchmarking study.

900. In paragraph 93 of its report, the Board recommended that UNOPS conduct a thorough identification and assessment of the potential risks of the portfolios to ensure that risks are mitigated.

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

901. UNOPS will complete the final assessment of the risks and performance of the after-service health insurance portfolio at the next Investment Advisory Committee meeting. The delay in completing the review of this final portfolio was due to the wait for the completion of the 2023 certified financial statements and discussions on defining UNOPS reserves.

902. In paragraph 104 of its report, the Board recommended that UNOPS include a detailed reference to the treatment of interest collected on prepayments made by partners and a clear reference to UNOPS investment principles in all legal agreements with partners, to ensure that partners are fully informed of the use by UNOPS of prepayments for investment.

<i>Department responsible:</i>	Finance Group
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Not applicable

903. UNOPS has included the relevant language in its standard legal templates. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

904. In paragraph 136 of its report, the Board recommended that UNOPS establish a centralized management mechanism for grant projects, including a digital system, to conduct effective monitoring at the organizational level.

<i>Department responsible:</i>	Infrastructure and Project Management Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2025
<i>Revised target date:</i>	No change

905. UNOPS is in the process of developing and testing a new centralized digital management system for grant support projects. Version 1 of the system is expected to be launched by January 2025. In 2022 and 2023, UNOPS conducted the necessary assessments and developed information technology requirements to design and develop the new digital system. An information technology consulting firm was contracted in June 2024 to support UNOPS with its development, and this is ongoing.

906. In paragraph 145 of its report, the Board recommended that UNOPS develop guidelines to improve the timeliness, completeness and accuracy of grantee reporting and integrate it with the upcoming digitization system for more effective grantee reporting management.

<i>Department responsible:</i>	Infrastructure and Project Management Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2024
<i>Revised target date:</i>	First quarter of 2025

907. UNOPS has developed guidance on monitoring and evaluation, including reporting requirements, which will be integrated into the new centralized digital management system for grant support projects. The target date for this recommendation requires modification for alignment with the completion of version 1 of the new centralized digital management system. The first prototype of the system included a reporting module, which will be further developed and launched by the first quarter of 2025.

908. **In paragraph 157 of its report, the Board recommended that UNOPS take effective measures to appropriately record all financial reports to clients in the UNOPS financial reporting monitoring dashboard to ensure effective and timely internal oversight.**

<i>Department responsible:</i>	Finance Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Second quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2024

909. UNOPS has made significant improvements in recording client report requirements within its internal reporting monitoring tool. In addition, UNOPS has developed a batch upload tool that allows the efficient uploading of records in batches rather than individually. With the development of the tool, the percentage of missing records has decreased, from 28 per cent as of December 2023 to 13 per cent as of August 2024. UNOPS is working to reduce the percentage to below 10 per cent by the end of 2024.

910. **In paragraph 181 of its report, the Board recommended that UNOPS strengthen the approval process of preselection requests from United Nations funding sources and assess the feasibility of obtaining endorsement from their headquarters office so as to better implement the principle of mutual recognition of best practices in the United Nations development system.**

<i>Department responsible:</i>	Procurement Group
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	First quarter of 2024
<i>Revised target date:</i>	Fourth quarter of 2024

911. UNOPS is currently enhancing the approval process for preselection requests from United Nations funding sources and is committed to strengthening its internal review process. In addition, UNOPS intends to engage with United Nations entities to understand their delegation of authority structure and confirm that the necessary delegated authorities are in place for the preselection process.

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 2023⁵⁷

912. Table 38 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

⁵⁷ A/79/5/Add.12, chap. II.

Table 38
Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Policy, Programme and Intergovernmental Division	3	–	–	3	3	–
Management and Administration Division	2	–	–	2	2	–
Multiple offices	2	–	–	2	2	–
Total	7	–	–	7	7	–

913. Table 39 summarizes the status of implementation of all recommendations of the Board as of August 2024.

Table 39
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Strategy, Planning, Resources and Effectiveness Division	2	–	–	2	2	–
Policy, Programme and Intergovernmental Division	3	–	–	3	3	–
Management and Administration Division	3	–	–	3	3	–
Strategic Partnerships Division	2	–	–	2	2	–
Multiple offices	2	–	–	2	2	–
Total	12	–	–	12	12	–

914. **In paragraph 32 of its report, the Board recommended that UN-Women evaluate the methodology used for the distribution rates of core resources at all governance levels in order to incorporate up-to-date information on the reality of the Entity and its operations in the field.**

Departments responsible: Strategy, Planning, Resources and Effectiveness Division and Policy, Programme and Intergovernmental Division

Status: Under implementation

Priority: High

Target date: Second quarter of 2026

915. UN-Women will evaluate the methodology used for the distribution rates of core resources at all governance levels in order to incorporate up-to-date information on the reality of the Entity and its operations in the field. In the meantime, UN-Women has developed and uses a core resource allocation tool based on objective indicators to assist regional directors in ensuring consistent distribution of core programmable resources within regions. The Business Review Committee endorsed the tool, and regional directors have used it in conjunction with the 2022/2023 and 2024/2025 workplanning processes. The tool will serve as an evaluation baseline for any updates on the methodology.

916. **In paragraph 33 of its report, the Board recommended that UN-Women establish criteria for the distribution of core resources from the regional offices to the country offices in order to have an objective process of allocation.**

<i>Departments responsible:</i>	Strategy, Planning, Resources and Effectiveness Division and Policy, Programme and Intergovernmental Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Second quarter of 2026

917. UN-Women will continue to build on the core resource allocation tool to strengthen guidance for an objective process of allocating core resources from the regional offices to the country offices. It is essential that the criteria allow UN-Women, at the regional level, to remain flexible, nimble and responsive to the emerging needs of women and girls around the world, including those affected by crisis situations.

918. **In paragraph 39 of its report, the Board recommended that UN-Women redesign the controls prior to workplan approval, with the aim of ensuring that the resources estimation has been precisely identified and accurately costed, and has sufficient funds.**

<i>Department responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2025

919. UN-Women is making progress in improving the redesign of controls before approving workplans. This includes the development of planning, monitoring and reporting procedures for country offices/non-physical presence, regional offices, and headquarters division/independent offices. The procedures clearly outline the business processes for reviewing and ensuring the quality of draft workplans submitted for approval, with clear roles and responsibilities. The review process involves using a dedicated checklist to assess the alignment of the regular resources budget in the workplan with the approved allocation ceiling. It also evaluates the expected percentage of resources available and the budget category per budget line and determines whether the budget is realistic for implementing activities and delivering outputs in a timely manner.

920. **In paragraph 40 of its report, the Board recommended that UN-Women redefine its monitoring mechanisms in order to have parameters in place to detect significant deviations between workplans and resource allocations, enabling the Entity to implement corrective actions in a timely manner.**

<i>Department responsible:</i>	Strategy, Planning, Resources and Effectiveness Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2025

921. The assessment of the system requirements for a robust monitoring mechanism as part of the new integrated corporate system of UN-Women, Quantum Plus, is on track. As part of semi-annual monitoring, offices are required to ensure that planned resources for workplan activities are consistent with the resources allocated in Quantum during the completion of activity monitoring. If there are any discrepancies, offices should immediately analyse them, take corrective action and make the necessary adjustments accordingly.

922. In paragraph 53 of its report, the Board recommended that UN-Women implement a preventive alert, which allows for efficient monitoring for each phase of the assurance activities' life cycle at all levels of governance.

<i>Department responsible:</i>	Policy, Programme and Intergovernmental Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2025

923. UN-Women is in the final stages of promulgating the revised assurance procedure as part of its overall programme partner management policy. In parallel, UN-Women is working on enhancing its Partner and Grants Agreement Management System to create an assurance module for assurance planning, execution, monitoring and closure, including preventive alerts, for efficient monitoring for each phase of the assurance activities' life cycle.

924. In paragraph 60 of its report, the Board recommended that UN-Women evaluate whether to enlarge the current criteria for the planning of assurance activities in order to ensure that they are implemented efficiently and in a timely manner, providing accurate financial information on the resources transferred to the programme partners.

<i>Department responsible:</i>	Policy, Programme and Intergovernmental Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2024

925. The updated assurance procedure, which will be part of the overall programme partner management policy of UN-Women that is targeted to be promulgated by the fourth quarter of 2024, has expanded the current criteria for planning assurance activities. The criteria include the result of the ageing of advances for selecting programme partners for the assurance plan.

926. **In paragraph 66 of its report, the Board recommended that UN-Women accelerate the review of its policies and procedures related to assurance activities, with the aim of consolidating the use of the terms “programme partners” and “projects” to achieve a clear definition for the business units.**

<i>Department responsible:</i>	Policy, Programme and Intergovernmental Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Target date:</i>	Fourth quarter of 2024

927. UN-Women is in the final stages of promulgating the revised assurance procedure as part of its overall programme partner management policy and aims to promulgate it by the fourth quarter of 2024. The term “programme partners” has already been defined in the programme partner management policy, and the assurance procedure is based on the use of “programme partners” for implementation and thus clarifies and consolidates the use of the terms “programme partners” and “projects”.

928. **In paragraph 78 of its report, the Board recommended that UN-Women address the unreconciled amounts of payments made during 2023 by UNDP on behalf of UN-Women.**

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

929. UN-Women has implemented system enhancements with UNDP to sustainably enable the accurate investigation and clearing of any issues on unreconciled amounts of payments made by UNDP on behalf of UN-Women. UN-Women aims to have a complete reconciliation process agreed upon with UNDP with the 2023 amounts cleared by the end of 2024.

930. **In paragraph 79 of its report, the Board recommended that UN-Women perform a reconciliation with UNDP at least once a month to verify the payments made by UNDP on behalf of UN-Women, in order to avoid long-standing unreconciled payments.**

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

931. The activity’s periodicity is included in the complete reconciliation process to avoid long-standing unreconciled payments.

932. **In paragraph 88 of its report, the Board recommended that UN-Women review the minimum financial statement information requested of national committees, with the aim that the partners can provide feasible information in accordance with their national accounting standards.**

<i>Department responsible:</i>	Strategic Partnerships Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2025

933. UN-Women is on target in developing agreed-upon principles for the requirements and review of national committees' financial statements, which will be implemented for the 2025 financial cycle.

934. In paragraph 89 of its report, the Board recommended that UN-Women redesign the review process related to the reports submitted by national committees in order to have accurate and timely information about the partners' fundraising activities.

<i>Department responsible:</i>	Strategic Partnerships Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	First quarter of 2025

935. UN-Women is enhancing its existing monitoring and reporting mechanisms. After a review of the current system, several reporting templates have been redesigned to ensure accurate and timely submissions by the national committees. These changes will be implemented in the next cycle of the joint partner plan. In addition, workshops and further training sessions for the national committees will be organized to facilitate the effective use of the new templates.

936. In paragraph 98 of its report, the Board recommended that UN-Women conduct a comprehensive review when a new role conflict definition is created in Quantum, in order to prevent the occurrence of the risks identified by the Entity.

<i>Department responsible:</i>	Management and Administration Division
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Target date:</i>	Second quarter of 2025

937. The new internal control framework and delegation of authority automation system for managing and administering the implementation of the key internal control framework roles and delegations of authority is well in progress. The pilot roll-out in eight offices (including headquarters and field offices) was completed successfully, and the global roll-out to the rest of the offices has begun in a phased approach and is planned for completion by mid-2025.

938. For the Entity's oversight and regular monitoring purposes, the internal control framework and delegation of authority automation system generates dashboards and reporting tools specific to UN-Women offices. These include the internal control framework violation dashboard for potential conflicting roles, the progress of digitalization of delegation of authority letters, internal control framework matrices, and an online repository of delegation of authority letters.

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

939. In the annex to its report for the year ended 31 December 2023 (A/79/5/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 two recommendations that were assessed by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

940. Table 40 summarizes the overall situation as of August 2024.

Table 40

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

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Policy, Programme and Intergovernmental Division	1	–	–	1	1	–
Multiple offices	1	–	1	–	–	–
Total	2	–	1	1	1	–

Report of the Board for the year ended 31 December 2022⁵⁸

941. **In paragraph 48 of its report, the Board recommended that UN-Women provide support that enables its offices to implement concrete actions that contribute to the improvement of environmental indicators in the strategic plan.**

Department responsible: Policy, Programme and Intergovernmental Division

Status: Under implementation

Priority: High

Original target date: First quarter of 2024

Revised target date: Fourth quarter of 2024

942. In line with the UN-Women initiative to support its offices in implementing concrete actions to improve environmental indicators in the strategic plan, UN-Women has prepared the draft socialization plan, aiming to transfer knowledge to prospective collaborators and partners, educate key stakeholders and engage them in meaningful participation in advancing environmental, social and governance objectives. UN-Women plans to complete the delivery of the socialization sessions across the organization by the end of 2024.

943. **In paragraph 126 of its report, the Board recommended that UN-Women perform a cost-effectiveness analysis of the best available resource mobilization pipeline systems, including the Leads system, that allows the Entity to define the operational benefit of the selected system.**

⁵⁸ A/78/5/Add.12, chap. II.

<i>Department responsible:</i>	Strategic Partnerships Division and Policy, Programme and Intergovernmental Division
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2023
<i>Revised target date:</i>	Not applicable

944. Through a preliminary analysis, UN-Women has concluded that, at the moment, the costs outweigh the benefits of an additional investment in pipeline management software. Given the introduction of the new enterprise resource planning system, Quantum, UN-Women can obtain the majority of the information needed from Quantum and the Results Management System for the following reasons: (a) Quantum and the Results Management System allow UN-Women to see the other (non-core) resources aspirations for revenue centres and thus give a forward-looking pipeline; (b) when strategic notes are signed off, there is quality assurance of the other resources targets; (c) award data in Quantum provide revenue data in real time; and (d) these three data points for all business units mobilizing non-core resources are adequate. Therefore, the incremental added capacity for pipeline management or additional investment in seeking to make the Leads system fit for purpose or in an alternative software solution will not yield increased value and will lead to the proliferation of parallel systems that personnel have to use, in addition to Quantum and the Results Management System.

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 2023⁵⁹

945. Table 41 summarizes the status of implementation of the main recommendations of the Board as of August 2024.

Table 41

Status of implementation of the main recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Registry	6	1	3	2	2	–
Total	6	1	3	2	2	–

946. Table 42 summarizes the status of implementation of all recommendations of the Board as of August 2024.

⁵⁹ A/79/5/Add.15, chap. II.

Table 42
Status of implementation of all recommendations

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Registry	13	1	7	5	5	–
Total	13	1	7	5	5	–

947. **In paragraph 32 of its report, the Board recommended that the Mechanism develop preparatory arrangements for the successful transfer of the Kigali field office’s continuous functions, including the care of witnesses, to a pertinent successor as part of the planned closure of the field office.**

Department responsible: Registry
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

948. Preparatory arrangements are currently at an advanced stage, following several consultative meetings with the relevant offices of the Government of Rwanda.

949. **In paragraph 40 of its report, the Board recommended that the Mechanism, before the closure of the Kigali field office, strengthen its physical verification procedure for all capitalized assets that the field office owns, in order to maintain updated information for their effective valuation and accurate recording in the financial statements, and thereby ultimately avoid the loss or disappearance of equipment.**

Department responsible: Registry
Status: Closure requested
Priority: Medium
Target date: Not applicable

950. During the 2024 physical verification cycle, the Mechanism completed the physical verification of all capitalized assets at the Kigali field office and updated the related records in Umoja accordingly. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

951. **In paragraph 52 of its report, the Board recommended that the Mechanism implement an inventory control mechanism for the Kigali field office that allows its medical clinic to be aware of the stock level of its medications and maintain control over their safekeeping, in line with the physical verification policies of the Secretary-General.**

Department responsible: Registry
Status: Closure requested
Priority: Medium
Target date: Not applicable

952. Given the imminent closure of the Kigali field office, including its medical unit, the Mechanism considers this recommendation to have been overtaken by events. Prior to its closure, the office continues to monitor the stock and consumption levels of medicines for the operational requirements of its clinic, using a comprehensive inventory of the items in the clinic. The Mechanism requests the closure of this recommendation by the Board.

953. In paragraph 53 of its report, the Board recommended that the Mechanism establish a critical level of stock for the clinic at the Kigali field office to avoid having them go out of stock.

Department responsible: Registry
Status: Closure requested
Priority: Medium
Target date: Not applicable

954. Given the imminent closure of the Kigali field office, including its medical unit, the Mechanism considers this recommendation to have been overtaken by events. Prior to its closure, the office continues to monitor the stock and consumption levels of medicines for the operational requirements of its clinic, using a comprehensive inventory of the items in the clinic. The Mechanism requests the closure of this recommendation by the Board.

955. In paragraph 64 of its report, the Board recommended that the Mechanism formulate an updated list of all capitalized and non-capitalized assets at the Kigali field office and plan for their appropriate disposal, in view of the closure of the field office.

Department responsible: Registry
Status: Under implementation
Priority: High
Target date: Fourth quarter of 2024

956. Following the conduct of the 2024 physical verification cycle at the Kigali field office, the Mechanism produced comprehensive and updated lists of all property. Management is currently finalizing and implementing the property disposal plan for the office.

957. In paragraph 75 of its report, the Board recommended that the Mechanism ensure that assets assigned for individual use undergo a complete and timely updating of the handover vouchers and the Umoja records, aiming towards a clear identification of the users responsible for those items.

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

958. The recommendation was implemented in compliance with the guidance on assignment of property to an end user. The Mechanism carried out an exercise in

compliance with United Nations guidance and was able to assign all property to end users, updating issue and handover vouchers, and updated the related Umoja records accordingly. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

959. In paragraph 76 of its report, the Board recommended that the Mechanism ensure that assets assigned for collective use are identified in Umoja with the name of the office responsible and their assigned focal point, aiming towards a clear identification of the users responsible for those items.

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

960. The recommendation was implemented in compliance with the guidance on assignment of property to an end user. The Mechanism also updated the related Umoja records. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

961. In paragraph 86 of its report, the Board recommended that the Mechanism develop a technical and financial assessment to evaluate the operational status and employment needs of the narcotics and explosives detectors, to identify the suitability of having equipment with these detection capabilities in operation or to carry out the most appropriate disposal method.

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

962. After a careful internal assessment of the continued requirement for this equipment, the Mechanism determined that the best course of action would be to divest itself of it. An appropriate disposal method has been selected, and the process for disposing of it is under way.

963. In paragraph 93 of its report, the Board recommended that the Mechanism resume and finalize the disposal process of the detected assets as soon as possible to avoid greater losses of their market value.

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

964. The Mechanism has finalized the disposal process of the assets within the scope of the Board's recommendation, and all four of the vehicles have been either sold or written off and the disposal process completed. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

965. **In paragraph 94 of its report, the Board recommended that the Mechanism formulate a disposal plan, which considers the actions to be followed, deadlines for the phases of the write-off and disposal process, the assignment of responsibilities (persons or sections) and control mechanisms.**

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

966. The Mechanism notes that its mandate is currently under review by the Security Council and is renewed only every two years. Consequently, it is impossible to articulate a long-term disposal plan beyond a two-year horizon. Additional comments by the Mechanism were reflected in paragraph 96 of the Board's report.

967. **In paragraph 107 of its report, the Board recommended that the Mechanism ensure that its procurement officers obtain professional certification and complete the basic and advanced procurement courses, pursuant to the United Nations Procurement Manual.**

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

968. The Mechanism currently has only two procurement assistants and no Professional procurement officers, as its procurement requirements have been outsourced. Of the two procurement assistants, one has fully completed the training requirements, and the other is currently undertaking the required training.

969. **In paragraph 108 of its report, the Board recommended that the Mechanism ensure and document that each requisitioner completes basic procurement courses, in accordance with the Procurement Manual, before being listed as a requisitioner.**

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

970. The recommendation remains under implementation, with 21 of the 24 requisitioners having completed the courses.

971. **In paragraph 122 of its report, the Board recommended that the Mechanism, in coordination with the Umoja help desk, confirm that the security access validation processes utilize a complete list with all the entity's active users.**

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

972. The Mechanism is fully compliant with all applicable guidance on deprovisioning users upon their departure. The Mechanism 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

973. In the annex to its report for the year ended 31 December 2023 ([A/79/5/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 12 recommendations that were assessed by the Board to be either under implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

974. Table 43 summarizes the overall situation as of August 2024.

Table 43

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

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Registry	12	–	7	5	5	–
Total	12	–	7	5	5	–

Report of the Board for the year ended 31 December 2017⁶⁰

975. In paragraph 20 of its report, the Board recommended that the Mechanism supervise the architectural firm tasked with reviewing the control system for air quality, temperature and relative humidity of the archive repositories in the Lakilaki facility and modifying the system to ensure that it meets standard requirements.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Fourth quarter of 2024

⁶⁰ [A/73/5/Add.15](#), chap. II.

976. Work on the heating, ventilation and air conditioning remediation project is in its final stage, and it is expected that the testing and commissioning of the renovated control system will occur by the end of 2024.

Report of the Board for the year ended 31 December 2018⁶¹

977. In paragraph 20 of its report, the Board recommended that the Mechanism conduct a systematic fraud risk assessment following the provisions of the Anti-Fraud and Anti-Corruption Framework.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2019
<i>Revised target date:</i>	Not applicable

978. The Mechanism has implemented the enterprise risk management regime, including a fraud risk assessment. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2019⁶²

979. In paragraph 45 of its report, the Board recommended that the Mechanism improve its procedures of physical verification for the inventory of all capitalized assets, adjusting this information in the Umoja records, to ensure the integrity of the data maintained in the system.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Not applicable

980. During the most recent cycle of physical verification, the Mechanism met the physical verification target of 100 per cent as required as part of the closing instructions for the preparation of IPSAS-compliant financial reports on property, plant and equipment, and inventory. In addition, the Mechanism updated all the associated records in Umoja. Going forward, the Mechanism will continue to maintain the standards and compliance in conducting physical verification. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

981. 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.

⁶¹ A/74/5/Add.15, chap. II.

⁶² A/75/5/Add.15, chap. II.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Closure requested
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Not applicable

982. The Mechanism has intensified its efforts to educate staff on the importance of requesting and obtaining prior approval of annual leave in Umoja before the leave period starts. In addition, home leave periods recorded in Umoja are verified against the respective travel requests for home leave. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

983. 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.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Under implementation
<i>Priority:</i>	Medium
<i>Original target date:</i>	Fourth quarter of 2021
<i>Revised target date:</i>	Fourth quarter of 2024

984. The Mechanism's Human Resources Section is currently working on the preparation of the 2025 training plan.

985. In paragraph 109 of its report, the Board recommended that the Mechanism take action leading to registering in Umoja all the absences corresponding to the travel days.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Fourth quarter of 2024

986. The Mechanism has intensified its efforts to ensure that staff report business travel leave in Umoja, and the recommendation remains under implementation.

987. In paragraph 122 of its report, the Board recommended that the Mechanism have supporting documentation regarding the selection of the most economical offer, in order to ensure that this requirement is met at the time of purchasing the tickets.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Not applicable

988. The Mechanism has always processed travel requests and purchased tickets in accordance with all applicable rules and regulations. The Mechanism has worked with its outside supplier of ticket-issuing services and developed a report in the second quarter of 2024 that can be run to demonstrate this. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2021⁶³

989. In paragraph 51 of its report, the Board recommended that the Mechanism maintain complete and updated information regarding the status of the vacant positions.

<i>Department responsible:</i>	Registry
<i>Status:</i>	Closure requested
<i>Priority:</i>	High
<i>Original target date:</i>	Second quarter of 2024
<i>Revised target date:</i>	Not applicable

990. The Human Resources Section is actively working to maintain complete and updated information regarding the status of vacant positions, continuously reviewing all vacancies to ensure that the Mechanism's records are accurate and up to date. It is important to note that some positions may remain vacant for an extended period due to the ongoing downsizing of the Mechanism. This strategic downsizing necessitates a careful and deliberate approach to filling roles, ensuring that only critical positions are prioritized and filled promptly. The Human Resources Section is committed to continuing to monitor and update the status of all vacancies regularly to enhance operational efficiency and transparency. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

991. In paragraph 67 of its report, the Board recommended that the Mechanism conduct a review of the acquisition plan on a quarterly basis, in order to make the necessary adjustments regarding the actual needs of the requisitioning units, as indicated in the Procurement Manual.

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

⁶³ [A/77/5/Add.15](#), chap. II.

992. Procurement staff have been meeting on a quarterly basis with requisitioning units. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

993. 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: Closure requested
Priority: High
Original target date: Second quarter of 2023
Revised target date: Not applicable

994. The Mechanism has improved its planning and documentation of its information technology equipment needs. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

995. In paragraph 96 of its report, the Board recommended that the Mechanism develop and approve an ICT strategy aligned with its overall strategic planning and the general ICT 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 coronavirus disease (COVID-19) pandemic.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Original target date: Second quarter of 2023
Revised target date: Fourth quarter of 2024

996. In line with the shifting perspective of the Mechanism's overall strategic mandate, it is expected that the ICT strategy will be adopted by the end of 2024.

Report of the Board for the year ended 31 December 2022⁶⁴

997. In paragraph 38 of its report, the Board recommended that the Mechanism keep an updated annual record of the training expenses and the training given to staff members, including their objectives, participants, location, costs and learning outcomes.

Department responsible: Registry
Status: Under implementation
Priority: Medium
Original target date: Fourth quarter of 2023
Revised target date: Fourth quarter of 2024

⁶⁴ A/78/5/Add.15, chap. II.

998. The Mechanism is maintaining accurate records of the training expenses as part of the financial accounts, and every training expense entry has supporting documentation attached in Umoja.
