General Assembly

Seventy-fifth session
Agenda item 138
**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 2019
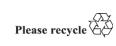
Report of the Secretary-General*

Summary

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

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

---

* The present report was submitted late owing to the extensive process of obtaining inputs from the United Nations funds and programmes.

Please recycle

The present report provides information further to the comments already submitted to the Board of Auditors, which, in some cases, were included in the final reports of the Board to the executive heads of the respective funds and programmes. The executive heads have concurred with most of the Board's recommendations and many of the comments of the executive heads have been duly reflected in the reports of the Board. Therefore, in an effort to reduce redundancy and streamline documentation, the present report provides additional comments from the executive heads only where required, as well as information on the status of implementation, the office responsible, the estimated completion date and the priority for each recommendation contained in the reports of the Board. In addition, the present report contains an updated status of the implementation of the recommendations of the Board relating to prior periods that were considered by the Board not to have been fully implemented.

Contents

I. Introduction

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

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

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

(b)   Resolution 74/249 A, in which the Assembly, in paragraph 8, reiterated its request to the Secretary-General and the executive heads of the funds and programmes of the United Nations to ensure full implementation of the recommendations of the Board and the related recommendations of the Advisory Committee in a prompt and timely manner, to continue to hold programme managers accountable for the non-implementation of recommendations and to effectively address the root causes of the problems highlighted by the Board. In paragraph 9, the Assembly reiterated its request to the Secretary-General to provide in his reports on the implementation of the recommendations of the Board a full explanation for the delays in the implementation of the recommendations of the Board, in particular those recommendations not yet fully implemented that were two or more years old; and in paragraph 10, the Assembly reiterated its request to the Secretary-General to indicate in future reports an expected time frame for the implementation of the recommendations of the Board, as well as the priorities for their implementation and the office holders to be held accountable.

3.   With respect to time frames, every effort has been made by the executive heads to establish target dates for completing the implementation of the recommendations.

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

II. International Trade Centre

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2019[1]

5.   Table 1 summarizes the status of implementation of all recommendations of the Board concerning the International Trade Centre (ITC) as of August 2020, bearing in mind that all recommendations were classified as main recommendations.

---

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

Table 1
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Implemented/ closure requested	In progress	Target date set	No target date
Division of Country Programmes	1	–	–	1	1	–
Division of Programme Support	3	–	–	3	3	–
Division of Strategic Planning, Performance and Governance	1	–	–	1	1	–
Multiple offices	5	–	–	5	5	–
Total	**10**	**–**	**–**	**10**	**10**	**–**

6.   **In paragraph 20 of its report, the Board recommended that ITC undertake a review of its operational reserve requirements and progressively augment its operating reserves in line with evolving operational needs.**

> *Department responsible*:   Division of Programme Support
>
> *Status*:   Under implementation
>
> *Priority*:   High
>
> *Target date*:   Fourth quarter of 2020

7.   ITC accepted the recommendation and is working towards the revision of the programme support cost policy.

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

> *Department responsible*:   Division of Programme Support
>
> *Status*:   Under implementation
>
> *Priority*:   High
>
> *Target date*:   First quarter of 2021

9.   ITC accepted the recommendation and agreed to update the business continuity plan documentation, procedures and continuity of core business systems and include achievements and lessons learned from the coronavirus disease (COVID-19) crisis.

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

Departments responsible:	Division of Programme Support and Senior Management Committee
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

11. ITC agreed with the principle and spirit of the Board's recommendation and proposed that it would implement the following action points:

(a) Where hiring is decentralized to project managers, ensure that justification for hiring is clearly substantiated, including reasons for not selecting the two other candidates who were not hired;

(b) For contracts above a certain threshold to be decided by senior management, the Certifying Officer/Section Chief and Human Resources undertake a review of the suitability and capabilities of the consultant. This can include asking for reference checks or informal interviews with the proposed candidate;

(c) Senior management is to undertake an annual review of consultants and individual contractors, including contracts issued, geographical diversity, fees and performance.

12. **In paragraph 43 of its report, the Board recommended that ITC consider setting specific timelines for its entire staff to complete mandatory training.**

Departments responsible:	Division of Programme Support and Senior Management Committee
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

13. ITC accepted the recommendation and stated that it would ensure that all new staff complete their mandatory training within six months of arrival and others by a date to be agreed upon by senior management.

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

Departments responsible:	Division of Programme Support and Senior Management Committee
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

15. ITC accepted the recommendation and stated that all section chiefs would ensure that mandatory training of consultants and individual contractors would be completed by a date to be agreed by senior management. It also stated that completion of mandatory training would be a precondition for the renewal of contracts.

16.   ITC recognized the need to put in place a more rigorous framework to ensure the completion of mandatory training for staff, consultants and individual contractors and stated that senior management would review compliance rates for the completion of mandatory training on a biannual basis. ITC would also update its policy to specify the training courses for implementing partners.

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

Departments responsible:	Division of Programme Support and Senior Management Committee
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

18.   ITC will ensure improved compliance with the advance ticket purchase policy by putting in place clear accountability mechanisms in this regard. Consideration will be given to documenting more clearly in the enterprise resource planning system (Umoja) or otherwise, when non-compliance is due to factors beyond ITC control. Standards for the justification of cases of non-compliance by ITC will be developed.

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

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

20.   ITC accepted the recommendation and stated that ensuring cost-effectiveness could be problematic and that Central Support Services would oversee compliance with organizational rules governing low-value procurements, with the oversight of the Senior Management Committee. ITC also agreed to have written standard operating procedures that would include an annual report of findings and a memorandum to managers when identifying issues of splitting orders to circumvent the procurement process. ITC would also review its administrative instructions in 2020 and adjust them to include clearer wording on restrictions.

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

Department responsible:	Division of Strategic Planning, Performance and Governance
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

22.   ITC accepted the recommendation and listed further action points, which included biannual follow-up on the completion of project completion reports and evaluation recommendations by the Independent Evaluation Unit; regular trainings; and annual "lessons learned" meetings to emphasize the requirement for high-quality project completion reports and the implementation of the Unit's recommendations.

23.   **In paragraph 73 of its report, the Board recommended that ITC incorporate specific timelines into its project management guidelines for completing the financial closure of a project after its operational closure.**

Departments responsible:	Division of Strategic Planning, Performance and Governance and Division of Programme Support
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

24.   ITC accepted the recommendation and will specify the timelines for both operational and financial project closures.

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

Department responsible:	Division of Country Programmes
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

26.   ITC accepted the recommendation and it will implement it by taking the following actions: (a) revise the grant template to define more clearly the requirements that are incumbent upon a grantee with regard to documentation, deliverables and the selection criteria for trainees; and (b) implement a checklist that certifying officers will be required to complete before making final payments to grantees, in order to ensure that the required review of deliverables, as well as the necessary documentation provided, has been undertaken.

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

27.   In the annex to its report for the year ended 31 December 2019 (A/75/5 (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 13 recommendations that were determined by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

28.   Table 2 summarizes the overall situation as of August 2020.

Table 2
Status of implementation of recommendations from prior periods considered not fully implemented
(Number of recommendations)

Department responsible	Total	Not accepted	Implemented/ closure requested	In progress	Target date set	No target date
Division of Country Programmes	1	–	–	1	1	–
Division of Programme Support	10	–	–	10	10	–
Division of Strategic Planning, Performance and Governance	2	–	–	2	2	–
Total	**13**	**–**	**–**	**13**	**13**	**–**

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

29.   **In paragraph 59 of its report, the Board recommended that ITC operationalize its independent Oversight Committee to strengthen its internal control mechanisms.**

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

30.   ITC will assess the existing oversight mechanisms and if the previous oversight committee has been superseded, propose an alternate oversight body with justification for change, control and governance responsibilities, all of which would be documented.

31.   **In paragraph 65 of its report, the Board recommended that ITC select consultants through a competitive process.**

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

32.   In view of the recommendation made by the Board in paragraph 35 of A/75/5 (Vol. III) in this regard, ITC recognized the need for greater oversight and an improved process with respect to the appointment of consultants. ITC agreed to implement certain actionable points in this respect.

_____

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

33.   **In paragraph 69 of its report, the Board recommended that ITC (a) select consultants through a competitive process; and (b) avoid using consultants for the performance of generic tasks.**

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

34.   In view of the recommendation made by the Board in paragraph 35 of chapter II of A/75/5 (Vol. III) in this regard, ITC recognized the need for greater oversight and an improved process with respect to the appointment of consultants. ITC agreed to implement certain actionable points in this respect. Where hiring is decentralized to project managers, ITC will ensure that justification for hiring is clearly substantiated, including reasons for not selecting the two other candidates who were not hired. For contracts above a certain threshold to be decided by senior management, the Certifying Officer/Section Chief and Human Resources will undertake a review of the suitability and capabilities of the consultant. This can include asking for reference checks or informal interviews with the proposed candidate. Senior management will undertake an annual review of consultants and individual contractors, including contracts issued, geographical diversity, fees and performance.

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

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

36.   In view of the recommendation made by the Board in paragraph 54 of chapter II of A/75/5 (Vol. III) in this regard, ITC would consider putting in place clear accountability mechanisms at all levels to ensure improved compliance with the advance ticket purchase policy. It would document more clearly in Umoja or otherwise when non-compliance is due to factors beyond ITC control.

Report of the Board for the year ended 31 December 2017[3]

37.   **In paragraph 58 of its report, the Board recommended that ITC select consultants through a competitive process.**

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

_____

[3] A/73/5 (Vol. III), chap. II.

38.   In view of the recommendation made by the Board in paragraph 35 of chapter II of A/75/5 (Vol. III) in this regard, ITC recognized the need for greater oversight and an improved process with respect to the appointment of consultants. ITC agreed to implement certain actionable points in this respect.

39.   **In paragraph 62 of its report, the Board recommended that ITC apply adequate checks and controls to avoid awarding contracts at fees higher than the maximum fee associated with a particular level.**

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

40.   In view of the recommendation made by the Board in paragraph 35 of chapter II of A/75/5 (Vol. III) in this regard, ITC recognized the need for greater oversight and an improved process with respect to the appointment of consultants. ITC agreed to implement certain actionable points in this respect.

Report of the Board for the year ended 31 December 2018[4]

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

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

42.   In view of the recommendation made by the Board in paragraph 35 of chapter II of A/75/5 (Vol. III) in this regard, ITC recognized the need for greater oversight and an improved process with respect to the appointment of consultants. ITC agreed to implement certain actionable points in this respect.

43.   **In paragraph 29 of its report, the Board reiterated its previous recommendation that ITC ensure appropriate internal controls to avoid awarding contracts at fees higher than the maximum fee associated with the particular level.**

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

---

[4] A/74/5 (Vol. III), chap. II.

44. In view of the recommendation made by the Board in paragraph 35 of chapter II of A/75/5 (Vol. III) in this regard, ITC recognized the need for greater oversight and an improved process with respect to the appointment of consultants. ITC agreed to implement certain actionable points in this respect.

45. In paragraph 33 of its report, the Board recommended that ITC ensure that all the mandatory training courses are completed by staff members in compliance with the instruction in force.

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

46. In view of the recommendations made by the Board in paragraphs 43 and 45 of chapter II of A/75/5 (Vol. III) in this regard, ITC recognized the need to put in place a more rigorous framework to ensure the completion of mandatory training. ITC would update its policy to specify that training would be limited to implementing partners whose engagement with ITC warrants training, all section chiefs will ensure that the mandatory training of staff, consultants and individual contractors is completed by a date to be agreed by senior management (most likely by 30 September 2020), ITC will ensure that all new staff complete their mandatory training within six months of arrival, the completion of mandatory training will be a precondition for the renewal of contracts and senior management will review compliance rates for the completion of mandatory training on a biannual basis.

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

Department responsible:	Division of Programme Support
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

48. In view of the recommendation made by the Board in paragraph 54 of chapter II of A/75/5 (Vol. III) in this regard, ITC would consider putting in place clear accountability mechanisms at all levels to ensure improved compliance with the advance ticket purchase policy. It would document more clearly in Umoja or otherwise when non-compliance is due to factors beyond ITC control.

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

Department responsible:	Division of Country Programmes
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

50.   In view of the recommendation made by the Board in paragraph 78 of chapter II of A/75/5 (Vol. III) in this regard, ITC will implement the following action points: (a) adapt the grant template to define more clearly the requirements that are incumbent upon a grantee with regard to documentation, deliverables and the selection criteria for trainees; (b) implement a checklist that certifying officers will be required to complete before making final payment to grantees, in order to ensure that the required review of deliverables, as well as the necessary documentation provided, has been undertaken; (c) review and adapt the administrative instruction to ascertain whether the requirement for impact reports should be included in the revision, or instead whether it should be addressed in other corporate ITC documents; and (d) for all existing grants above a specific threshold (to be determined by ITC senior management), ITC will obtain long-term impact reports from the grantee, to the largest extent possible.

51.   **In paragraph 55 of its report, the Board recommended that ITC review the project completion reports of all projects and ensure that they are completed within the prescribed time and uploaded to the project portal. The Board also recommended that ITC appropriately follow up the suggestions made in the evaluation reports, including project completion reports.**

Department responsible:	Division of Strategic Planning, Performance and Governance
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

52.   In 2019, in response to the Board's audit recommendation, the Independent Evaluation Unit reviewed the completed project completion reports across all ITC divisions, mainly focusing on the quality of the reports and the related learning performance. The Unit made seven recommendations in this regard and, following further discussions of those points in senior management meetings, the recommendations resulted in six actionable points, of which two had been implemented and four were ongoing as at 31 March 2020. Those activities will be implemented as part of the response to the new, similar recommendation made by the Board in paragraph 66 of chapter II of A/75/5 (Vol. III).

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

Department responsible:	Division of Strategic Planning, Performance and Governance
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

54. In 2020, the Independent Evaluation Unit will undertake a systematic assessment of the sustainability of the results for projects that ended three or four years ago, based on a methodology that was developed in 2019 in response to that recommendation. ITC plans to repeat such assessments on an annual basis, with regular budget resources dedicated to evaluations.

III. United Nations University

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2019[5]

55. Table 3 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

Table 3
Status of implementation of main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Administration	3	–	3	–	–	–
Office of the Rector	3	2	–	1	1	–
United Nations University Institute for Integrated Management of Material Fluxes and of Resources (UNU-FLORES)	2	–	1	1	1	–
Total	**8**	**2**	**4**	**2**	**2**	**–**

56. Table 4 summarizes the status of implementation of all recommendations of the Board as of August 2020.

Table 4
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Administration	7	–	4	3	3	–
Office of the Rector	3	2	–	1	1	–
United Nations University Institute for Integrated Management of Material Fluxes and of Resources (UNU-FLORES)	12	2	7	3	3	–
Total	**22**	**4**	**11**	**7**	**7**	**–**

57. **In paragraph 21 of its report, the Board recommended that the United Nations University (UNU) take proactive measures to expedite the signing of the agreement with the Government of Portugal, so as to ensure resources for the**

_____

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

UNU Operating Unit on Policy-Driven Electronic Governance (UNU-EGOV) operations.

Department responsible:	Office of the Rector
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

58. The Office of the Rector has taken several measures to expedite the signing of a new funding agreement with the Government of Portugal, including corresponding with the Minister for Foreign Affairs of Portugal in January and July 2020. UNU-EGOV has also been in frequent dialogue with the Government of Portugal regarding the finalization of the funding agreement.

59. **In paragraph 26 of its report, the Board recommended that UNU summarize, in its financial statements, its approach to offsetting administrative costs.**

Department responsible:	Administration
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

60. UNU will prepare the text to summarize its approach to offsetting administrative costs, for disclosure in the financial statements.

61. **In paragraph 41 of its report, the Board recommended that UNU establish a minimum requirement in the workplan developed by the project managers in order to provide the necessary information for the achievement of the project.**

Department responsible:	Office of the Rector
Status:	Not accepted
Priority:	High
Target date:	Not applicable

62. UNU did not accept this recommendation, as project workplans vary from one project to the next owing to the range of activities, thematic focus and donor requirements prevalent at UNU. Therefore, it is not possible to specify minimum requirements for project workplans.

63. **In paragraph 42 of its report, the Board recommended that UNU enhance Pelikan's repository functions in order to provide full information on the contracts, donor reports and outputs of the project.**

Department responsible:	Office of the Rector
Status:	Not accepted
Priority:	High
Target date:	Not applicable

64.	UNU did not accept this recommendation, as project management documentation varies from one project to the next. The comprehensiveness of documentation depends on donor requirements, the needs of the Director of the Institute concerned and the scope of the project. Each programme manager is responsible for identifying the most relevant format for project documentation.

65.	**In paragraph 43 of its report, the Board recommended that the UNU-Institute for Integrated Management of Material Fluxes and of Resources (UNU-FLORES) adapt the current organizational structure of the office, with the objective of defining an official in charge of project management and informing the Director about the fulfilment and status of projects in a timely manner, in order to support the decision-making process of the Director in the cases that merit it.**

Department responsible:	Institute for Integrated Management of Material Fluxes and of Resources
Status:	Closure requested
Priority:	High
Target date:	Not applicable

66.	UNU-FLORES has already implemented a process to review and approve project proposals. It covers the different stages of a proposal from the initial phase, during which opportunities and ideas are discussed, to the preparation phase and the submission phase. Project proposals that were unsuccessful are reviewed and discussed, not only to learn from the experience but also to decide whether a resubmission can be considered. Different meeting series (academic seminars, developing research proposals, jour fixe) serve as a platform for this exercise. The progress on all ongoing projects is shared during those meetings to obtain feedback and ideas from the team. UNU considers this recommendation to have been implemented and requests its closure by the Board.

67.	**In paragraph 44 of its report, the Board recommended that UNU-FLORES adapt the current organizational structure of the office, with the objective of defining an official in charge to give continuity and informatics support to Pelikan and to the UNU-FLORES website.**

Department responsible:	Institute for Integrated Management of Material Fluxes and of Resources
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

68.	UNU-FLORES intends to hire a Science Knowledge Coordinator before the end of 2020. This new function will focus on the knowledge management of the Institute, including the updating and enhancement of the Institute's database for scientific knowledge and of processes around dealing with donors, ministries or partners. The person to be hired will also be responsible for defining the standard quality criteria for entries in the project management tool (Pelikan) and for monitoring and reporting to the Director the fulfilment and status of projects. The vacancy announcement is currently being finalized.

69. **In paragraph 55 of its report, the Board recommended that UNU-FLORES ensure that both the travel request and the expense report are submitted and approved as soon as they occur in order to record the transaction within the appropriate period.**

Department responsible:	Institute for Integrated Management of Material Fluxes and of Resources
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

70. UNU-FLORES reiterates the importance of timely submission to staff members and external travellers on a regular basis. In general, all travellers are bound by the UNU travel policy and UNU-FLORES provides the Institute's handbook as a guide to all employees, which contains a reference to the policy. UNU considers this recommendation to have been implemented and requests its closure by the Board.

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

Department responsible:	Administration
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

72. UNU Administration has been following up with the remaining three institutes for the implementation of the ATLAS travel and expense module. Two of the institutes have already contacted the Administration regarding the testing environment for this module.

73. **In paragraph 76 of its report, the Board recommended that UNU-FLORES ensure that its Director strengthens the internal control environment, adding fraud control activities, evaluating its impact and assessing the likelihood of fraud within the risk matrix that allows for the monitoring of eventual fraud and corruption risks.**

Department responsible:	Institute for Integrated Management of Material Fluxes and of Resources
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

74. UNU-FLORES introduced the training course "Preventing fraud and corruption at the United Nations" as a mandatory course for all employees in February 2020 and monitors the completion of the course by all employees. On a regular basis, fraud alerts are distributed by UNU headquarters (especially by the information technology department) and the Finance and Administration Unit of UNU-FLORES. Historic fraud alerts are collected and made available as training material on the Institute's shared drive. UNU considers this recommendation to have been implemented and requests its closure by the Board.

75.   **In paragraph 88 of its report, the Board recommended that UNU-FLORES apply management tools, such as the balanced scorecard, or any other tool that allows for the measurement of the achievement of the strategic plan in order to assist in the decision-making process of the Institute and to report to the Rector about its progress in achieving the aims of UNU.**

Department responsible:	Institute for Integrated Management of Material Fluxes and of Resources
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

76.   UNU-FLORES finalized the Institute's strategic plan (2019–2022), which was endorsed by the Advisory Committee in July 2019. The strategic plan will be included in the implementation plan. The latter provides details about how the strategic plan can be implemented and includes key performance indicators. The Institute's performance management system is being developed and will be completed before the end of 2020, and will incorporate the feedback from the scientific evaluation that is scheduled to be completed by 15 October 2020.

77.   **In paragraph 98 of its report, the Board recommended that UNU-FLORES develop a new risk-control matrix that reflects the objectives of the current administration and organizational structure of the Institute, and consider the risks involved in terms of impact and likelihood of recurrence, as well as the effectiveness of the associated controls.**

Department responsible:	Institute for Integrated Management of Material Fluxes and of Resources
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

78.   UNU-FLORES agrees with the recommendation to develop a new risk matrix reflecting the latest organizational structure. The risk assessment will be completed before the end of 2020, using the revised template provided by the Director of Administration on 18 October 2019.

79.   **In paragraph 99 of its report, the Board recommended that UNU-FLORES adjust its current organizational structure with the objective of defining a staff member in charge of monitoring the risks and reporting on them to the Director, with regard to the measurements carried out.**

Department responsible:	Institute for Integrated Management of Material Fluxes and of Resources
Status:	Not accepted
Priority:	Medium
Target date:	Not applicable

80.   UNU-FLORES disagreed with the recommendation, given that monitoring and managing the risks for the Institute is a task assigned to the Director and will not be delegated.

81.   **In paragraph 111 of its report, the Board recommended that UNU-FLORES establish additional guidelines to formalize human resources management, including a formal measurement of the recruitment process, contract renewal, succession planning at the academic unit level and strategies to preserve knowledge.**

Department responsible:	Institute for Integrated Management of Material Fluxes and of Resources
Status:	Not accepted
Priority:	Medium
Target date:	Not applicable

82.   UNU-FLORES disagreed with the recommendation. The recruitment process of the Institute follows the personnel policy and recruitment guidelines of UNU. All recruitments by the Institute are documented, with a report explaining the recruitment steps taken, such as vacancy announcements, advertisement channels, short listing and a report covering the performance of candidates during the written assignment and the interviews. The central review board and central review panel review recruitments to United Nations staff positions, as well as to personnel service agreement positions above the P-2/National Professional Officer level, for compliance with the established processes. As part of the process, the Institute introduced detailed checklists and reminders that ensure the timely completion of tasks. Preserving knowledge is an important and ambitious goal of UNU-FLORES. For administrative knowledge, checklists and manuals as well as the Institute's handbook serve this purpose. Scientific knowledge, on the other hand, will be preserved in a science knowledge hub that is under development. A dedicated staff member will be recruited to manage that process.

83.   **In paragraph 112 of its report, the Board recommended that UNU-FLORES develop a written mechanism to monitor, at least on a quarterly basis, the duration of personnel service agreements and consultant and individual contractor contracts in order to identify critical posts, minimize timelines to fill the vacancies and ensure that any project has at least two employees working on it.**

Department responsible:	Institute for Integrated Management of Material Fluxes and of Resources
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

84.   The human resources team has introduced a monthly checklist that includes a review of expiring contracts. UNU considers this recommendation to have been implemented and requests its closure by the Board.

85.   **In paragraph 113 of its report, the Board recommended that UNU-FLORES harmonize its current organizational structure with the Institute's strategic plan, which guides its research programme.**

Department responsible:	Institute for Integrated Management of Material Fluxes and of Resources
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

86.   UNU-FLORES agrees with this recommendation and sees it as an ongoing task for its operation. The organizational chart was adapted to the strategic plan in March 2020. It follows the six capitals of the integrated reporting approach. Given that the Institute is a living organization adapting to the changing environment, its organizational structure is also evolving. UNU considers this recommendation to have been implemented and requests its closure by the Board.

87.   **In paragraph 125 of its report, the Board recommended that UNU set a deadline for the implementation of the new registration application that allows the creation and approval of new vendors to be consolidated by the Finance and Controlling Division at the Administrative Unit in Putrajaya. That process must be accompanied by the strengthening of control over the segregation of duties by the personnel involved in each activity of the process, including the request, creation and approval stages.**

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

88.   The new online portal for vendor registration was launched on 16 March 2020. UNU considers this recommendation to have been implemented and requests its closure by the Board.

89.   **In paragraph 135 of its report, the Board recommended that UNU update the standard operating procedures for property, plant and equipment in order to reflect current responsibilities and controls over UNU property, plant and equipment and intangible assets.**

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

90.   The updated standard operating procedures for property, plant and equipment were published on 30 March 2020. UNU considers this recommendation to have been implemented and requests its closure by the Board.

91.   **In paragraph 136 of its report, the Board recommended that UNU analyse the cost-benefit of carrying out the monthly verification of the accuracy between the Atlas report and the physical location of the asset, as described in the standard operating procedures for property, plant and equipment.**

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

92. UNU revised its standard operating procedures, effective 30 March 2020, to include monthly reviews of Atlas asset management reports for changes in the physical attributes of the assets. UNU considers this recommendation to have been implemented and requests its closure by the Board.

93. **In paragraph 137 of its report, the Board recommended that UNU review its property, plant and equipment with a periodicity of less than a year.**

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

94. UNU revised its standard operating procedures, effective 30 March 2020. The responsibilities of asset managers are stated in the standard operating procedures, which include monthly reviews of the Atlas asset management reports for changes in the physical attribute of assets, and ensuring that any additions, disposals, transfers and adjustments are recorded by the Asset Specialist. UNU considers this recommendation to have been implemented and requests its closure by the Board.

95. **In paragraph 146 of its report, the Board recommended that UNU-FLORES determine whether the machinery Sedimat 4-12 meets the future economic and technical benefits or the service potential to be considered as an asset of the Institute, as established in International Public Sector Accounting Standard (IPSAS) 17: Property, plant and equipment.**

Department responsible:	Institute for Integrated Management of Material Fluxes and of Resources
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

96. UNU-FLORES assessed that the Sedimat 4-12 laboratory equipment met the asset recognition criteria established in IPSAS 17 and provided future economic benefits to the Institute, as it was used in UNU-FLORES research projects. For a research paper entitled "Quantification of soil pore dynamics during a winter wheat cropping cycle under different tillage regimes", 40 samples were analysed with the machine, 30 of which made it into a publication. A second research project, entitled "Soil hydraulic response to conservation agriculture under irrigated intensive cereal-based cropping systems in a semi-arid climate" made use of the machine to analyse 12 soil samples. UNU considers this recommendation to have been implemented and requests its closure by the Board.

97. **In paragraph 147 of its report, the Board recommended that UNU-FLORES carry out an annual evaluation of signs of deterioration, as established in IPSAS 17.**

Department responsible:	Institute for Integrated Management of Material Fluxes and of Resources
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

98. A year-end physical verification of assets for UNU-FLORES, including impairment testing, was conducted at the end of 2019, and a copy of the results was provided to the Board. UNU considers this recommendation to have been implemented and requests its closure by the Board.

99. **In paragraph 156 of its report, the Board recommended that UNU strengthen oversight of the service performed by the business owner in order to ensure that all user accounts that remain dormant for 180 consecutive days are deactivated regularly and in a timely manner.**

Department responsible:	Administration
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

100. UNU will follow up with United Nations Development Programme (UNDP) Atlas technical support on the development of a report to monitor dormant user accounts and agree on the process of regular deactivation of such accounts.

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

101. In the annex to its report for the year ended 31 December 2019 (A/75/5 (Vol. IV), chap. II), the Board provided a summary of the status of implementation of recommendations for prior financial periods. Information is provided below on the 15 recommendations that were determined by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

102. Table 5 summarizes the overall situation as of August 2020.

Table 5
Status of implementation of recommendations from prior periods considered not to have been fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Administration	6	–	2	4	4	–
Campus Computing Centre	1	–	–	1	1	–
Office of the Rector	2	–	2	–	–	–

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
UNU Institute for Environment and Human Security (UNU-EHS) and UNU Vice-Rectorate in Europe (UNU-ViE)	3	–	1	2	2	–
UNU Institute for the Advanced Study of Sustainability (UNU-IAS)	3	–	2	1	1	–
Total	**15**	**–**	**7**	**8**	**8**	**–**

Report of the Board for the year ended 31 December 2015[6]

103. **In paragraph 14 of its report, the Board recommended that UNU create deferred revenue liability for the amount of future instalments which depend on fulfilment of performance obligations.**

> *Department responsible*: Administration
>
> *Status*: Under implementation
>
> *Priority*: Medium
>
> *Target date*: Fourth quarter of 2020

104. UNU has reviewed all donor agreements against the United Nations corporate guidance for IPSAS – funding arrangements. It was concluded that there were no stipulations and therefore, no requirement for the creation of deferred revenue liability. That position was supported by the Finance Division of the Office of Programme Planning, Finance and Budget in the Department of Management Strategy, Policy and Compliance and was communicated to the Board. UNU is liaising with the Board for the closure of this recommendation.

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

105. **In paragraph 30 of its report, the Board recommended that UNU consider multi-year donor agreements to be conditional if the receipt of future instalments depends on the fulfilment of enforceable performance obligations, specifically if UNU has no experience with the donor or has not previously breached stipulations and therefore has no evidence that enforcement is unlikely.**

> *Department responsible*: Administration
>
> *Status*: Under implementation
>
> *Priority*: High
>
> *Target date*: Fourth quarter of 2020

106. Please refer to UNU comments relating to the recommendation contained in paragraph 30 of the report of the Board (see para. 104 above).

107. **In paragraph 75 of its report, the Board recommended that the UNU Institute for Environment and Human Security (UNU-EHS) and the UNU Vice-**

---

[6] A/71/5 (Vol. IV), chap. II.
[7] A/72/5 (Vol. IV), chap. II.

Rectorate in Europe (UNU-ViE) perform a physical verification exercise for all capital and non-capital assets as soon as possible and update the actual locations of all assets and the information about the custodian.

Departments responsible:	Institute for Environment and Human Security and Vice-Rectorate in Europe
Status:	Closure requested
Priority:	High
Target date:	Not applicable

108. UNU-EHS and UNU-ViE performed a physical verification exercise for all capital and non-capital assets in December 2019. Owing to the absence of several staff members, however, approximately 13 per cent of total non-capital asset items (the majority of which are laptops) could not be verified before the end of 2019. The physical verification for the remaining items was completed by 31 January 2020. UNU considers this recommendation to have been implemented and requests its closure by the Board.

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

Departments responsible:	Institute for Environment and Human Security and Vice-Rectorate in Europe
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

110. UNU-EHS and UNU-ViE have carried out several activities towards business continuity and disaster recovery in the form of standard operating procedures and the study regarding ISO 27001 certification. UNU-EHS and UNU-ViE have also contracted temporary assistance to establish the foundation for the process. Owing to the priority given to information and communications technology (ICT) activities in response to the emergency requirements relating to COVID-19, all planned activities for 2020 have been postponed.

111. **In paragraph 107 of its report, the Board recommended that UNU-EHS and UNU-ViE not implement Office 365 until the efficiency of implementing Office 365 in comparison with adequate services provided by the institutes themselves has been verified. Aspects of information technology security also need to be considered in this verification process.**

Departments responsible:	Institute for Environment and Human Security and Vice-Rectorate in Europe
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

112. UNU-EHS and UNU-ViE contracted a technology company in June 2020 to present viable options for technology road maps towards the implementation of Office 365 at UNU while giving due consideration to data protection and data privacy requirements. Discussions are ongoing between UNU-EHS, the Office of the Rector, the UNU Legal Office and the Chief of Information and Communications Technology at UNU headquarters. The discussions are scheduled to resume after the arrival of the new Director of UNU-EHS, and the delivery is now planned for the fourth quarter of 2020.

Report of the Board for the year ended 31 December 2017[8]

113. **In paragraph 112 of its report, the Board recommended that UNU make sure that all UNU ICT users, in particular new personnel, complete the information security awareness training course of the Department of Safety and Security of the Secretariat as soon as possible.**

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

114. UNU has achieved a 100 per cent completion rate with regard to the above recommendation. UNU considers this recommendation to have been implemented and requests its closure by the Board.

115. **In paragraph 113 of its report, the Board recommended that UNU request all UNU ICT users to submit their information security awareness – foundational certificates after completion of the course to the UNU human resources services.**

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

116. UNU has achieved a 100 per cent completion rate with regard to the above recommendation. UNU considers this recommendation to have been implemented and requests its closure by the Board.

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

Department responsible:	Campus Computing Centre
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

_____

[8] A/73/5 (Vol. IV), chap. II.

118. Following several rounds of consultations, UNU adopted its new data classification guidelines in June 2019. In the fourth quarter of 2019, UNU established an implementation plan, with the first stage of implementation occurring in the first and second quarters of 2020. Several UNU institutes are expected to implement measures by the fourth quarter of 2020, as originally anticipated, but progress has been delayed as a result of the impact of the COVID-19 pandemic on ICT requirements and priorities.

119. **In paragraph 129 of its report, the Board recommended that UNU check randomly, preferably in advance of the planned travel, whether a security clearance was obtained.**

Department responsible:	Administration
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

120. UNU is conducting random checking every six months. The new UNU travel policy has been updated in accordance with information circular ST/IC/2019/16, dated 8 July 2019, to clarify that it is the traveller's individual responsibility to obtain the required security clearances prior to the commencement of all travel and that approvers and travel and shipment approvers are not responsible for ensuring that security clearance has or will be obtained (see ST/IC/2019/16, paras. 19 and 20).

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

Department responsible:	Institute for the Advanced Study of Sustainability
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

122. The requirement for submission of travel completion certification has been implemented and is continuously being closely monitored by a travel focal point. UNU considers this recommendation to have been implemented and requests its closure by the Board.

123. **In paragraph 179 of its report, the Board recommended that UNU randomly review the requirement on reporting for duty in paragraph 5.4 of the UNU administrative instruction.**

Department responsible:	Administration
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

124. UNU will continue to carry out random reviews for the requirements regarding reporting for duty by gathering information on any cases of non-compliance from all institutes every six months.

125. **In paragraph 193 of its report, the Board recommended that UNU develop its own institutional memory instead of continuously hiring former staff members as consultants for this purpose.**

Department responsible:	Office of the Rector
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

126. The Board of Auditors noted in its comments in the annex to chapter II of A/75/5 (Vol. IV) that "the completion of the specific legal handbook and the articulation of specific tasks of the legal and policy specialist could be understood as the implementation and accomplishment of this recommendation". UNU articulated the specific tasks of the legal and policy specialist in 2019 and completed the legal handbook in January 2020. Therefore, UNU now considers this recommendation to have been implemented and requests its closure by the Board.

127. **In paragraph 194 of its report, the Board recommended that UNU describe specific, results-oriented functions to be accomplished within a prescribed time frame in the terms of reference or work assignment contained in its consultant contracts.**

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

128. The Board of Auditors stated in its comments in the annex to chapter II of A/75/5 (Vol. IV) that "The administrative instruction sets out the procedures to obtain and administer the services of individuals engaged under consultant contracts but does not describe specific, result-oriented functions to be accomplished". As consultant contracts are utilized in a variety of functions from academic to administrative, it is not possible to specify the exact results-oriented functions that are meant to be accomplished for all of them in a broadly applicable administrative instruction. Administrative instruction UNU/ADM/2019/01 already calls for the terms of reference to describe specific, results-oriented functions and for payments to require the certification of satisfactory completion of work. Therefore, UNU considers this recommendation to have been implemented and requests its closure by the Board.

129. **In paragraph 227 of its report, the Board recommended that UNU-IAS perform a physical verification exercise for the library collection and update the information in the library management system at the earliest possible time.**

Department responsible:	Institute for the Advanced Study of Sustainability
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2020

130. A physical verification exercise is being conducted. The information in the library management system will be updated by the target date.

Report of the Board for the year ended 31 December 2018[9]

131. **In paragraph 23 of its report, the Board recommended that UNU maintain an updated valuation of the inventory of its library books in its accounting reports.**

Department responsible:	Institute for the Advanced Study of Sustainability
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

132. The monetary value of the library books has been recorded in the Koha (UNU library database) system. UNU considers this recommendation to have been implemented and requests its closure by the Board.

IV. United Nations Development Programme

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2019[10]

133. The United Nations Development Programme (UNDP) is planning to improve audit performance, including the implementation of audit recommendations, through several means. These include, in the short term, surge teams for country offices that are performing particularly poorly. In the longer term, the ongoing two-streamed root cause analysis will define the way forward to address repeated audit observations. Moreover, the current reform initiatives are expected to bear fruit. These efforts have already achieved significant progress but have not yet been completed. Management will also amplify regular reporting on audit issues and progress made thereon to the Executive Group and Organizational Performance Group.

134. Table 6 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

Table 6
Status of implementation of main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Directorate	3	–	1	2	2	–
Office of Financial Resources Management	4	–	–	4	4	–
Procurement Services Unit	1	–	–	1	1	–
Multiple offices	5	–	–	5	5	–
Total	**13**	**–**	**1**	**12**	**12**	**–**

---

[9] A/74/5 (Vol. IV), chap. II.
[10] A/75/5/Add.1, chap. II.

135. Table 7 summarizes the status of implementation of all recommendations of the Board as of August 2020.

Table 7
Status of implementation of all recommendations

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Bureau for External Relations and Advocacy	3	–	–	3	3	–
Directorate	7	–	1	6	6	–
Office of Financial Resources Management	6	–	–	6	6	–
Office of Information Management and Technology	1	–	–	1	1	–
Procurement Services Unit	5	–	–	5	5	–
Regional bureaux	3	–	–	3	3	–
Multiple offices	12	–	–	12	12	–
Total	**37**	**–**	**1**	**36**	**36**	**–**

136. **In paragraph 30 of its report, the Board recommended that UNDP review the presentation of its financial statements and the notes thereto with regard to receivables and liabilities to United Nations entities in order to determine whether a change in presentation could bring further clarity and enhance the value of the financial statements for stakeholders, as well as enhance stakeholders' understanding of the financial statements.**

> *Department responsible*:   Office of Financial Resources Management
>
> *Status*:   Under implementation
>
> *Priority*:   Medium
>
> *Target date*:   Fourth quarter of 2020

137. UNDP agreed with the recommendation.

138. **In paragraph 40 of its report, the Board recommended that, in the next financial statements, UNDP derecognize revenue and expenses for staff costs related to staff for whom funding partners contributed resources and who were assigned to the resident coordinator system.**

> *Department responsible*:   Office of Financial Resources Management
>
> *Status*:   Under implementation
>
> *Priority*:   High
>
> *Target date*:   Fourth quarter of 2020

139. UNDP agreed with the recommendation.

140. **In paragraph 49 of its report, the Board recommended that UNDP find a solution for the local situation in this country and ensure that the country office**

request adequate evidence of service contract holders' pension plan coverage and of their monthly remittances to the social security schemes.

Department responsible:	Regional Bureau for Africa
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

141. UNDP agreed with the recommendation.

142. **In paragraph 50 of its report, the Board also recommended that UNDP ensure that the country office uses the current service contracts template for new service contracts and update existing contracts that were signed before the new template had been launched.**

Department responsible:	Regional Bureau for Africa
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

143. UNDP agreed with the recommendation.

144. **In paragraph 62 of its report, the Board recommended that UNDP revise its enterprise risk management policy to exclude external oversight bodies such as the Board of Auditors from the third line of defence.**

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

145. UNDP revised its policy on 8 July. Please refer to the following link for more details: https://popp.undp.org/SitePages/POPPSubject.aspx?SBJID=431&Menu=BusinessUnit. UNDP considers this recommendation to have been implemented and requests its closure by the Board.

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

Departments responsible:	Directorate, Office of Financial Resources Management and central and regional bureaux
Status:	Under implementation
Priority:	High
Target date:	Third quarter of 2021

147. UNDP agreed with the recommendation.

148. **In paragraph 78 of its report, the Board recommended that UNDP tighten the assertions by adding an affirmative statement that an office has assessed fraud and corruption risks in an integrated manner as required by the anti-fraud policy and the enterprise risk management policy.**

Department responsible:	Office of Financial Resources Management
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

149. UNDP agreed with the recommendation.

150. **In paragraph 98 of its report, the Board recommended that UNDP define its organizational priorities through an organization-specific anti-fraud strategy that should incorporate current good practices.**

Department responsible:	Office of Financial Resources Management
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

151. UNDP agreed with the recommendation.

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

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

153. UNDP agreed with the recommendation.

154. **In paragraph 100 of its report, the Board recommended that UNDP set a realistic time frame for implementing its fraud risk management framework action plan.**

Department responsible:	Directorate
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

155. UNDP agreed with the recommendation.

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

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

157. UNDP agreed with the recommendation.

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

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

159. UNDP agreed with the recommendation.

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

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

161. UNDP agreed with this recommendation.

162. **In paragraph 134 of its report, the Board reiterated its recommendation that UNDP review the cases of non-compliance presented by the Board and analyse the reasons for and the circumstances in which bureaux and country offices did not fully comply with the corporate internal control framework.**

Departments responsible:	Office of Financial Resources Management and regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

163. UNDP agreed with the recommendation.

164. **In paragraph 135 of its report, the Board recommended that UNDP develop an adequate project outline with appropriate timelines and budgets for the planning phase involved in a complex multi-year project to introduce a new enterprise resource planning system.**

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

165. UNDP agreed with the recommendation.

166. **In paragraph 136 of its report, the Board reiterated its recommendation that UNDP, on the basis of the above analysis, further refine its internal control framework and further recommended that UNDP streamline its internal control framework documentation in the operational guide to strengthen its implementation.**

Department responsible:	Office of Financial Resources Management
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

167. UNDP agreed with the recommendation.

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

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

169. UNDP agreed with the recommendation.

170. **In paragraph 153 of its report, the Board recommended that UNDP record the vehicles not yet included in the enterprise resource planning system in compliance with IPSAS 17: Property, plant and equipment.**

Department responsible:	Regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

171. UNDP agreed with the recommendation.

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

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

173. UNDP agreed with the recommendation.

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

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

175. UNDP agreed with the recommendation.

176. **In paragraph 166 of its report, the Board recommended that UNDP streamline existing referencing on eligibility checks to be performed during vendor creation.**

Department responsible:	Procurement Services Unit
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

177. UNDP agreed with the recommendation.

178. **In paragraph 167 of its report, the Board recommended that UNDP streamline and enhance guidance on required supporting documents for vendor creation.**

Departments responsible:	Procurement Services Unit and Treasury Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

179. UNDP agreed with the recommendation.

180. **In paragraph 173 of its report, the Board recommended that UNDP enhance existing guidance for business units outlining procedures to be performed at regular intervals for vendor monitoring and maintenance of vendor records and continuous due diligence.**

Department responsible:	Procurement Services Unit
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

181. UNDP agreed with the recommendation.

182. **In paragraph 174 of its report, the Board recommended that UNDP implement the recently established process to regularly review its vendor databases to exclude ineligible vendors.**

Department responsible:	Procurement Services Unit
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

183. UNDP agreed with the recommendation.

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

Department responsible:	Procurement Services Unit
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

185. UNDP agreed with the recommendation.

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

Department responsible:	Procurement Services Unit
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

187. UNDP agreed with the recommendation.

188. **In paragraph 200 of its report, the Board recommended that UNDP continue to provide feedback to and to engage with the Development Coordination Office on 1 per cent levy matters (including challenges observed at the country level and questions on interpretation of the United Nations Secretariat guidance).**

Departments responsible:	Office of Financial Resources Management and Bureau for External Relations and Advocacy
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

189. UNDP agreed with the recommendation.

190. **In paragraph 201 of its report, the Board further recommended that UNDP develop a standardized template and encourage its use among country offices in order to state the reasons why a specific contribution agreement was exempted from the levy in line with the United Nations Secretariat guidance checklist.**

Department responsible:	Office of Financial Resources Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

191. UNDP agreed with the recommendation.

192. **In paragraph 213 of its report, the Board encouraged UNDP to continue to further enhance its system to operationalize, monitor and report on funding compact commitments.**

Department responsible:	Bureau for External Relations and Advocacy
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

193. UNDP agreed with the recommendation.

194. **In paragraph 224 of its report, the Board recommended that UNDP continue to monitor open Resident Coordinator Office projects identified and expedite project closure to the extent possible.**

Department responsible:	Directorate
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

195. UNDP agreed with the recommendation.

196. **In paragraph 225 of its report, the Board recommended that UNDP continue to monitor and report the number of staff members provided under transition arrangements to the resident coordinator system and document when those transitional arrangements cease to exist.**

Departments responsible:	Directorate and Office of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

197. UNDP agreed with the recommendation.

198. **In paragraph 232 of its report, the Board recommended that UNDP use the results from the joint survey with the Development Coordination Office to assess and, if needed, to refine its service offer to the resident coordinator system and its operational support to country offices.**

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

199. UNDP agreed with the recommendation.

200. **In paragraph 236 of its report, the Board recommended that UNDP continue to follow up on signing local service-level agreements for service provision to the Resident Coordinator Office.**

Department responsible:	Directorate
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

201. UNDP agreed with the recommendation.

202. **In paragraph 252 of its report, the Board recommended that UNDP use the feedback obtained on the management and accountability framework to inform its contribution to the revision of the country-level framework in order to ensure that accountability is strengthened.**

Department responsible:	Bureau for External Relations and Advocacy
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

203. UNDP agreed with the recommendation.

204. **In paragraph 269 of its report, the Board recommended that UNDP continue its participation in the inter-agency dialogue on the client satisfaction principles as well as the costing and pricing principles and, in cooperation with other stakeholders, explore options on how the inter-agency dialogue on the costing and pricing principles may be enhanced in order to address existing concerns of United Nations entities that have not agreed with the principles.**

Department responsible:	Directorate
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

205. UNDP agreed with the recommendation.

206. **In paragraph 288 of its report, the Board recommended that UNDP consider further streamlining the mapping of its contributions to the United Nations development system reform process and continue its strong engagement in all inter-agency workstreams for the United Nations development system reform.**

Departments responsible:	Directorate and Bureau for External Relations and Advocacy
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

207. UNDP agreed with the recommendation.

208. **In paragraph 289 of its report, the Board further recommended that UNDP use the opportunities and challenges identified in surveys related to the United Nations development system reform to further refine its support to the country level on reform-related matters.**

Department responsible:	Bureau for External Relations and Advocacy
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

209. UNDP agreed with the recommendation.

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

210. In the annex to its report for the year ended 31 December 2019 (A/75/5/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 20 recommendations that were determined by the Board to be either under

implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

211. Table 8 summarizes the overall situation as of August 2020.

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

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Office of Human Resources	3	–	–	3	3	–
Regional bureaux	6	–	–	6	6	–
Multiple offices	11	–	–	11	11	–
Total	**20**	**–**	**–**	**20**	**20**	**–**

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

212. **In paragraph 47 of its report, the Board recommended that UNDP enhance the process for manual recording of exchange transactions at the country office level in order to ensure that revenue is recorded in the period in which UNDP rendered the services, as required under an accrual basis of accounting.**

Department responsible:	Regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

213. In 2019, UNDP included confirmation of recording of exchange revenue in the annual assertion that is required to be certified by country offices, which the Board has noted. However, the Board also noted various cases of services rendered by UNDP that were not recorded under an accrual basis of accounting. Therefore, the Board considers this recommendation to be under implementation. UNDP plans to strengthen the assertion for 2020 to provide country offices with the exchange revenue transaction details for their review and confirmation.

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

Departments responsible:	Office of Financial Resources Management and regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

_____

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

215. In 2020, UNDP is training staff to pursue collection efforts and book revenue in line with UNDP policies and procedures.

216. **In paragraph 75 of its report, the Board recommended that UNDP review the cases of non-compliance presented by the Board and analyse the reasons for and the circumstances in which bureaux and country offices did not fully comply with the corporate internal control framework.**

Departments responsible:	Office of Financial Resources Management and regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

217. UNDP has reviewed the cases of non-compliance and updated its control in Atlas to address this recommendation. The Board noted that UNDP had implemented an automated control in Atlas. The automated control only addressed one control finding, but not several other findings referred to in the Board's previous report. The Board noted that these findings continued during 2019 and therefore, it considers this recommendation to be under implementation.

218. **In paragraph 76 of its report, the Board recommended that UNDP, on the basis of the above analysis, further refine its internal control framework to strengthen its implementation.**

Departments responsible:	Office of Financial Resources Management and regional bureaux
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

219. An instruction was issued to all country offices to review their internal control frameworks and adjust them, if necessary, to prevent conflicts between the first and second authority for any value, as well as the issue of assignment of control functions to non-staff. In addition, a new control has been put in place in the enterprise resource planning system that will enforce the segregation of duties between the approvers of requisitions and purchase orders. The Board noted the implementation of the new automated control in the enterprise resource planning system to enforce the segregation of duties, which prevented users from approving a purchase order when they had approved the requisition. With the update of the internal control framework outstanding, the Board considers this recommendation to be under implementation.

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

Departments responsible:	Office of Financial Resources Management and regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

221. The clustering project has dedicated teams for business integration and the internal control framework, thus ensuring that appropriate mechanisms for control and monitoring are embedded in the processes. The existing documentation of controls, as specified in the internal control framework and embedded in the policies and procedures content, sets out the policy framework for appropriate documentation.

222. **In paragraph 93 of its report, the Board recommended that UNDP ensure that country offices either establish their own standard template with minimum documentation requirements for programmatic output verification or use the template provided by UNDP.**

Departments responsible:	Bureau for Policy and Programme Support and regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

223. The UNDP monitoring policy states that output progress and/or completion must be verified at least annually, and a corporate template is provided for verification. Compliance with the policy could be assured through improvements to the corporate planning system.

224. **In paragraph 116 of its report, the Board recommended that UNDP ensure that country offices document the review of and conclusions drawn from microassessments.**

Department responsible:	Regional bureaux
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

225. The policy on the harmonized approach to cash transfers has been updated to address this recommendation. In the view of the Board, the requirement already existed in the policy but was not complied with. The Board noted that regional bureaux provided guidance and support to the country offices on the implementation of the harmonized approach to cash transfers. This includes guidance on audits and on the completeness of microassessments carried out. The Board also noted that UNDP followed up on a quarterly basis on potential issues with regard to the harmonized approach to cash transfers implementation at the country offices. However, the Board again noted various cases of non-compliance with this requirement.

226. **In paragraph 124 of its report, the Board recommended that UNDP update its policy on the harmonized approach to cash transfers to specify that the harmonized approach to cash transfer SharePoint site should be used for the mandatory planning of all assurance activities and that UNDP ensure the review of annual assurance activity plans.**

Department responsible:	Regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

227. The Board noted that UNDP updated the harmonized approach to cash transfers policy to address the recommendation to use the harmonized approach to cash transfers monitoring platform for planning assurance activities. The Board considers this part of the recommendation to have been implemented. The Board also noted that UNDP provided guidance and training to regional bureaux for the oversight of implementation of the harmonized approach to cash transfers. However, the Board also noted various cases of non-compliance with the requirement to review annual assurance activity plans. The Board considers this part of the recommendation to be under implementation.

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

Department responsible:	Regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

229. Oversight of the implementation of the harmonized approach to cash transfers by country offices is the responsibility of the regional bureaux. During 2019, the bureaux included issues relating to programme and project management, including harmonized approach to cash transfers compliance, at the regional operations managers workshops, so as to supplement their ongoing oversight of country offices based on results reflected in the harmonized approach to cash transfers dashboard.

230. **In paragraph 157 of its report, the Board recommended that UNDP, as part of its "People for 2030" strategy, review the policies on service contracts and individual contracts in order to establish clear criteria for assessing what constitutes a staff task and function and which tasks and functions may be transferred to contractual modalities other than regular staff contracts.**

Departments responsible:	Office of Human Resources and Office of Sourcing and Operations
Status:	Under implementation
Priority:	High
Target date:	Third quarter of 2020

231. As part of its "People for 2030" strategy, UNDP is in the process of developing multiple options for changes to its contract modalities to enable it to hire personnel under the appropriate contractual modality needed for UNDP to effectively fulfil its mandate.

232. **In paragraph 161 of its report, the Board recommended that UNDP review its policy on service contracts in order to clarify recurring matters of non-compliance and consider amending the requirements defined in the policy that UNDP does not intend to implement.**

Department responsible:	Office of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2020

233. UNDP is in the process of reviewing its policy on service contracts. A dedicated senior adviser was appointed in November 2019 to work on the changes to service contracts modalities. An implementation plan has been agreed with an aim to launch a new policy by the third quarter of 2020.

234. **In paragraph 168 of its report, the Board recommended that UNDP review its policy on service contracts, including the requirements for waiving competitive recruitment and the use of such waivers.**

Department responsible:	Office of Human Resources
Status:	Under implementation
Priority:	High
Target date:	Third quarter of 2020

235. Please refer to UNDP comments in paragraph 233 above relating to the recommendation contained in paragraph 161 of chapter II of A/74/5/Add.1.

236. **In paragraph 173 of its report, the Board recommended that UNDP review the responsibilities and monitoring function for the service contract modality as part of implementing the "People for 2030" strategy and define how much monitoring or oversight from headquarters is feasible and reasonable.**

Department responsible:	Office of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2020

237. As part of the implementation of the "People for 2030" strategy, UNDP is reviewing various aspects of the service contractor modality, including appropriate usage, compensation, recruitment and career progression. A dedicated senior adviser was appointed in November 2019 to work on the changes to service contracts modalities. UNDP aims to launch a new policy by the end of the third quarter of 2020.

238. **In paragraph 191 of its report, the Board recommended that UNDP review its policy on individual contracts in order to clarify recurring matters of non-compliance and strengthen oversight by the procurement committees.**

Departments responsible:	Office of Human Resources and Office of Sourcing and Operations
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2020

239. UNDP views individual contractors as an important part of its workforce and is reviewing changes to their usage along with other contract modalities as part of implementing the "People for 2030" strategy.

240. **In paragraph 192 of its report, the Board recommended that UNDP ensure that country offices and units with identified cases of non-compliance provide on-the-job training so that personnel have the sustainable awareness required to properly procure and manage individual contracts in accordance with the policy on individual contracts.**

Departments responsible:	Office of Sourcing and Operations and regional bureaux
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

241. Please refer to UNDP comments in paragraph 239 above relating to the recommendation contained in paragraph 191 of chapter II of A/74/5/Add.1.

Report of the Board for the year ended 31 December 2017[12]

242. **In paragraph 41 of its report, UNDP agreed with the Board's recommendation to ensure that country offices review and update project risks, issues and monitoring logs and document information in Atlas on time as the primary source of project information.**

Department responsible:	Regional bureaux
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

243. UNDP will continue to monitor compliance with these requirements through its annual project quality analysis process. UNDP has started to develop a collaborative digital workspace for programming. This workspace will help managers see where their programming stands across the full life cycle to better monitor performance and highlight what needs to be done so it can be addressed before becoming an audit issue.

_____

[12] A/73/5/Add.1, chap. II.

244. **In paragraph 88 of its report, UNDP agreed with the Board's recommendation that the Malawi, Paraguay and South Africa country offices ensure that, in future, evaluations of service contractors are completed on time, ideally one month prior to the expiration of contracts in accordance with policy, to give reasonable time for the office to make relevant and timely decisions regarding service contracts.**

Departments responsible:	Regional Bureau for Africa and Regional Bureau for Latin America and the Caribbean
Status:	Under implementation
Priority:	High
Target date:	Third quarter of 2020

245. The new UNDP policy on service contracts will link evaluations to the annual performance management cycle. The timely completion of the evaluations will be a part of the corporate-wide performance management cycle and the policy is expected to be in place by the end of the third quarter of 2020, for the performance cycle starting in 2021.

246. **In paragraph 102 of its report, UNDP agreed with the Board's recommendations that country offices: (a) encourage staff to exercise their leave within the period in which leave is earned; and (b) ensure the implementation of the leave plan so that the office operates efficiently at all times and ultimately to reduce cases of forfeited untaken leave days.**

Department responsible:	Regional bureaux
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

247. UNDP will continue to remind staff to take leave. However, in the light of the travel restrictions imposed by a growing number of countries in an effort to contain the spread of COVID-19, an exception to the current policy was approved and staff members were permitted to carry forward the annual leave balance in excess of the maximum allowed beyond 31 March 2020 under the following conditions:

(a) All excess days must be used by 31 March 2021;

(b) Should a staff member separate from service, any payment of the annual leave that may be due shall not exceed the maximum allowed under the Staff Regulations and Rules of the United Nations.

248. At the same time, UNDP has introduced a mandatory performance goal for all supervisors related to effective people management, of which one indicator is: "Support to supervisees in maintaining their health and well-being (e.g. encourage supervisees to use leave, prevent situations where staff lose annual leave, encourage awareness and use of flexible working arrangements, etc.)".

Report of the Board for the year ended 31 December 2016[13]

249. **In paragraph 51 of its report, the Board recommended that UNDP ensure (a) timely review and updating of project risks, issues and monitoring logs and document this in Atlas as the primary source of project information and (b) that project boards conduct regular meetings as a means of continuously monitoring project implementation.**

Departments responsible:	Bureau for Policy and Programme Support and regional bureaux
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

250. UNDP has started to develop a collaborative digital workspace for programming. This workspace will help managers see where their programming stands across the full life cycle to better monitor performance and highlight what needs to be done so it can be addressed before becoming an audit issue. These measures build on previous enhancements, including the end-to-end rewrite of programming policies and procedures, the introduction of new quality standards for programming, a new monitoring policy and improvements introduced through the new United Nations Sustainable Development Cooperation Framework.

251. **In paragraph 107 of its report, the Board recommended that UNDP ensure that future service contract evaluations are completed on time, ideally one month prior to the contract's expiration, pursuant to policy, so as to provide offices with a reasonable amount of time for decision-making.**

Departments responsible:	Office of Human Resources, central and regional bureaux
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

252. The new UNDP policy on service contracts will link the evaluations to the annual performance management cycle. The timely completion of the evaluations will be a part of the corporate-wide performance management cycle and the policy is expected to be in place by the end of the third quarter of 2020, for the performance cycle starting in 2021.

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 2019[14]

253. Table 9 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

---

[13] A/72/5/Add.1, chap. II.
[14] A/75/5/Add.2, chap. II.

Table 9
Status of implementation of main recommendations

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Directorate and Programme Management Support Unit	1	–	–	1	1	–
Office of Finance and Management Services	2	–	–	2	2	–
Total	**3**	**–**	**–**	**3**	**3**	**–**

254. Table 10 summarizes the status of implementation of all recommendations of the Board as August 2020.

Table 10
Status of implementation of all recommendations

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Directorate and Programme Management Support Unit	3	–	–	3	3	–
Office of Finance and Management Services	6	–	–	6	6	–
Total	**9**	**–**	**–**	**9**	**9**	**–**

255. **In paragraph 29 of its report, the Board recommended that the United Nations Capital Development Fund (UNCDF) review and define its risk management platform to formalize the arrangement and risk recording system across its organization in order to comply with its enterprise risk management policy and to record risks identified.**

Departments responsible:	Directorate and Programme Management Support Unit
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

256. UNCDF agreed with the recommendation and is in the process of reviewing and defining its risk management platforms to formalize the arrangement and risk recording system across the organization.

257. **In paragraph 36 of its report, the Board recommended that UNCDF enhance the risk management platform in a way that allows for the consolidation and aggregation of risks identified for the programmes at the country level.**

Departments responsible:	Directorate and Programme Management Support Unit
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

258. UNCDF agreed with the recommendation and is working on enhancements that will allow for the consolidation and aggregation of risks identified for the programmes at the country level.

259. **In paragraph 37 of its report, the Board recommended that UNCDF assess, for possible inclusion in the enterprise risk management policy, whether risk management would be enhanced if risks could be escalated by superiors.**

Departments responsible:	Directorate and Programme Management Support Unit
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

260. UNCDF agreed with the recommendation and is assessing the inclusion of risk escalation by superiors in the enterprise risk management policy.

261. **In paragraph 47 of its report, the Board recommended that UNCDF consult with UNDP on the revision by UNDP of contract modalities in order to assess whether the changes and new approaches envisaged by UNDP may be transferred to UNCDF.**

Department responsible:	Office of Finance and Management Services
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

262. UNCDF agreed with the recommendation and is taking steps to implement it.

263. **In paragraph 52 of its report, the Board recommended that UNCDF assess whether monitoring of travel expenses and deliverables against contracts could be facilitated through additional guidance on how contracts should be translated into purchase orders.**

Department responsible:	Office of Finance and Management Services
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

264. UNCDF agreed with the recommendation and is taking steps to implement it.

265. **In paragraph 59 of its report, the Board recommended that UNCDF enhance compliance with the policy on individual contracts by initiating new competitive processes in case of substantial contract revisions or provide appropriate justifications for direct contracting and strengthen the instrument of procurement planning.**

Department responsible:	Office of Finance and Management Services
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

266. UNCDF agreed with the recommendation and is taking steps to implement it.

267. **In paragraph 63 of its report, the Board recommended that UNCDF should adapt control functions included in the policy on individual contracts to its organizational structure.**

Department responsible:	Office of Finance and Management Services
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

268. UNCDF agreed with the recommendation and is adapting control functions included in the policy on individual contracts to its organizational structure.

269. **In paragraph 67 of its report, the Board recommended that UNCDF take measures to ensure that contracts and amendments for individual contractors are signed by both contract parties with the date of signature.**

Department responsible:	Office of Finance and Management Services
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

270. UNCDF agreed with the recommendation and is taking measures to ensure that contracts and amendments for individual contractors are signed by both contract parties with the date of signature.

271. **In paragraph 72 of its report, the Board recommended that UNCDF enhance supervision on managing individual contracts for the country teams where limited compliance with the policy was observed in order to foster behavioural change.**

Department responsible:	Office of Finance and Management Services
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

272. UNCDF agreed with the recommendation and is taking steps to enhance supervision on managing individual contracts for country teams where limited compliance with the policy was observed.

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

273. In the annex to its report for the year ended 31 December 2019 (A/75/5/Add.2, chap. II), the Board provided a summary of the status of implementation of recommendations for prior financial periods. As confirmed in the assessment by the Board, UNCDF had implemented all the recommendations from prior periods.

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 2019[15]

274. Table 11 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

Table 11
Status of implementation of main recommendations

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Financial and Administrative Management	3	1	–	2	2	–
Eastern and Southern Africa Regional Office	1	–	–	1	1	–
Ethiopia country office	2	–	1	1	1	–
Global Shared Service Centre	4	–	–	4	4	–
Information and Communications Technology Division	6	–	–	6	6	–
Programme Division	2	–	–	2	2	–
Supply Division	3	1	1	1	1	–
Yemen emergency cash transfer project	1	–	–	1	1	–
Multiple offices	1	–	1	–	–	–
Total	**23**	**2**	**3**	**18**	**18**	**–**

275. Table 12 summarizes the status of implementation of all recommendations of the Board as of August 2020.

_____

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

Table 12
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Financial and Administrative Management	14	2	2	10	10	–
Division of Human Resources	3	–	–	3	3	–
Eastern and Southern Africa Regional Office	1	–	–	1	1	–
Ethiopia country office	3	–	1	2	2	–
Global Shared Service Centre	5	–	–	5	5	–
Information and Communications Technology Division	13	–	3	10	10	–
Office of Emergency Programmes	1	–	–	1	1	–
Programme Division	2	–	–	2	2	–
Public Partnerships Division	1	–	–	1	1	–
Supply Division	8	1	2	5	5	–
Yemen emergency cash transfer project	1	–	–	1	1	–
Multiple offices	3	–	1	2	2	–
Total	**55**	**3**	**9**	**43**	**43**	**–**

276. **In paragraph 16 of its report, the Board recommended that the United Nations Children's Fund (UNICEF) consider classifying the long-term components of the after-service health insurance investment portfolio as non-current investments.**

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

277. UNICEF did not accept this recommendation. While funds are set aside to meet future liabilities and are disclosed in the notes to the financial statements, the instruments in the after-service health insurance investment portfolio of UNICEF are intended to be traded to maximize returns to the Fund. Sales proceeds in 2019 represented 44 per cent of the value of the investments, thereby illustrating a high turnover of instruments held. Management disagreed with the interpretation that the objective of the portfolio (generating returns to meet long-term liability) determined the classification in substance or in form. The classification proposed in the recommendation would give the impression that the instruments are held for long periods of time to maturity, which is not always the case at UNICEF.

278. **In paragraph 24 of its report, the Board recommended that UNICEF explore revising the hedging policy to include a suitable framework to govern the utilization of different types of hedging instruments, given their associated benefits and risks.**

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

279. The Financial Advisory Committee approved the hedging instrument after considering the associated benefits and risks. UNICEF has included an update of the hedging policy in its 2020 workplan to reflect the changes. UNICEF believed that limitation, specifically on the option instruments that may be utilized by UNICEF, would limit the flexibility required in implementing the hedging strategy. UNICEF believed that the limits already in place at the counterparty level were more effective and adequate in managing risks.

280. **In paragraph 30 of its report, the Board recommended that UNICEF engage with the banks concerned to avoid undue delays in the closure of accounts and explore introducing the controls necessary to prevent transactions in accounts in which closure has been affected by the bank.**

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

281. UNICEF will explore the causes of delays in the closure of accounts with the banks concerned. Robust controls exist to prevent the recording of transactions related to closed accounts, as evidenced during the audit, therefore further action is not planned in that regard.

282. **In paragraph 35 of its report, the Board recommended that UNICEF institute a system to monitor the timely uploading of correct cash on hand account certificates that would also help in further strengthening of the reconciliation exercise.**

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

283. Management has clarified the existing closure instructions and has issued a timeline by when both bank and cash on hand account reconciliations need to be uploaded, in order to strengthen timeliness and the related reconciliation exercise. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

284. **In paragraph 42 of its report, the Board recommended that UNICEF issue clear guidelines to avoid the classification of the same type of property, plant and**

equipment under different asset classes, especially information and communications technology (ICT) equipment.

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

285. UNICEF confirmed that the policy and guidance on classification were clear and had been consistently applied for the effective implementation of IPSAS. Management agreed to issue additional guidance and instructions as part of the roll-out of "mAsset application" and the new property, plant and equipment policy.

286. **In paragraph 46 of its report, the Board recommended that UNICEF make the necessary adjustments identified after the review exercise in the book value and accumulated depreciation/ amortization of these assets.**

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

287. UNICEF is reviewing the identified adjustments. Along with the planned change in capitalization threshold, which would remove many of the old assets, UNICEF will reassess the estimated useful lives of assets in 2020.

288. **In paragraph 52 of its report, the Board recommended that UNICEF identify key data elements that validate the eligibility of participants for end-of-service/post-employment benefits and incorporate the validation controls necessary to ensure the mandatory capturing of these key data elements in the system.**

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

289. UNICEF agreed to review and mandate maintenance of those data fields that affected the after-service health insurance actuarial valuation for UNICEF-supplied data.

290. **In paragraph 58 of its report, the Board recommended that UNICEF consider disclosing additional information in the financial statements and the accompanying notes for travel to further improve the information available to the readers of the financial statements.**

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

291. UNICEF confirms that the disclosures in the financial statements are in compliance with IPSAS 1: Presentation of financial statements. Management has elected to disclose travel expenses in the notes to the financial statements as allowed by the accounting standard, which is consistent with other United Nations funds and programmes. Please refer to the comments by UNICEF in paragraphs 293 and 295 below concerning the recommendations contained in paragraphs 59 and 60 of the Board's report regarding threshold and inventory from expired grants.

292. **In paragraph 59 of its report, the Board recommended that UNICEF consider disclosing additional information in the financial statements and the accompanying notes for the capitalization threshold to further improve the information available to the readers of the financial statements.**

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

293. UNICEF disclosures are in compliance with IPSAS 17, which describes the mandatory property, plant and equipment disclosures (see *Handbook of International Public Sector Accounting Standards*, 2020 ed., Vol. I, IPSAS 17, paras. 88–94). Though IPSAS does not require the disclosure of capitalization thresholds, Management is in the process of revising the capitalization threshold and will review the materiality and consider the need for the recommended disclosure in the financial statements for 2020.

294. **In paragraph 60 of its report, the Board recommended that UNICEF consider disclosing additional information in the financial statements and the accompanying notes for inventory from expired grants to further improve the information available to the readers of the financial statements.**

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

295. UNICEF did not accept this recommendation. The analysis of the inventory held under expired grants is presented in the Fund's fourth quarter's financial pack for management purposes. The amount of programme supplies held from expired grants for more than one year is $9.09 million, accounting for less than 5 per cent of the total

inventory of $192.4 million in the country office warehouses. In addition, there is no requirement under IPSAS for the disclosure of such information.

296. **In paragraph 66 of its report, the Board recommended that UNICEF ensure that the proposed enterprise risk management framework is implemented at the earliest.**

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

297. UNICEF is moving forward with the implementation of the remaining enterprise resource framework components, including the policy and procedure on enterprise risk management. It is targeted for completion by mid-2021.

298. **In paragraph 67 of its report, the Board also recommended that UNICEF take action to migrate historical data of risks and actions taken into the enterprise governance, risk and compliance strategy (eGRC) tool so that the lessons learned from previous actions are not lost and to ensure that all historical data are available.**

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

299. The taxonomy of the pre-2019 InSight risk data is not supported by the new tool, therefore migration would not be applicable. Following the retirement of the use of the InSight risk register, and the development of the new taxonomic risk data structure in the new eGRC tool, the InSight risk register data for offices for prior years has been retained for historical reference. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

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

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

301. UNICEF has developed the new budget formulation tool to support budget management. Following the system design, build phase and the user acceptance testing, the tool was rolled out to all UNICEF offices effective mid-2019. With most offices utilizing the tool and conducting budget planning within the application, the

system experienced a slowdown in processing speed. Enhancements are currently under way to ensure acceptable performance speeds and full utilization.

302. **In paragraph 78 of its report, the Board recommended that UNICEF strengthen the monitoring and internal controls to ensure the timely submission of quality reports to donors.**

Department responsible:	Public Partnerships Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

303. UNICEF is undertaking a cross-divisional effort to strengthen donor reporting. Management is developing a donor reporting portal and a donor reporting tracker to strengthen the timely submission and monitoring of donor reports.

304. **In paragraph 91 of its report, the Board recommended that, in the interest of organizational efficiency and maintaining uniformity, UNICEF review the output indicators and their application and assessment across the country offices.**

Department responsible:	Programme Division
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

305. UNICEF is in the process of developing a central dictionary for indicators in results assessment module 3.0. It is envisioned that the initiative will streamline the selection of indicators and promote alignment across country offices in future applications and assessments, which would be overseen at the regional level.

306. **In paragraph 92 of its report, the Board recommended that UNICEF review and strengthen its programme monitoring system in order to ensure the effective achievement of planned results.**

Department responsible:	Programme Division
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

307. UNICEF will review its programme monitoring system, taking into account the Board's recommendation, as part of the process of producing a new UNICEF strategic plan and will ensure that it contributes to programme enhancement so as to effectively achieve planned results.

308. **In paragraph 109 of its report, the Board recommended that UNICEF carry out an analysis of the reasons for gaps in achievement of country plan targets in the Ethiopia country office and identify the remedial measures necessary to improve the achievement of the objectives and targets of the country plan in the country office.**

Department responsible:	Ethiopia country office
Status:	Closure requested
Priority:	High
Target date:	Not applicable

309. UNICEF notes that the audit recommendation is based on the outcome indicators, the achievement of which is also dependent on other partners and contributing factors, beyond the scope and control of the Ethiopia country office. While not accountable for the outcomes, the country office contributes to them through outputs. For the current country plan cycle, UNICEF was required to mirror the nationwide targets set by the host Government in the development plan. UNICEF has analysed the reasons for the gaps in achievement of country plan targets in the Ethiopia country office and notes that going forward, for the new country plan cycle, the targets will be more realistic as they will not mirror the national target. It is anticipated that this remedial measure will improve the achievement of the objectives and targets of the country plan in the country office. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

310. **In paragraph 112 of its report, the Board recommended that UNICEF review and strengthen the quality assurance process for the results assessment module and ensure that the online version of the module is updated in a timely manner in the Ethiopia country office.**

Department responsible:	Ethiopia country office
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

311. Following the 2019 external audit, and starting with 2019 year-end reporting, the Eastern and Southern Africa Regional Office had implemented an improved management of the results assessment module reporting, so that it was focused on enhancing accuracy in data entry and enhancing section chiefs' accountability in reporting. Within this context, the Ethiopia country office would establish a mechanism for quality assurance in setting targets and baselines with the Government and for the results assessment module reports, along with a rigorous review of ratings.

312. **In paragraph 113 of its report, the Board recommended that UNICEF explore ways to strengthen the evaluation and internal assurance processes to introduce improved accuracy into the reporting of baselines and achievements in the Ethiopia country office.**

Department responsible:	Ethiopia country office
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

313. The Ethiopia country office will conduct a review of the existing quality assurance process for baseline data and achievement data to ascertain existing gaps. The office will also develop a new and improved mechanism for quality assurance

that will involve documented review by the respective section chief, a second-tier review by the Planning Unit and an approval by the Deputy Representative. It will involve a review of baselines and achievements to ascertain validity based on reference documents or other applicable data sources.

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

Department responsible:	Office of Emergency Programmes
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

315. UNICEF will review the utilization of the emergency preparedness platform for risk analysis and planning for preparedness for emergency response in regional and country offices, to ensure its effective use, as envisaged in the related procedure.

316. **In paragraph 132 of its report, the Board recommended that UNICEF identify the reasons for gaps in achieving the minimum level of assurance activities and take urgent action to ensure that, at the very least, the minimum level of spot checks is carried out for all the implementing partners in the Eastern and Southern Africa region in a timely manner, and in this regard reiterates its recommendation (A/74/5/Add.3, chap. II, para. 79) that UNICEF review the status of assurance in other country and regional offices and take the measures necessary to fill the gaps.**

Department responsible:	Eastern and Southern Africa Regional Office
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

317. UNICEF notes the recommendation regarding the minimum required spot checks for the Eastern and Southern Africa Regional Office implementing partners for reported cash transfers in 2020.

318. Regarding the reiterated recommendation (A/74/5/Add.3, chap. II, para 79), Management is not in a position to agree to it or respond in a meaningful way, as the recommendation was issued for the first time in the final report for 2018, without having been raised during the global or New York headquarters audit visits, in the respective management letters or in the Board's draft report. UNICEF therefore requests the removal of this recommendation.

319. **In paragraph 142 of its report, the Board recommended that UNICEF continue to strengthen the implementation and monitoring of the Yemen emergency cash transfer project, taking into consideration the evolving situation and lessons learned from implementing the project on the ground.**

Department responsible:	Yemen emergency cash transfer project
Status:	Under implementation

Priority:	High
Target date:	Fourth quarter of 2021

320. UNICEF will evaluate the recommendation to strengthen the implementation and monitoring of the Yemen emergency cash transfer project, taking into consideration the evolving situation and the lessons learned from implementing the project on the ground.

321. **In paragraph 147 of its report, the Board recommended that UNICEF ensure that specific reasons and justification be recorded for each case where purchase orders are placed outside the respective long-term agreements.**

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

322. Management utilizes long-term agreements where available and where conditions are most suitable. It is important to consider that such agreements are non-exclusive arrangements, as intended by the management of UNICEF. The option to enable purchasing outside of such agreements exists to take advantage of advantageous market pricing. Furthermore, long-term agreements may not be applicable to all purchases (e.g., may be for a specific set of countries), which therefore would require separate additional procurement actions outside of such agreements. Where purchase orders are placed outside of a long-term agreement, it will be for proper reason and will typically be based on a full competitive tender process, which will be fully documented in the Virtual Integrated System of Information (VISION), as illustrated to the audit team. Management therefore confirms that this action has already been implemented and requests its closure by the Board.

323. **In paragraph 154 of its report, the Board recommended that UNICEF analyse the reasons why procurements had been done before the local procurement authorizations were issued by the Supply Division and take necessary corrective action.**

Department responsible:	Supply Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

324. UNICEF will analyse the reasons why the three purchase orders identified during the audit contained issue dates earlier than the date on which the local procurement authorizations had been issued and take the necessary corrective action.

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

Department responsible:	Supply Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

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

327. **In paragraph 170 of its report, the Board recommended that UNICEF explore ways to further strengthen the inventory management system in order to deal with issues relating to inventory turnover and ageing.**

Department responsible:	Supply Division
Status:	Not accepted
Priority:	High
Target date:	Not applicable

328. UNICEF did not accept this recommendation issued during the audit of New York headquarters. The Board thoroughly analysed UNICEF supply chain management, including the management of inventory and vendors during the specific audit of the Supply Division in Copenhagen, performed some months earlier. For that purpose, the Board had already issued detailed recommendations on related matters, which UNICEF accepted and with respect to which it has addressed specific actions related to audited areas. Management is therefore unable to implement and respond to the recommendation in a meaningful way and therefore does not agree with this general recommendation.

329. **In paragraph 171 of its report, the Board recommended that UNICEF review existing controls over capturing of shelf life expiry date for inventory items, especially ones that carry a pre-defined shelf life/best before dates.**

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

330. UNICEF already reviews the best before/shelf life expiry dates for all batch-managed inventory items. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

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

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

332. UNICEF will arrange options to facilitate improved monitoring of direct order purchase orders by country offices and the timeliness of related delivery. In addition, the Supply Division will provide guidance, trainings and/or awareness-raising sessions regarding the importance of updated entries in VISION for the direct order purchase orders, among other remedial measures.

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

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

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

335. **In paragraph 192 of its report, the Board recommended that UNICEF analyse the reasons for the delays in processing emergency orders other than rapid response emergency orders and reiterated its recommendation (A/74/5/Add.3, chap. II, para. 169) to make efforts to reduce the lead times, especially at lead 2.**

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

336. UNICEF plans to analyse the reasons for the delays in processing emergency orders other than rapid response emergency orders and will make efforts to reduce the lead times, especially lead 2. The Supply Division will consider a specific monitoring arrangement for non-rapid response emergency orders, taking into consideration the ongoing COVID-19 pandemic and the specific supply chain challenges generated by the pandemic.

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

Department responsible:	Information and Communications Technology Division
Status:	Under implementation
Priority:	Medium
Target date:	Third quarter of 2021

338. UNICEF is developing a data warehouse strategy that will feed into future options for enhancing and potentially modernizing the existing data warehouse capabilities. Taking into account the availability of resources and the uncertainty in the current global financial landscape, Management will prioritize the development and implementation of the strategy.

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

Department responsible:	Information and Communications Technology Division
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

340. UNICEF is conducting an internal vulnerability test as part of the information security programme of the organization, which would inform a decision to run a penetration test on the VISION ecosystem.

341. **In paragraph 207 of its report, the Board recommended that UNICEF carry out the implementation of the residual information security (InfoSec) risk mitigation measures, including a formal InfoSec risk assessment, as outlined in the office management plan (2018–2021) of the Information and Communications Technology Division.**

Department responsible:	Information and Communications Technology Division
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

342. Management already performs annual InfoSec risk assessments. As part of ongoing operational activities, it will continue to perform InfoSec risk assessments for VISION and inSight annually or as major changes to the environment are

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

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

Department responsible:	Information and Communications Technology Division
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

344. The Information and Communications Technology Division and the Global Shared Service Centre will work together to ensure that the account/personnel numbers are updated in the human resources master data. It is important to highlight that SAP does not provide an out-of-the-box feature to synchronize between human resources master data and the user credential table, therefore requiring a custom-built solution. As such, at the outset of this exercise, the initial updates may be manual, with subsequent exploration and development of an automated solution designed to allow the addition of new capabilities and functionality.

345. UNICEF notes that the second part of the recommendation was not raised during the global audit visits, in the respective management letters or in the Board's draft report. UNICEF is therefore unable to agree and respond to it in a meaningful way. UNICEF did not accept the recommendation because personnel numbers are maintained, as necessary, in the applicable databases.

346. **In paragraph 211 of its report, the Board recommended that UNICEF explore ways of further strengthening the existing controls over the creation and maintenance of the user ID database in VISION to avoid the recurrence of the issues highlighted in the report of the Board.**

Department responsible:	Information and Communications Technology Division
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

347. At UNICEF, the validity of any user ID, and therefore of system access, is based on contract validity dates, rather than the validity of date assigned to the user ID in VISION. As such, system access is driven by the contract validity dates of the user's contract, rather than the validity date assigned to the user. On the basis of this understanding, the risk of accessing VISION through a user account whose contract date has expired is very low, especially when considering it as part of a holistic view of other existing controls. UNICEF may explore the possibility of automation to synchronize user ID validity with contract validity date. The planned outcome would be the technical viability of the automation and the associated costs. UNICEF

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

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

Department responsible:	Information and Communications Technology Division
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

349. UNICEF will deactivate and lock all older user IDs to ensure the uniqueness of active users.

350. **In paragraph 217 of its report, the Board recommended that UNICEF explore ways of improving the interface between LAN and VISION to sync the validity of the users.**

Department responsible:	Information and Communications Technology Division
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

351. The interface is in place at UNICEF and the recommended action is already being performed, as acknowledged in which Board's management letter on the audit of VISION and inSight, under paragraph 67 (c), in which UNICEF states: "scripts are in place to handle expiration dates specifically of those that are unlocked and non-superusers. As contract dates are updated in HR master data, the script updates the LAN and VISION…". UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

352. **In paragraph 222 of its report, the Board recommended that UNICEF enforce the change password policy as detailed in the UNICEF standard on information security: access control.**

Department responsible:	Information and Communications Technology Division
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

353. UNICEF will review the current automation practice and fix any gaps identified as part of regular maintenance.

354. **In paragraph 225 of its report, the Board recommended that UNICEF explore the feasibility of providing a direct e-interface between implementing partners and eZHACT (VISION) for the creation and transmission of electronic**

funding authorization and certificate of expenditure (FACE) forms by the implementing partners.

Departments responsible:	Division of Financial and Administrative Management and Information and Communications Technology Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

355. UNICEF is currently conducting the due diligence process to evaluate options for developing electronic FACE forms.

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

Departments responsible:	Division of Financial and Administrative Management and Information and Communications Technology Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

357. UNICEF is undertaking an enhancement of eZHACT to ensure that implementing partner activities are recorded along with the payment requests. Such action is expected to result in a single payment request, while the activities are recorded separately. Completion is planned for mid-2021. In conjunction with country offices, the clean-up of existing unverified payment requests is scheduled to take place during 2020.

358. **In paragraph 237 of its report, the Board recommended that UNICEF take action to formally review and update the headquarters business continuity plan on top priority and other areas, including ICT risks identified in enterprise risk management, developments/changes in the IT systems such as SAP HANA, and ensure that the requirements of the United Nations organizational resilience management system inform the review and updating exercise.**

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

359. UNICEF is reviewing the New York headquarters business continuity plan, which focuses on time-critical business services, processes and operations. The updated plan will include references to the Information and Communications

Technology Division disaster recovery plan, which sets out the details of the ICT risks identified in enterprise risk management, along with relevant system and application changes. It will also include applicable components of the organizational resilience management system.

360. **In paragraph 240 of its report, the Board recommended that UNICEF take urgent action to formally review and update the headquarters Information and Communications Technology Division disaster recovery plan and to incorporate details of critical hardware and software and up-to-date contact lists.**

Department responsible:	Information and Communications Technology Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

361. UNICEF will formally review and update the disaster recovery plan and associated documents. Management has already reviewed and updated details of critical hardware and software and the contact lists in response to the COVID-19 crisis.

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

Department responsible:	Information and Communications Technology Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

363. UNICEF will perform comprehensive and regular testing of the business continuity plan and the disaster recovery plan, including simulation exercises, to maintain a posture of preparedness.

364. **In paragraph 249 of its report, the Board recommended that UNICEF ensure regular meetings of crisis management structures at headquarters, pursuant to the United Nations organizational resilience management system, and ensure timely action to address the risks identified.**

Departments responsible:	Information and Communications Technology Division and Division of Financial and Administrative Management
Status:	Closure requested
Priority:	High
Target date:	Not applicable

365. The New York headquarters crisis management structure is in place to identify and assess all risks, including information technology risks. Since the emergency declaration in New York in response to COVID-19, the UNICEF crisis management team at headquarters has been holding regular meetings to assess the ever-changing scenario. As warranted, the weekly and/or biweekly meetings ensure coordination with the United Nations in providing clear guidance and communications to UNICEF personnel, in preparation for a safe return to the office. In addition, information technology risks have been actively addressed by the Information and Communications Technology Division to ensure that personnel have the necessary equipment and continued secure access to UNICEF systems, tools and platforms, thereby enabling effective teleworking in response to the crisis. UNICEF considers this recommendation to have been fully implemented and requests its closure by the Board.

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

Department responsible:	Information and Communications Technology Division
Status:	Under implementation
Priority:	High
Target date:	Third quarter of 2022

367. UNICEF agreed with this recommendation and is in the process of implementing the proposed action.

368. **In paragraph 254 of its report, the Board recommended that UNICEF consider keeping the headquarters backups at geographical areas away from the primary and disaster recovery sites in order to mitigate the risk of data loss in case of disasters without significantly affecting productivity and access to real-time data.**

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

369. UNICEF will segregate the geographical location of back-up media away from the primary and disaster recovery sites.

370. **In paragraph 264 of its report, the Board recommended that UNICEF ensure that regular inspections of the headquarters data centre and backup sites and regular monitoring of performance of the relevant vendors are carried out and duly documented, so that there are adequate assurances regarding controls, including environmental and safety measures and regarding the performance of the vendors in accordance with the agreement.**

Department responsible:	Information and Communications Technology Division
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

371. UNICEF already monitors vendor performance actively against the applicable contractual provisions reported on annually. The Information and Communications Technology Division will require the backup service provider to make available biannual reports on environment and safety. These will form the basis for an annual review of the data centre and backup sites environments and the safety posture of the vendor.

372. **In paragraph 283 of its report, the Board recommended that UNICEF engage with the offices concerned to analyse the reasons for a large number of cases being returned and take action to improve the case submission process to minimize their returns by the Global Shared Service Centre.**

Department responsible:	Global Shared Service Centre
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

373. UNICEF will continue the efforts already under way by engaging directly with offices that have high rates of returned and rejected cases, in order to develop solutions. Regular analysis of return and rejection rates, by volume, will be performed by region and shared with regional office senior management for review and action to drive improvement.

374. **In paragraph 285 of its report, the Board recommended that UNICEF ensure that all streams enforce compliance with ticket-handling guidelines and clearly communicate to offices the need to resubmit in a timely manner and the consequences for late resubmission.**

Department responsible:	Global Shared Service Centre
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

375. UNICEF rolled out ticket handling guidelines in late 2019, detailing the procedure for dealing with overdue returned cases. The procedure involves an escalation and eventually a rejection of cases that have not been resubmitted within a defined time frame. The implementation of the procedure and the related recommendation is planned by the fourth quarter of 2020.

376. **In paragraph 290 of its report, the Board reiterated its recommendation (A/74/5/Add.3, chap. II, para 284) that UNICEF incorporate necessary input controls and improve validation checks in VISION for all important parameters for the processing of invoices.**

Department responsible:	Global Shared Service Centre
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

377. UNICEF introduced input controls in 2019 to improve data quality and in response to the prior recommendation (A/74/5/Add.3, chap. II, para. 284) in the report of the Board for 2018. It is important to note that the baseline date noted in the finding is not currently used in the invoice payment process and hence not considered a key input control. The baseline date is planned to be used in future processes. Management will install further input controls in critical invoice processing fields and anticipates full implementation by the fourth quarter of 2020.

378. **In paragraph 292 of its report, the Board also reiterated the recommendation (A/74/5/Add.3, chap. II, para. 285) that UNICEF plan and implement a mechanism for timely submission of invoices by all its offices.**

Department responsible:	Global Shared Service Centre
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

379. UNICEF acknowledged this recommendation. While perfection is not feasible in the timeline of submission of invoices by all UNICEF offices, Management will enhance the applicable monitoring tools to complement the existing mechanisms, such as monthly closure processes and the inSight dashboard, so as to encourage timely submission. The completion of initiatives to further improve the timely submission of invoices by offices is planned for the first quarter of 2021.

380. **In paragraph 299 of its report, the Board recommended that UNICEF prepare a plan of action for the clearance of old outstanding cases and the Global Shared Service Centre review the current policies and procedures on repayment/recovery of advances/overpayments and put in place standard criteria for their management, as well as ensure adherence to the repayment plan.**

Department responsible:	Global Shared Service Centre
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

381. UNICEF is committed to putting in place a standard procedure on terms of the recovery of advances and overpayments.

382. **In paragraph 305 of its report, the Board recommended that UNICEF take steps to prepare a road map to improve gender balance in the West and Central Africa, Eastern and Southern Africa, South Asia and Middle East and North Africa regions.**

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

383. The Division of Human Resources, in partnership with other offices, will work to improve gender balance in the regions concerned. The Division will continue to monitor the status of key performance indicators, including the one on gender diversity, and will support offices in achieving the planned targets.

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

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

385. UNICEF is implementing changes in the new staff selection policy, including the shift into a modified approach, which is anticipated to result in improved utilization of talent groups in recruitment. The Division of Human Resources, in partnership with other offices, will closely monitor the results.

386. **In paragraph 316 of its report, the Board recommended that UNICEF ensure compliance with the established procedure with regard to the selection of consultants, securing approval from a competent authority and undertaking an output evaluation in all cases.**

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

387. In partnership with offices, through which the decentralized management of hiring consultants is managed, the Division of Human Resources, as the owner of the policy governing the hiring of consultants, is committed to further strengthening related processes through training webinars to enhance staff understanding and compliance with the requirements for hiring consultants.

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

388. In the annex to its report for the year ended 31 December 2019 (A/75/5/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 41 recommendations that were identified 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.

389. Table 13 summarizes the overall situation as of August 2020.

Table 13
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Financial and Administrative Management	14	1	9	4	4	–
Global Shared Service Centre	9	–	8	1	1	–
Latin America and the Caribbean Regional Office	2	–	2	–	–	–
Lebanon country office	2	–	2	–	–	–
Office of Internal Audit and Investigations	2	–	–	2	2	–
Private Fundraising and Partnerships Division	1	–	1	–	–	–
Public Partnerships Division	2	–	–	2	2	–
Supply Division	3	–	2	1	1	–
Multiple offices	6	–	6	–	–	–
Total	**41**	**1**	**30**	**10**	**10**	**–**

Report of the Board for the year ended 31 December 2013[16]

390. **In paragraph 69 of its report, the Board recommended that UNICEF require its country offices to apply fully justified budget assumptions in preparation for resource estimation with respect to activities set out in the multi-year/rolling workplans.**

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

391. UNICEF developed and implemented a new budget management tool, the budget formulation tool, to streamline and facilitate resource estimation processes. The budget formulation tool was rolled out to all UNICEF offices effective 1 July 2019. The global "go-live" training for all regions and headquarters divisions was completed in June 2019. By November 2019, more than two thirds of all UNICEF offices had completed financial planning in the tool application, with data either transferred to VISION or in the process of being transferred. Following regular use of the tool post go-live, system performance slowed, for which enhancements are currently under way to ensure acceptable performance speeds. The functionality

_____

[16] A/69/5/Add.3, chap. II.

related to the application of fully justified budget assumptions was successfully designed, developed and built. Management considers the recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2015[17]

392. **In paragraph 14 of its report, the Board recommended that UNICEF consider (a) consolidating at the corporate level an annual integrated budget containing figures from all the budgets approved by the Executive Board; and (b) include budgeted amounts for various activities under each outcome at the appropriate business unit level.**

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

393. UNICEF notes that part (a) of this recommendation has been implemented, as acknowledged in the prior reports of the Board. Regarding part (b) of the recommendation, UNICEF has further developed a new budget formulation tool that links budgeted resources at the activity level with results at the outcome level. Following the system design, build-out phase and user acceptance testing, the tool was rolled out to all UNICEF offices effective 1 July 2019. In November 2019, the system performance slowed, for which enhancements are under way to ensure acceptable performance speeds. As the functionality related to the inclusion of budgeted amounts for various activities under each outcome at the appropriate business unit level was successfully designed, developed and built in a way that responds to the recommendation, Management considers the recommendation to have been implemented and requests its closure by the Board.

394. **In paragraph 105 of its report, the Board recommended that UNICEF consider (a) putting in place a fund tracking system to establish links between planned and actual expenditure against the appropriate planning level (outcome, output, activity); (b) review the existing guidance and other resource material for their improvement and better utilization; and (c) align output indicators with focus areas and activities towards achievement of outputs under the outcome entitled "Education".**

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

395. The budget formulation tool rolled out by UNICEF in 2019, which is being enhanced on an ongoing basis, includes a functionality to allow the alignment of output indicators with focus areas and activities under the "Education" outcome. As the functionality related to the alignment of output indicators with focus areas and activities towards the achievement of outputs under the respective outcome was

_____

[17] A/71/5/Add.3, chap. II.

successfully designed, developed and built in a way that responds to the recommendation, Management considers the recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2016[18]

396. **In paragraph 99 of its report, the Board recommended that UNICEF ensure that the proposed new enterprise risk management policy is appropriately crafted to incorporate the organization's functional requirements and at the same time ensure that incongruities are avoided.**

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

397. UNICEF has redrafted the current regulatory content of the enterprise risk management policy to address the incongruities noted and in line with the Fund's enterprise risk management strategy. The updated draft is in the final stages of review, after consultation with key stakeholders. It will be rolled out in conjunction with the enterprise governance, risk and compliance strategy (eGRC) system.

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

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

399. UNICEF will articulate a risk tolerance and risk appetite statement at the organizational level linked to its Financial Regulations and Rules as part of the updated enterprise risk management policy, which is to be developed.

400. **In paragraph 125 of its report, the Board recommended that UNICEF ensure periodic review of vendor master records and remove all inconsistencies.**

Department responsible:	Global Shared Service Centre
Status:	Closure requested
Priority:	High
Target date:	Not applicable

401. UNICEF has implemented the recommendation, as evidenced during the audit of the Global Shared Service Centre for the years ended 2018 and 2019. Management already conducts periodic reviews of vendor master records (at least semi-annually).

_____

[18] A/72/5/Add.3, chap. II.

In addition to the removal of inconsistencies, the Global Shared Service Centre has regularly conducted cleansing of finance records and has succeeded in removing thousands of duplicates, as has been demonstrated. The recommended action is already in place and is part of ongoing management efforts. Management has requested further clarification from the Board as to the additional action to be taken in order for the recommendation to be considered closed.

402. **In paragraph 236 of its report, the Board recommended that UNICEF review the Charter of the Office of Internal Audit and Investigations to ensure adherence to the International Standards for the Professional Practice of Internal Auditing.**

Department responsible:	Office of Internal Audit and Investigations
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

403. The Office of Internal Audit and Investigations has recently completed its external quality assessment and is assessing the impacts of its recommendations for the new Charter and reviewing its internal audit strategy for 2020 and beyond. Following consultations with the Executive Director and the Audit Advisory Committee, the Office will submit the revised Charter to the Executive Board during the annual session of the Office with the Board, in June 2021.

404. **In paragraph 243 of its report, the Board recommended that the Office of Internal Audit and Investigations prepare and implement its annual workplan to adhere to the five-year audit cycle in accordance with the Charter of the Office of Internal Audit and Investigations.**

Department responsible:	Office of Internal Audit and Investigations
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

405. As noted in the related response to paragraph 236 of the same report (see para. 403 above), the Office of Internal Audit and Investigations is currently reviewing its internal audit strategy for 2020 and beyond, which along with the new Charter will be presented for the approval of the Executive Director and to the Executive Board by June 2021.

Report of the Board for the year ended 31 December 2017[19]

406. **In paragraph 28 of its report, the Board recommended that UNICEF depict contributions receivable at their fair value in compliance with IPSAS.**

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

_____

[19] A/73/5/Add.3, chap. II.

407. UNICEF calculated the impact of discounting receivables at year-end in 2018 and shared the results with the New York headquarters audit team in response to audit requisitions. An assessment was carried out, in which it was concluded that the amounts were not material. As a result, the depiction of contributions at fair value would not have an impact on the users of the financial statement. Management has completed the agreed recommendation action and requests closure of this recommendation by the Board.

408. **In paragraph 48 of its report, the Board recommended that UNICEF review and ensure compliance with the internal control mechanism in the travel management and related processes.**

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

409. UNICEF has moved to the automatic closure of trips upon 30 days after trip completion. In addition, prior to this shift, UNICEF had enhanced three new travel certification measures in VISION: (a) a formal warning mechanism for staff having more than two trips open; (b) automated reminders for open travel authorizations in VISION; and (c) a "hard stop" on new travel authorizations when more than three are already open. On the basis of the demonstrated implementation action, Management requests the closure of the recommendation by the Board.

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

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

411. UNICEF carried out a partial review of custom-developed solutions in preparation for future improvements to the systems. The code review exercise provided useful input to actions that have been incorporated in the ongoing enhancement of the UNICEF SAP solution landscape. As UNICEF conducted a verification of the compatibility and customization process of VISION in 2016, Management does not believe that completing the same exercise again will add value. UNICEF therefore addressed the elements noted in the audit findings on the travel process through enhancements to the system and providing training to the users. In this regard, UNICEF implemented the enhanced functionalities in VISION, namely: (a) a formal warning mechanism for staff having more than two trips open; (b) automated reminders for open travel authorizations in VISION; and (c) a "hard stop" on new travel authorizations when more than three are already open. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

412. **In paragraph 61 of its report, the Board recommended that UNICEF complete the review of the user access management guide and the segregation of duties rules and update them in a time-bound manner.**

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

413. UNICEF is working to update the user access management guide and the segregation of duties rules.

414. **In paragraph 62 of its report, the Board recommended that UNICEF update the segregation of duties violation report to reflect the mitigation of segregation of duties conflict by the Global Shared Service Centre process and to incorporate transaction-level monitoring.**

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

415. UNICEF is updating the user access management guide along with the segregation of duties report as mentioned in the response contained in paragraph 413 above to the recommendation contained in paragraph 61 of the report of the Board for the year ended 31 December 2017 (A/73/5/Add.3, chap. II). The resulting segregation of duties reporting will reflect the mitigation of the conflict in the segregation of duties by the Global Shared Service Centre process and incorporate transaction-level monitoring.

416. **In paragraph 116 of its report, the Board recommended that UNICEF strengthen the mechanism for monitoring donor reports and ensure timely submission of all donor reports.**

Department responsible:	Public Partnerships Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

417. As outlined in paragraph 303 above, UNICEF is undertaking a cross-divisional effort to strengthen donor reporting. In this context, UNICEF is developing a donor reporting portal and a donor reporting tracker to strengthen the timely submission and monitoring of donor reports.

418. **In paragraph 117 of its report, the Board recommended that UNICEF update information on submission of donor reports in VISION.**

Department responsible:	Public Partnerships Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

419. UNICEF is developing a new donor reporting portal, which it is anticipated will enhance and simplify donor reports and the review and clearance process, thereby contributing to the timely submission of reports to donors.

Report of the Board for the year ended 31 December 2018[20]

420. **In paragraph 15 of its report, the Board recommended that UNICEF disclose information regarding target and actual revenue in the notes to the financial statements.**

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

421. UNICEF did not accept this recommendation. The current disclosures on expenditure authority that are included in statement V of the annual financial statements on the comparison of budget to actual amounts are fully in line with IPSAS and the harmonized position of the United Nations system. Under the United Nations task force harmonization agreement, it is established that organizations with assessed contributions (expenditure authority granted by the General Assembly) would apply the requirement to present revenue information noted in the recommendation. This requirement would not be applicable to agencies that do not receive assessed contributions, such as UNICEF. For UNICEF, as a voluntarily funded entity, expenditure authority is not granted by the Assembly but pursuant to each individual agreement with the respective donor. As a result, the information presented in statement V is in line with those of other voluntarily funded agencies, funds and programmes of the United Nations system and fully in line with IPSAS, and a different presentation would run contrary to the aforementioned references.

422. **In paragraph 27 of its report, the Board recommended that outstanding cases of advances be reviewed and an action plan for the timely settlement of outstanding advances be developed and implemented.**

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

_____

[20] A/74/5/Add.3, chap. II.

423. UNICEF has policies and procedures in place regarding the management of outstanding advances. Accordingly, advances are reviewed periodically, resulting in $1.87 million in education grants and $0.7 million in salary advances being cleared subsequent to the 2018 audit. For non-recoverable amounts, write-offs have been approved. For other outstanding advances, an action plan has been put in place according to the case, either through payroll or specific agreed payment plans to target a timely settlement. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

424. **In paragraph 61 of its report, the Board recommended that UNICEF review the feasibility of improving the mapping of country-level targets to the strategic plan targets in the programme information database coding structure.**

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

425. UNICEF has already implemented this recommendation through the programme information database coding currently in place. UNICEF maintains the primacy of the nationally led country programme and its focus on achieving results for children and women through the realization of national development priorities and goals (see the report on the accountability system of UNICEF, E/ICEF/2009/15). Programmes of cooperation represent the UNICEF contribution to national efforts to achieve the 2030 Agenda for Sustainable Development and the child-related goals. The programmes contribute to the achievement of results in the UNICEF Strategic Plan, 2018–2021. Goal Areas and result areas within the country programme documents speak to the accountability of the organization towards children and to placing national development priorities first. They are developed and designed in consideration of their contribution to the Strategic Plan second. The programme information database codes inform the formulation of country programme documents and, more specifically, enable the association between country programme documents results and the Strategic Plan. All levels of UNICEF results (outcomes/outputs) and workplan activities entered into the UNICEF enterprise resource planning system (VISION) are associated with the Strategic Plan through the use of programme information database codes. This enables UNICEF to track the contribution of all expenditures to the Strategic Plan. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

426. **In paragraph 67 of its report, the Board recommended that UNICEF review reasons for the gaps in the achievement of outputs under the "Every child survives and thrives" goal area of the Strategic Plan 2018–2021 and take suitable measures to address them.**

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

427. UNICEF has completed the implementation of this recommendation. The gaps identified during 2018 were measured in programmes conducted from the Amman hub in the southern Syrian Arab Republic. The gaps are the result of limited access to the territories by UNICEF partners (operating under cross-border modalities from Jordan into those governorates) after the military control of those territories shifted with the offensive in the southern Syrian Arab Republic in June 2018. That change in the context of operations took place after the mid-year review and as a result it was not possible to adjust the targets presented in the results assessment module. However, detailed explanations were provided in December 2018 during the year-end review of the module.

428. UNICEF has already set up a plan of action with the related government ministry for an effective distribution of micronutrients for 2019–2020, which includes an activity to explain to caregivers the importance of those micronutrients for the most vulnerable families, especially among Syrian refugees.

429. UNICEF further examined shortfalls in the achievement of targets during the year-end and annual review meetings, internally and with partners, respectively, covering the humanitarian results based on the situation reports. Results were reflected in the 2019 workplans. The Middle East and North Africa Regional Office undertook both mid- and end-year reviews of development and humanitarian results in 2019, assessing the related achievements. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

430. **In paragraph 71 of its report, the Board recommended that the Lebanon country office and the Latin America and the Caribbean Regional Office take the measures necessary to complete the required data sets and prepare baselines for better planning, monitoring and implementation of programmatic activities. The Board also recommended that UNICEF carry out a review of the status of availability of baseline data sets in other country and regional offices and, if required, take the measures necessary to fill the gaps.**

Departments responsible:	Lebanon country office and Latin America and the Caribbean Regional Office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

431. UNICEF has implemented actions to complete data sets and prepare baselines for better planning, monitoring and implementation of programmatic activities in both the Lebanon country office and the Latin America and Caribbean Regional Office.

432. As outlined in the evidence shared during the 2019 audit, the Lebanon country office supported the Ministry of Public Health in scaling up the reporting on health interventions through the use of the phone application Mobile EPI (Expanded Programme on Immunization) Registration Application (MERA). Since May 2019, real-time data on the number of vaccinated children, disaggregated by governorate, are available. In addition, the training conducted for nurseries, schools and primary caregivers allowed the successful use of the application during the measles campaign in remote areas. UNICEF, in close alignment with the World Health Organization and with funding from the European Union, is supporting the information technology department of the Ministry of Public Health in building up its capacity to roll out the application across all aspects of the Expanded Programme on Immunization and expand it to capture additional health data.

433. The Latin America and the Caribbean Regional Office has promoted and supported the collection of data on children and adolescents in the region through multiple indicator cluster survey data for planning indicators and technical assistance for data collection to estimate planning and progress against complex Sustainable Development Goals indicators. The Office coordinates the working group on children and adolescent statistics in the region to promote the production of indicators concerning children, in accordance with international standards, and is also developing a regional data strategy on humanitarian performance monitoring.

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

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

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

436. UNICEF has implemented this recommendation and requested its closure on the basis of the progress achieved in Middle East and North Africa Regional Office and the Latin America and the Caribbean Regional Office, as evidenced during the 2019 audit. By the end of 2019, the Middle East and North Africa Regional Office achieved 198 per cent of the programmatic assurance visits, with all offices reaching this harmonized approach to cash transfers (HACT) key performance indicator target. With an overall achievement rate of 93 per cent for financial assurance activities, the slight underperformance was related to the operations of several offices being affected by natural disasters and deteriorating security conditions owing to an escalation of conflict.

437. In 2019, the Latin America and the Caribbean Regional Office continued to invest in and strengthen quality assurance activities relating to the harmonized approach to cash transfers across country offices, reaching 104 per cent in programmatic visits and 94 per cent in spot checks. With regard to spot checks, 19 country offices have now met the minimum requirements, and only four such offices, which are situated in the context of a humanitarian response, are yet to meet targets. This improvement is evidence of implementation action taken by country offices and of follow-up and oversight at the headquarters level with respect to harmonized approach to cash transfers assurance activities. As perfection is not feasible, UNICEF requests closure of this recommendation based on the implementation action and results outlined above.

438. As indicated in the response to the recommendation contained in paragraph 71 of the Board's report for the year ending 31 December 2018 (see paras. 431–434 above), the second part of the recommendation, as noted by UNICEF in 2018, was not raised during the global audit visits, in the respective management letters or in the Board's draft report. Without a clear basis for it, UNICEF is not in a position to agree with the recommendation or to respond to it in a meaningful way and has therefore requested its closure by the Board.

439. **In paragraph 83 of its report, the Board recommended that the Lebanon country office take prompt action on the findings and recommendations resulting from spot checks and appropriately document the details of remedial action taken. The Board also recommended that UNICEF review the status of pending recommendations in other country and regional offices and, if required, take the measures necessary to fill the gaps.**

Department responsible:	Lebanon country office
Status:	Closure requested
Priority:	High
Target date:	Not applicable

440. UNICEF has completed the follow-up on the findings and recommendations of spot checks related to the 2018 audit of the Lebanon country office. The details of remedial actions taken were shared with the audit team during the New York headquarters audit, with respect to the request for information on the status of prior year recommendations. Management has expressed concern to the Board that maintaining this recommendation as under implementation, based on matters identified in subsequent audits of different offices, gives an inaccurate view of the actions taken by the Lebanon country office, to which this specific recommendation was issued.

441. As indicated in the responses to the recommendations contained in paragraphs 71 and 79 (see paras. 431–434 and 436–438 above), the basis for the second part of the recommendation is unclear, as the recommendation was raised for the first time in the final report, without having been raised during the global or New York headquarters audit visits, in the respective management letters or in the Board's draft report. UNICEF is unable to respond in a meaningful way and has therefore requested its closure by the Board.

442. **In paragraph 88 of its report, the Board recommended that urgent action be taken by the Lebanon country office, the State of Palestine country office, the Middle East and North Africa Regional Office and the Panama country office to strengthen the controls over the completeness of mandatory details in the Funding Authorization and Certificate of Expenditures forms, which should be ensured before cash transfers are approved.**

Departments responsible:	Lebanon and State of Palestine country offices and Middle East and North Africa Regional Office
Status:	Closure requested
Priority:	High
Target date:	Not applicable

443. UNICEF has fully implemented this recommendation via the ezHACT module that enabled the automatic routing of funding authorization and certificate of expenditure forms for approval within VISION. As such, no physical signatures are required for UNICEF staff as all approvals are captured electronically therein. The existing system controls ensure that neither payment of an advance nor liquidation is possible without appropriate, policy-mandated approvals being captured. In addition, the State of Palestine country office and the Lebanon country office conducted refresher training for staff in 2019 to emphasize the importance of the completeness of funding authorization and certificate of expenditure forms and the form guidelines have also been shared with partners.

444. UNICEF has expressed to the Board that maintaining this recommendation as under implementation, based on matters identified in the subsequent audits of different offices, gives an inaccurate view of the actions taken by the Lebanon and State of Palestine country offices under the guidance of the Middle East and North Africa Regional Office, to whom this specific recommendation was addressed. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

445. **In paragraph 109 of its report, the Board recommended that the Panama and Ecuador country offices carry out a formal process for the open selection of civil society organizations as a priority and document the rationale for selection in all cases where the direct selection method is preferred. The Board also recommended that UNICEF review the status of the selection methodology adopted across country offices and take similar corrective action in cases where the open selection process is not followed.**

Departments responsible:	Panama and Ecuador country offices
Status:	Closure requested
Priority:	High
Target date:	Not applicable

446. UNICEF has implemented this recommendation through the initiatives undertaken by the Latin America and the Caribbean Regional Office and the Panama and Ecuador country offices. The Latin America and the Caribbean Regional Office continues to guide offices in the region in applying more strategic selections of partners and ensuring that every partner identified in an expression of interest is reviewed during the selection process. In the case of direct selection, the process and the review of the partnership review committee is documented. The Regional Office continues to support the global roll-out of eTools and the United Nations Partner Portal for increased transparency in the documentation of the selection process. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

447. **In paragraph 112 of its report, the Board recommended that UNICEF implement a time-bound plan to take necessary corrective measures to improve the status of outstanding direct cash transfers.**

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

448. UNICEF has conducted a review of the reasons for long outstanding direct cash transfers noted in specific regions, in cases for which the causes of longer-standing transfers are known to Management. Such transfers are the main way in which UNICEF implements programmatic activities. As such, there will always be large balances of cash transfers and/or advances. UNICEF established a key performance indicator of less than 1 per cent of transfers more than nine months old. With consistent effort and regular monitoring, the target has been met and ageing has continued to improve. At year-end, the global total of transfer balances more than nine months old was 0.9 per cent of the total transfers, which is within the key performance indicator set for offices. Management believes that the action taken supports the closure of the recommendation by the Board.

449. **In paragraph 119 of its report, the Board recommended that UNICEF review the adherence to the harmonized approach to cash transfers framework in its country offices and ensure that all offices follow the provisions of the framework while processing direct cash transfers.**

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

450. The Latin America and the Caribbean Regional Office continues to advise country offices on adequate adherence to the harmonized approach to cash transfers framework, with supporting visits to country offices and webinars conducted for country teams. Further support is provided through ad hoc and scheduled consultations, as well as bimonthly reminders to track direct cash transfers that are more than six months old. In 2019, 16 out of 23 country offices reduced their number of implementing partners with transfers pending for more than six months, compared with 2018. UNICEF considers this recommendation to have been implemented and requests its closure by the Board

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

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

452. UNICEF has implemented this recommendation, as evidenced during the 2019 audit. UNICEF engaged with all the National Committees that had reserve policies due for review. As a result, 14 policies were reviewed and updated in 2019, 14 have been scheduled for review during 2020 and 4 are not yet due for review. The review of reserve policies, by the scheduled due date, is an ongoing activity at UNICEF, therefore there is no specific further action required to implement this recommendation. Consequently, closure of the recommendation is requested by the Board.

453. **In paragraph 164 of its report, the Board recommended that UNICEF continue its close monitoring of the goods in transit and take further measures to avoid the goods remaining in transit for more than 100 days, especially for emergency supplies.**

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

454. As part of the close monitoring of goods in transit, UNICEF developed and introduced a new monitoring approach to country offices in August 2019. This logistics-based monitoring has enabled the offices to monitor supplies within their control, with a special focus on emergency supplies. The offices justify bimonthly goods in transit beyond 60 days after shipment end, including for emergency supplies. As a result of the above actions, UNICEF achieved a 37 per cent reduction of goods in transit beyond 100 days in 2019. UNICEF considers this recommendation to have been implemented and requests it closure by the Board.

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

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

456. UNICEF has reviewed and elected to maintain the maximum delivery time commitments, as noted in Supply Division procedure 010 on the management of emergency orders. The Division developed a report and has integrated it into the system to monitor the timeliness of orders. By the end of the first quarter of 2020, the timeliness of delivery of emergency orders increased to 85.9 per cent, up from 74.5 per cent at the end of 2019. The delivery of orders entails aspects that are beyond the control of UNICEF. While management strives to achieve the highest level of timeliness in the delivery of emergency orders, it is important to highlight that, considering the challenging contexts in which UNICEF operates, in areas such as Nigeria, Somalia and Yemen, this will remain an area requiring ongoing operational effort. Owing to the challenging and exceptional operational context of some of the countries that do not allow for a 100 per cent achievement of timeliness, UNICEF requests the closure of this recommendation by the Board based on the evidence of the significant degree of implementation action and results.

457. **In paragraph 197 of its report, the Board recommended that UNICEF improve the existing system to provide a robust and integrated case management solution that would enable coordination among all internal stakeholders for the timely initiation and completion of the required procurement and contract management processes.**

Department responsible:	Supply Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

458. UNICEF is developing a web-based procurement case management tool to enable coordination among all internal stakeholders for the timely initiation and completion of the required procurement and contract management processes. Management has completed the discovery phase and development is under way. The project is scheduled for completion by the fourth quarter of 2020.

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

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

460. The Latin America and the Caribbean Regional Office issues monthly monitoring reports to country offices, in order to capture final delivery of services and the closure of expired contracts. That system enables the review and management of contracts, including the final delivery and closure of expired contracts, among other efforts. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

461. **In paragraph 210 of its report, the Board recommended that existing internal controls be reviewed to put in place a robust mechanism over the bank guarantees received by UNICEF.**

Departments responsible:	Lebanon and State of Palestine country offices
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

462. The Lebanon country office has assessed ways of strengthening its due diligence, in addition to the existing controls surrounding bank guarantees. Noting that the origin of this recommendation was related to a fraudulent activity committed by a vendor, Management confirms that the case is being handled in line with the relevant UNICEF Financial Regulations and Rules. In addition, the Lebanon country office in which the recommendation was issued has implemented additional control mechanisms in cooperation with the financial institution concerned. The mechanism enables the verification and validation of the authenticity of letters of guarantee provided by suppliers' banks. Implementation was further evidenced through the revised procedure for the management of bank guarantees for the additional control mechanisms, which was provided to the Board. With no further action planned, Management considers this recommendation to have been implemented and requests its closure by the Board.

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

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

464. The case in relation to which the recommendation was issued was handled in line with UNICEF policies and procedures relating to investigations. As a result of the investigation findings, UNICEF took the necessary remedial action, which included the vendor being blocked. Upon follow-up with the contractor and local authorities, all works due from the contractor were satisfactorily completed and delivered. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

465. **In paragraph 236 of its report, the Board recommended that UNICEF review and strengthen the methodology to calculate savings achieved to give a complete picture of all of the efficiencies achieved, including post reductions, across the organization as a result of the establishment of the Global Shared Service Centre.**

Department responsible:	Global Shared Service Centre
Status:	Closure requested
Priority:	High
Target date:	Not applicable

466. UNICEF has implemented this recommendation through the recently developed robust methodology for calculating the savings and benefits achieved through the establishment of the Global Shared Service Centre. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

467. **In paragraph 245 of its report, the Board recommended that UNICEF consider issuing comprehensive documents defining the roles and responsibilities of the Global Shared Service Centre and the relationship of the Centre with other UNICEF offices in all of its areas of functioning, and mitigate the existing gaps in the internal instructions and procedures for all areas of functioning of the Centre.**

Department responsible:	Global Shared Service Centre
Status:	Closure requested
Priority:	High
Target date:	Not applicable

468. In the first quarter of 2020, the Management of the Global Shared Service Centre issued the comprehensive service catalogue to ensure completeness in the definition of the roles and responsibilities of the Centre in relationship to its stakeholders. The standard operating procedures, process instructions and accountability splits for all processes have been updated. No further action is required beyond regular maintenance updates. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

469. **In paragraph 279 of its report, the Board recommended that data in all master tables be reviewed regularly for completeness, accuracy and quality, and that a clear definition of mandatory fields be established for all master tables.**

Department responsible:	Global Shared Service Centre
Status:	Closure requested
Priority:	High
Target date:	Not applicable

470. Noting that the system already includes built-in master tables with mandatory fields and appropriate controls based on information types, UNICEF further undertook and completed the following implementation actions: (a) the Global Shared Service Centre finance-master data management team performs an annual clean-up of vendor data, with the most recent exercise completed in July 2019; (b) the roll-out of mandatory vendor fields was completed in January 2020; (c) the finance-master data management team distributed requests for completion of vendor information by country offices by the end of January 2020; and (d) in relation to human resources master data, Management further completed the cleaning of data and defined mandatory fields for master tables. As part of ongoing operations, data will be reviewed on a quarterly basis for completeness, and annually for accuracy and quality. Given the completed and evidenced implementation action, UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

471. **In paragraph 284 of its report, the Board recommended that UNICEF incorporate necessary input controls and data checks, especially for the baseline date in VISION.**

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

472. Effective September 2019, UNICEF introduced an automated control tool to check the baseline date for all invoices. Potential errors in data entry are reviewed by comparing the invoice baseline date to document date (should be earlier or equal to) and posting date (should be later or equal to). Any invoice with an unusual baseline date is flagged and payment stopped until it is corrected. UNICEF considers this recommendation to have been implemented and requests its closure by the Board.

473. **In paragraph 285 of its report, the Board recommended that UNICEF take the measures necessary to ensure the timely submission and processing of invoices by all concerned offices.**

Department responsible:	Global Shared Service Centre
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

474. A reminder is provided to country offices for the submission of invoices to the Global Shared Service Centre within 10 days of receiving the invoice from the vendor. The monitoring of goods received/invoice received for purchase order invoices is also part of the Division of Financial and Administrative Management monthly closure instructions. Management will enhance the applicable monitoring tools to complement the existing mechanisms, such as the monthly closure process and the inSight dashboard, so as to encourage timely submission. The completion of initiatives to further improve the timely submission of invoices by offices is planned for the first quarter of 2021.

475. **In paragraph 291 of its report, the Board recommended that UNICEF prioritize the settlement of outstanding cases on the basis of focused criteria and an action plan involving all concerned offices.**

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

476. Management prioritized, identified and reviewed the outstanding cases of advances. Settlement occurred in March 2020, as shared in the evidence provided to the Board during the Global Shared Service Centre and New York headquarters audits in early 2020. Management considers this recommendation to have been implemented and requests review and closure of the recommendation by the Board, as maintaining it as under implementation for an additional year provides an inaccurate view to UNICEF stakeholders of the progress made towards implementation.

477. **In paragraph 292 of its report, the Board recommended that UNICEF explore the feasibility of recovery of overpayments, including those that were due to the entry of incorrect data in earlier years, in line with the administrative instruction concerned.**

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

478. UNICEF has performed the analysis of overpayments. Recovery was approved for cases within the past two years, with final settlement by the Global Shared Service Centre in March 2020. As set out in paragraph 476 above regarding the recommendation contained in paragraph 291 of the report of the Board, evidence of implementation was provided to the Board during the Global Shared Service Centre and New York headquarters audits in early 2020, on the basis of which Management requests the review and closure of the recommendation by the Board. Maintaining the recommendation under implementation for an additional year provides an inaccurate view to UNICEF stakeholders of the progress made towards implementation.

479. **In paragraph 293 of its report, the Board recommended that UNICEF explore enhancing the monthly master data and funds exception report to identify exceptions or errors with payroll implications for review and corrective action.**

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

480. UNICEF has implemented this recommendation. The human resources administration and payroll teams identified and enhanced the monthly master data and funds exception report, with additional validation controls embedded in the report. This has resulted in strengthened segregation of duties and accountability splits. Bearing in mind the evidence of implementation provided to the Board during the Global Shared Service Centre and New York headquarters audits in early 2020, Management requests the review and closure of the recommendation by the Board to reflect the true state of affairs, rather than retaining it as under implementation for an additional year.

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 2019[21]

481. Table 14 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

Table 14
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Central Support Services Division	2	1	–	1	1	–
Department of Finance	1	–	–	1	1	–
Department of Human Resources	1	–	–	1	1	–
Information Management and Technology Department	2	–	–	2	2	–
Multiple offices	2	–	2	–	–	–
Total	**8**	**1**	**2**	**5**	**5**	**–**

482. Table 15 summarizes the status of implementation of all recommendations of the Board as of August 2020.

---

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

Table 15
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Central Support Services Division	5	2	–	3	3	–
Department of Finance	1	–	–	1	1	–
Department of Human Resources	2	–	1	1	1	–
Department of Relief and Social Services	4	–	–	4	4	–
Ethics Office	1	–	–	1	1	–
Information Management and Technology Department	9	–	2	7	7	–
Microfinance Department	2	–	–	2	2	–
Multiple offices	6	1	4	1	1	–
Total	**30**	**3**	**7**	**20**	**20**	**–**

483. **In paragraph 30 of its report, the Board recommended that the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) ensure that only delegated personnel are able to modify the exchange rates in the REACH system, and that such personnel are clearly identified and separate from those personnel who have view-only authorization.**

> *Department responsible*:   Department of Finance
>
> *Status*:   Under implementation
>
> *Priority*:   High
>
> *Target date*:   Fourth quarter of 2020

484. The Agency agreed with the recommendation and will review current access rights to the system, update the formal delegations of authority for staff in the Treasury Division and regularize access to the system.

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

> *Departments responsible*:   West Bank field office and Central Support Services Division
>
> *Status*:   Closure requested
>
> *Priority*:   Medium
>
> *Target date*:   Not applicable

486. Please refer to paragraphs 38 and 39 of the Board's report, in which the Agency indicated the measures that had been taken to implement the recommendation and the Board stated that the control would need to be evaluated by taking another such

sample during the next audit exercise. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

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

Department responsible:	Department of Human Resources
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

488. The Agency agreed with the recommendation and has started an Agency-wide review of the personnel action approval process.

489. **In paragraph 56 of its report, the Board recommended that UNRWA ensure compliance with the recruitment and selection procedures by developing mandatory documentation to evidence that procedures have been performed in accordance with the existing regulatory framework.**

Department responsible:	Department of Human Resources
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

490. Please refer to paragraphs 57 and 58 of the Board's report, in which the Agency indicated the measures that had been taken to implement the recommendation and the Board stated that controls would need to be re-evaluated through a new sample of recruitments during the next audit exercise. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

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

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

492. The Agency agreed with the recommendation and is reviewing the current roles in the refugee registration information system.

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

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

494. The Agency agreed with the recommendation and is reviewing the development of a matrix of roles.

495. **In paragraph 71 of its report, the Board recommended that UNRWA strengthen its controls over access to the refugee registration information system by cleaning the systems and by deleting user accounts related to separated staff.**

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

496. The Agency agreed with the recommendation and is reviewing the controls over access to the refugee registration information system.

497. **In paragraph 72 of its report, the Board recommended that UNRWA strengthen its controls over access to the refugee registration information system by performing annual reviews of the lists of users present in the system, and validating that active credentials correspond only to current personnel within the organization.**

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

498. The Agency agreed with the recommendation and is reviewing the controls over access to the refugee registration information system.

499. **In paragraph 84 of its report, the Board recommended that the UNRWA Ethics Office monitor and ensure the completion of the ethics e-learning course through its ethics focal points at each field office.**

Department responsible:	Ethics Office
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

500. The Agency agreed with the recommendation and is recording, on an online platform, the monitoring activities regarding the course completion rates.

501. **In paragraph 92 of its report, the Board recommended that UNRWA ensure strict compliance with long-term agreements and verify that all such agreements are in effect at the time of issuing a purchase order.**

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

502. The Agency did not accept the recommendation and has provided evidence of its compliance with the procurement manual to the Board for its consideration.

503. **In paragraph 93 of its report, the Board recommended that UNRWA comply with the established steps in the workflow guidance to manage the creation and release of long-term agreements.**

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

504. The Agency did not accept the recommendation and has provided evidence of its compliance with the procurement manual to the Board for its consideration.

505. **In paragraph 114 of its report, the Board recommended that UNRWA ensure that purchase authorizations are made before the invoices are issued by suppliers.**

Department responsible:	Central Support Services Division
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

506. The Agency agreed with the recommendation and is reviewing the purchase authorization process.

507. **In paragraph 115 of its report, the Board recommended that hard commitments be reflected in the system when they occur.**

Department responsible:	Central Support Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

508. The Agency agreed with the recommendation and is reviewing the hard commitment process.

509. **In paragraph 116 of its report, the Board recommended that the process for raising a purchase order be aligned with the contracts signed with the suppliers.**

Department responsible:	Central Support Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

510. The Agency agreed with the recommendation and is reviewing the process of aligning the raising of purchase orders with the signed contracts.

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

Departments responsible:	Department of Finance and Jordan field office
Status:	Not accepted
Priority:	Medium
Target date:	Not applicable

512. The Agency did not accept the recommendation (see paragraphs 127 and 128 of the Board's report). The Agency is of the opinion that the Board did not address the relevant department for appropriate information on the details. In addition, the Board was not able to properly assess the scenario, leading to an invalid recommendation.

513. **In paragraph 135 of its report, the Board recommended that UNRWA keep proper control over medicines when receiving the goods in the warehouses, by separating and grouping them into batches and ensuring that products can easily be identified and tracked inside the warehouse, and that this information be reflected in the REACH system.**

Departments responsible:	Jordan field office and Central Support Services Division
Status:	Closure requested
Priority:	High
Target date:	Not applicable

514. The Agency agreed with the recommendation and has implemented a batch control at the central pharmacy for all items at the receiving stage, but mentioned that, when supplies were issued to clinics, there might be a difference in the management of the supplies, especially those medicines provided in a large number of batches with the same expiration date. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

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

Departments responsible:	Jordan field office and Central Support Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

516. The Agency agreed with the recommendation and is reviewing the controls to improve efficiency and traceability over the distribution process.

517. **In paragraph 146 of its report, the Board recommended that UNRWA improve its control process of the physical stock count at the warehouse of the central pharmacy in Amman and in the REACH system so that the information is accurately reflected in the inventory.**

Departments responsible:	Jordan field office and Central Support Services Division
Status:	Closure requested
Priority:	High
Target date:	Not applicable

518. The Agency agreed with the recommendation and has implemented a stocking, distribution and monitoring process by batch. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

519. **In paragraph 147 of its report, the Board recommended that UNRWA carry out adjustments to the inventory of the warehouse of the central pharmacy in Amman in a timely manner and keep proper documentation of all adjustments.**

Departments responsible:	Jordan field office and Central Support Services Division
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

520. The Agency agreed with the recommendation and has reviewed its control process of the physical stock count in the field and the matching of the inventory to the entry made in the information system. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

521. **In paragraph 153 of its report, the Board recommended that UNRWA activate the REACH system parameter that allows for the registration of the table records and keep it turned on throughout all operations of the Agency in order to generate proper audit records.**

Department responsible:	Information Management and Technology Department
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

522. The Agency agreed with the recommendation and is reviewing the activation of the REACH system parameter that allows for the registration of the table records.

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

Department responsible:	Information Management and Technology Department
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

524. The Agency agreed with the recommendation and is reviewing the password parameters in accordance with what is stated in its access control policy for all users.

525. **In paragraph 169 of its report, the Board recommended that UNRWA define all the conditions and authorizations needed to proceed with the opening of the change table in the REACH system and document it in a formal procedure.**

Department responsible:	Information Management and Technology Department
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

526. The Agency agreed with the recommendation. The applicable table is locked, and the Agency has asked the service provider not to open it without authorization. The Board can review this process on its next visit. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

527. **In paragraph 170 of its report, the Board recommended that UNRWA formally inform the current service provider that the opening of the change table must go through a formal authorization by the Agency.**

Department responsible:	Information Management and Technology Department
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

528. The Agency agreed with the recommendation. The applicable table is locked, and the Agency has asked the service provider not to open it without authorization. The Board can review this process on its next visit. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

529. **In paragraph 177 of its report, the Board recommended that UNRWA strengthen control over access credentials by cleaning the systems and eliminating or blocking users corresponding to retired personnel or unused accounts; by strengthening communication between the Human Resources Department and the Information Management Department in the process of dealing with retired personnel; and by performing periodic reviews of the lists of users present in the systems and validating that the active credentials correspond only to current personnel within the organization.**

Department responsible:	Information Management and Technology Department
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

530. The Agency agreed with the recommendation and is reviewing the controls and communication and conducting periodic reviews of the access credentials.

531. **In paragraph 178 of its report, the Board recommended that UNRWA associate the personnel accounts in the REACH system with the personnel registered by the Human Resources Department, in order to facilitate and carry out a more efficient control over users.**

Department responsible:	Information Management and Technology Department
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

532. The Agency agreed with the recommendation and is reviewing the association of personnel accounts in the REACH system with the personnel registered by the Human Resources Department.

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

Department responsible:	Information Management and Technology Department
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

534. The Agency agreed with the recommendation and is evaluating the individual roles assigned in the REACH system.

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

Department responsible:	Information Management and Technology Department
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

536. The Agency agreed with the recommendation and is reviewing the policy on the filing and disposal of archives.

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

Department responsible:	Information Management and Technology Department
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

538. The Agency agreed with the recommendation and is reviewing the regulations in order to unify their applicability to the degree possible.

539. **In paragraph 209 of its report, the Board recommended that UNRWA comply fully with the Microfinance Department operating manuals, especially with regard to issues related to follow-up procedures, to decrease the losses of the Department from loans written off and to discourage other borrowers from becoming delinquent.**

Department responsible:	Microfinance Department
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

540. The Agency agreed with the recommendation and is reviewing its compliance with the operating manual for follow-up procedures with regard to write-offs.

541. **In paragraph 214 of its report, the Board recommended that UNRWA comply fully with the Microfinance Department operating manuals, especially with regard to issues related to project follow-up procedures, and that it maintain updated information, which may lead to a decrease in the risk of client default in the Department.**

Department responsible:	Microfinance Department
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

542. The Agency agreed with the recommendation and is reviewing its compliance with the operating manual for project follow-up procedures and its maintenance of updated information.

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

543. In annex I to its report for the year ended 31 December 2019 (A/75/5/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 17 recommendations that have been determined by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in annex.

544. Table 16 summarizes the overall situation as of August 2020.

Table 16
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Central Support Services Division	7	–	1	6	6	–
Department of Human Resources	4	–	–	4	4	–
Department of Security and Risk Management	1	–	1	–	–	–
Information Management and Technology Department	1	–	–	1	1	–
Microfinance Department	1	–	–	1	–	1
Lebanon field office	2	–	–	2	2	–
West Bank field office	1	–	1	–	–	–
Total	**17**	**–**	**3**	**14**	**13**	**1**

Report of the Board for the year ended 31 December 2016[22]

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

_____
[22] A/72/5/Add.4, chap. II.

fixed assets; and (c) expedite reconciliation of the number of vehicles in the REACH system and the fleet management system records.

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

546. The barcode system is now available to all the field offices. The timeline for the labelling of items will be defined by each field office and will depend on the availability of local resources and delays relating to COVID-19.

547. **In paragraph 36 of its report, the Board recommended that the UNRWA Lebanon field office: (a) ensure that sections and departments provide timely notifications to the Property Management Unit on the new acquisitions, surveyed and transferred assets to allow manual recording and numbering of assets as a short-term solution pending the reactivation of the barcode system; (b) improve communication and build awareness among custodians on raising survey requests and adherence to transfer procedures to ensure timely dissemination of information to the Property Management Unit for updating the assets records; and (c) expedite the reactivation process of the barcode system in the REACH system for easy tracking and monitoring of acquired assets and surveyed and transferred assets from one location to another.**

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

548. The barcode system is now available to all the field offices. The timeline for the labelling of items will be defined by each field office and will depend on the availability of local resources and delays relating to COVID-19.

549. **In paragraph 75 of the report, UNRWA agreed with the Board's recommendation that it: (a) review its procurement manual to include limits for contract renewals in order to enhance fair competition and obtain best value for money; and (b) improve the data collection process to include end users' satisfaction as part of vendors' performance evaluation and ensure that renewal of contract takes into account the results of the Agency's market assessment.**

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

550. The manuals and standard operating procedures are under review and will be completed upon receipt of additional resources following various management fundraising initiatives. Subject to the availability of resources, requirements for

REACH enhancements to cover vendors' performance evaluation are under elaboration and will subsequently allow for the definition of a timeline.

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

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

552. The Agency agreed with the recommendation and has provided subsequent supporting documentation to the Board in support of its implementation. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2017[23]

553. **In paragraph 37 of its report, the Board recommended that UNRWA: (a) improve its review process in respect of the manual computation of staff entitlements while awaiting the interface between the electronic leave system and the REACH system to minimize the risk of human error; and (b) enhance the time management module in the REACH system through integration with the stand-alone e-leave system to facilitate system computation of leave encashment.**

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

554. In annex I to its report for the year ended 31 December 2019 (A/75/5/Add.4, chap. II), the Board considered part (a) of the recommendation to have been implemented. The design phase of part (b) is currently under way.

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

Department responsible:	Department of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

---

[23] A/73/5/Add.4, chap. II.

556. In annex I to its report for the year ended 31 December 2019 (A/75/5/Add.4, chap. II), the Board considered part (b) of the recommendation to have been implemented. Regarding part (a), a review of changes in the various offices is currently under way.

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

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

558. Owing to the deterioration of the financial and economic situation in the country, the devaluation of the Lebanese pound against the United States dollar and the COVID-19 pandemic, UNRWA expects to begin implementation of the recommendation when the situation in the country permits, which is hoped to be in the first quarter of 2021.

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

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

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

Report of the Board for the year ended 31 December 2018[24]

561. **In paragraph 29 of its report, the Board recommended that the Finance Department of the UNRWA West Bank field office ensure proper accounting recognition of canteen revenue transactions and that it enhance communication**

---

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

with the Department of Education to reflect all information in its accounting records.

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

562. All canteen revenues for schools were recorded and financial transactions matched with the schools' reports. UNRWA considers this recommendation to have been implemented and requests its closure by the Board.

563. **In paragraph 37 of its report, the Board recommended that UNRWA take measures to record the precise quantity of each item in the inventory in REACH, which would allow it to manage the physical inventory in an appropriate manner and to report the information accurately and with integrity.**

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

564. The Agency will resubmit supporting explanations and hold discussions with the Board on the submission upon its return to UNRWA. The Agency considers the recommendation to have been implemented, since the instructions have been reissued to the relevant units, and requests its closure by the Board.

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

Department responsible:	Department of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

566. There has been a slight delay in implementation owing to the current environment. The staff rules and personnel directives are being matched in order to avoid confusion. Implementation is planned to take place during the third quarter of 2020.

567. **In paragraph 84 of its report, the Board recommended that UNRWA take action to lower the percentage of annual and advance annual leaves starting prior to approval and to allow the situation to occur only in special cases, in order to comply with part I, article 1.1 of personnel directive No. 5/Rev.7, and to issue circulars and/or communications accordingly.**

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

568. The Agency is reviewing the personnel directives related to attendance records.

569. **In paragraph 97 of its report, the Board recommended that UNRWA issue an official update to the third version of its procurement manual to take into account the changes in the levels of delegated authority, review requirements, the awarding of authority and the redelegation of authority.**

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

570. The manuals and the standard operating procedures are under review and will be completed upon receipt of additional resources following various management fundraising initiatives.

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

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

572. The manuals and standard operating procedures are under review and will be completed upon receipt of additional resources following various management fundraising initiatives.

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

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

574. The manuals and standard operating procedures are under review and will be completed upon receipt of additional resources following various management fundraising initiatives.

575. **In paragraph 160 of its report, the Board recommended that the Jordan, West Bank and Lebanon field offices of UNRWA conduct a disaster recovery exercise at least once per year, to comply with the tests required by the UNRWA information security policy and with technical instruction No. 7 (2012) of the Information Systems Division.**

Department responsible:	Information Management and Technology Department
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

576. The implementation of this recommendation is in progress. Relevant field offices have been informed of the need for compliance.

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

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

578. The Microfinance Department is evaluating how to best implement this recommendation.

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 2019[25]

579. Table 17 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

Table 17
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division for Operations	2	–	–	2	2	–
Division for Strategic Planning and Performance	5	–	–	5	5	–
Total	**7**	**–**	**–**	**7**	**7**	**–**

_____

[25] A/75/5/Add.5, chap. II.

580. Table 18 summarizes the status of implementation of all recommendations of the Board as of August 2020.

Table 18
Status of implementation of all recommendations

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division for Operations	8	–	–	8	8	–
Division for Strategic Planning and Performance	7	–	–	7	7	–
Total	**15**	**–**	**–**	**15**	**15**	**–**

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

Department responsible:	Division for Strategic Planning and Performance
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

582. UNITAR management is defining the objective criteria to be referenced for the approval of any exceptions to the standard full cost recovery and those exceptions, if granted, will be reported along with the objective criteria to the UNITAR Board of Trustees at its regular sessions. While the cost recovery approach is under revision, as requested by the Board of Trustees at its sixtieth session, any exceptions that may be authorized under a new cost recovery policy would also be based on defined objective criteria.

583. **In paragraph 27 of its report, the Board recommended that UNITAR modify administrative circular AC/UNITAR/2019/18 to include the procedures related to the management of Junior Professional Officers programmes.**

Department responsible:	Division for Strategic Planning and Performance
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

584. UNITAR will consider incorporating this recommendation during the development of its new cost recovery model, which will be discussed in 2020, and thereafter will incorporate and reissue administrative circular AC/UNITAR/2019/18 to indicate the 12 per cent programme support costs and zero per cent direct service

costs for Junior Professional Officers, in accordance with the agreed United Nations system-wide rates.

585. **In paragraph 35 of its report, the Board recommended that UNITAR reinforce the compliance of the criteria for authorization relating to the revolving loan fund with the criteria established in administrative circular AC/UNITAR/2016/12, taking into consideration the exceptional nature of that fund, and consider the financial analysis and recommendations prior to the loan approval in order to avoid future loans not being recovered and to ensure the financial sustainability of the operations of the Institute.**

Department responsible:	Division for Strategic Planning and Performance
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

586. UNITAR management is reviewing the administrative circular and the criteria and conditions for authorizing loans from the revolving fund, and will propose an amendment for the consideration of the Board of Trustees at its sixty-first session in order to ensure the recoverability of loans and the financial sustainability of the operations of the Institute.

587. **In paragraph 40 of its report, the Board recommended that UNITAR improve its annual procurement plan by demanding more standard information and enhancing data such as types of goods or services, quantity, estimated value and delivery date.**

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

588. UNITAR management has reviewed the current information gaps, and a standard format has been developed incorporating the suggested enhancements to the data elements. The data in the improved standard format are being updated retrospectively from 1 January 2020 and will be complete by the fourth quarter of 2020.

589. **In paragraph 48 of its report, the Board recommended that UNITAR keep an accurate and up-to-date record in Atlas regarding purchase orders and improve the monitoring and control of the information available in the system and its related reportability.**

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

590. A detailed review was carried out jointly by the Administration and Procurement Unit and the Finance and Budget Unit, led by the Chief of Finance, to ensure that the information on purchase orders and payments are maintained, in line with the suggestion of the Board, with respect to the exchange gains and losses arising owing to variations in the currencies between the requests for proposals, the purchase orders and the payment vouchers. Several examples and scenarios were developed and explained to all the members of the operations team. In addition, plans were developed and responsibilities were assigned. The first report will be issued in August 2020, and thereafter the monitoring reports will be run regularly and periodically to ensure compliance.

591. **In paragraph 55 of its report, the Board recommended that UNITAR update and align the guidelines on procurement with the United Nations Procurement Manual, formalize them in the appropriate administrative circular and make them available to all staff.**

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

592. The UNITAR procurement guidelines are being updated and an administrative circular is expected to be issued by the fourth quarter of 2020.

593. **In paragraph 62 of its report, the Board recommended that UNITAR evaluate the feasibility of automating the request for the purchase of goods and services through Atlas or an alternative tool.**

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

594. UNITAR management has reviewed once again the advantages and disadvantages and the practicality of using the Atlas requisition module. After considering the UNITAR business and operational model, the cost implications of buying the requisition module against the benefits of the module, and the plan of UNDP to change the enterprise resource planning system to Oracle Cloud by early 2022, UNITAR decided not to pursue the option of buying the Atlas requisition module for the time being. Instead, UNITAR is planning to set up a shared tool where the programme requisitions are logged in to a central database, thereby avoiding paper requisitions and the repetitive manual entries in spreadsheets currently maintained by the Administration and Procurement Unit. This tool is expected to be developed by 31 December 2020.

595. **In paragraph 63 of its report, the Board recommended that UNITAR improve the receipt-of-goods-and/or-services process by including the requisitioners in Atlas, taking into consideration that they are responsible for carrying out that part of the process. Alternatively, UNITAR could consider adding the receipt process in Atlas to the functions of the information technology specialist and assigning to that specialist the proper role and accountability for that part of the procurement process.**

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

596. UNITAR management has now reviewed the receipting process vis-à-vis the accountability levels and the workflow processes. The purchase orders have been identified and segregated into two types: (a) those that require receipts in Atlas; and (b) those that do not require receipts in Atlas. For the cases in which the procurement items are certified on the invoices as goods and services received by the programme managers, the purchase orders are entered without the need for a system receipt in Atlas. Payments are released on the basis of certification of goods and services by programme managers (requisitioners) on the invoices and the subsequent approvals by the Administration and Procurement Unit, avoiding the need for the entering of receipts in Atlas that were being entered merely to satisfy the system requirements. The information technology specialist will be relieved of the duty of entering the receipts in Atlas as that task is not related to the functions of the specialist. The workflow processes will be formalized, and full implementation of the recommendation will be completed by the fourth quarter of 2020.

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

Department responsible:	Division for Strategic Planning and Performance
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

598. The implementation of the recommendation is in progress and full implementation is expected by 31 December 2020. UNITAR management has reviewed the bottlenecks, redesigned the project tracking tool, issued new automated messages to managers, reviewed consolidated information provided by the Finance and Budget Unit on a quarterly basis and incorporated changes to the procedures for the drafting, review, clearance and signature of agreements.

599. **In paragraph 76 of its report, the Board recommended that UNITAR develop guidelines aimed at keeping its intranet permanently updated.**

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

600. An administrative circular updating the guideline has been created, and the key staff are being trained on how to upload the new or updated circulars while identifying the related and superseded circulars that need to be archived. Furthermore, focal

points for each resource page on the UNITAR intranet will be identified and will be further trained on the procedures to upload new documents and remove obsolete documents. This initiative is now included in the annual workplan of the Communication and Information Technology Support Unit and will be completed by the fourth quarter of 2020.

601. **In paragraph 84 of its report, the Board recommended that UNITAR identify and take the necessary measures to perform, in a timely manner, the removal of user accounts in agreement with to the information and communications technology policy.**

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

602. The implementation of the recommendation is in progress and full implementation is expected by the fourth quarter of 2020. A review meeting was organized among relevant units in the Division for Operations to identify the current procedure gap for employee separation in terms of removing the account from the UNITAR information technology resources.

603. **In paragraph 85 of its report, the Board recommended that UNITAR include in its information and communications technology policy a formal procedure related to requests for the elimination of email accounts.**

Department responsible:	Division for Operations
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

604. Once a review meeting has been organized to identify the current gaps and a new procedure has been established, the information and communications technology policy will be revised and issued by the fourth quarter of 2020.

605. **In paragraph 93 of its report, the Board recommended that UNITAR undertake a proper risk assessment before signing a new hosting agreement, in order to identify and assess possible risks that could impact the operations of UNITAR.**

Department responsible:	Division for Strategic Planning and Performance
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

606. The implementation of the recommendation is in progress and full implementation is expected by 31 December 2020. Management is implementing the recommendation in conjunction with the recommendation of the UNITAR Board of Trustees. Management has reviewed the criteria and requirements in place in other

organizations for hosted partnerships and has developed an initial list of risk criteria for consideration.

607. **In paragraph 94 of its report, the Board recommended that UNITAR develop a policy or guidelines in which the requirements, conditions and obligations for hosted agencies agreements are specified.**

Department responsible:	Division for Strategic Planning and Performance
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

608. A draft policy with guidelines and standard agreement conditions will be submitted to the Board of Trustees for consideration at its sixty-first session, in November 2020.

609. **In paragraph 102 of its report, the Board recommended that UNITAR follow up on the risk assessment related to conflicts of interest and review and monitor the mitigation measures identified in the risk register, in accordance with the Enterprise Risk Management Policy of UNITAR.**

Department responsible:	Division for Strategic Planning and Performance
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

610. The implementation of the recommendation is in progress and full implementation is expected by 31 December 2020. Management has reviewed the report of the Joint Inspection Unit on the review of mechanisms and policies addressing conflict of interest in the United Nations system (JIU/REP/2017/9) and is undertaking a mapping of possible organizational conflicts of interest for key functions. The outcome of this mapping exercise and possible changes that may be required with regard to policies or procedures is expected by 31 December 2020.

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

611. In the annex to its report for the year ended 31 December 2019 (A/75/5/Add.5, chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the two recommendations that have been determined by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in annex.

612. Table 19 summarizes the overall situation as of August 2020.

Table 19
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

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

Report of the Board for the year ended 31 December 2017[26]

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

Department responsible: Division for Operations

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2020

614. The implementation of the project on the e-recruitment system has entered its final phase, namely, the testing period. The e-recruitment system will enable the establishment of rosters at the divisional or programme unit level. However, such rosters do not link consultants' performance evaluation to their respective fields of expertise as yet. This option will be the next step in the development of the system and is expected to be operational by 31 December 2020.

Report of the Board for the year ended 31 December 2018[27]

615. **In paragraph 35 of its report, the Board recommended that UNITAR keep the Policy Guidelines for Agreements with Financial Implications for the Acceptance of Voluntary Contributions under review, in order to include revision by the Planning, Performance and Results Section and the Finance Budget Unit of agreements that are also below $100,000 in the context of managing the workload.**

Department responsible: Division for Strategic Planning and Performance

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2020

---

[26] A/73/5/Add.5, chap. II.
[27] A/74/5/Add.5, chap. II.

616. The implementation of the recommendation is in progress and full implementation is expected by 31 December 2020. Management has identified a number of alternatives to the current approach and will revise the procedures for the review, clearance and signature of financial and non-financial agreements by the fourth quarter of 2020.

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 2019[28]

617. Table 20 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

Table 20
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Emergency, Security and Supply	1	–	–	1	1	–
Division of Financial and Administrative Management	4	–	–	4	4	–
Division of Human Resources	3	–	–	3	3	–
Division of Strategic Planning and Results	2	–	–	2	2	–
Global Data Service	4	–	–	4	4	–
Executive Office	4	–	–	4	4	–
Total	**18**	**–**	**–**	**18**	**18**	**–**

618. Table 21 summarizes the status of implementation of all recommendations of the Board as of August 2020.

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

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Emergency, Security and Supply	1	–	–	1	1	–
Division of Financial and Administrative Management	19	2	–	17	17	–
Division of Human Resources	8	–	–	8	8	–
Division of Strategic Planning and Results	11	–	–	11	11	–

_____

[28] A/75/5/Add.6, chap. II.

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Resilience and Solutions	1	–	–	1	1	–
Global Data Service	7	–	–	7	7	–
Executive Office	7	–	–	7	7	–
Multiple offices	1	–	–	1	1	–
Total	**55**	**2**	**–**	**53**	**53**	**–**

619. **In paragraph 20 of its report, the Board recommended that the Office of the United Nations High Commissioner for Refugees (UNHCR) obtain and maintain accurate data on the service and health-care plan participation history of its staff members, using enhanced data fields.**

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

620. UNHCR will determine the most appropriate way to initially obtain and subsequently maintain more comprehensive data on the service and health-care plan participation history of its staff members. An initial assessment of the possible approaches indicated that a solution to the data improvement may require a comprehensive and coordinated approach across the United Nations system. Accordingly, UNHCR will reach out through the Human Resources Network and the Finance and Budget Network and seek to initiate joint activities through those forums. In the light of the coordination efforts needed, a complete solution for the after-service health insurance calculation may only be achieved in 2021.

621. **In paragraph 27 of its report, the Board recommended that UNHCR transparently disclose the reasons for deviations from the harmonized assumptions of the Task Force on Accounting Standards to enhance comparability concerning the valuation of after-service health insurance liabilities.**

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

622. UNHCR will consider this request during the preparation of the 2020 financial statements.

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

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

624. Implementation of the recommendation is linked to the design for a next-generation enterprise resource planning system. Investing in reconfiguring the current system would not be cost-effective. The implementation timetable for the next-generation enterprise resource planning system has not yet been set, and thus the target date cannot be set with confidence. Implementation is expected in the 2023–2024 time frame.

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

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

626. Please refer to the comments of UNHCR relating to the recommendation contained in paragraph 36 of the Board's report (see para. 624 above).

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

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

628. UNHCR will provide further clarification on the review of the property, plant and equipment impairment in the 2020 year-end closing instructions to make the existing process more transparent. In addition, the internal control self-certification questionnaire distributed at year-end for the purpose of compiling the statement of internal control will include an explicit reference to the required annual impairment review process.

629. **In paragraph 49 of its report, the Board recommended that UNHCR clearly distinguish between assets deployed for the first time and redeployed assets, and ensure that assets that are not in use for a substantial period of time are not subject to depreciation.**

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

630. UNHCR considers that this requirement is not fully consistent with paragraph 71 of IPSAS 17 and therefore does not accept this recommendation. UNHCR holds that the in-transit status of redeployed assets does not, and should not, stop IPSAS depreciation.

631. **In paragraph 56 of its report, the Board recommended that UNHCR implement additional measures to ensure the functioning of key controls in the inventory process. UNHCR should opt for end-to-end process documentation and audit-proof functionalities in the selection of a new enterprise resource planning system.**

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

632. UNHCR will implement additional measures to improve inventory management through increased monitoring, such as regular review of the inventory pipeline. UNHCR will also take into consideration the recommendation on the enterprise resource planning system when developing the plan for inventory management.

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

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

634. UNHCR is currently reviewing the accounting processes and procedures with regard to items stored in the care of partners that have not yet been distributed. UNHCR will also issue clarifications to field offices regarding the treatment of inventories that have been issued for distribution but have not yet been distributed as at the reporting date.

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

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

636. A study of fuel management will be carried out by two consultants, whose recruitment has commenced. The study is expected to inform subsequent decisions on the most effective measures to be taken to improve the controls over fuel.

637. **In paragraph 69 of its report, the Board recommended that UNHCR implement additional year-end accrual review procedures, such as expenditure versus accrual ratio analysis, analysis of the average period of outstanding purchase orders, goods and services receipt and invoice receipt, to ensure accurate accrual accounting at year-end. Country operations with implausible accrual figures should systematically be reviewed.**

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

638. UNHCR will review its accrual process to identify areas of improvement on the basis of the audit findings. UNHCR will consider increasing the general accrual in the future as and when deemed necessary, noting that it does not currently see additional value in applying a country-by-country analytical approach in addition to assessing cost and complexity against the related benefit in terms of improved accuracy.

639. **In paragraph 73 of its report, the Board recommended that UNHCR review and amend the annual leave accrual computation and exclude staff members who are transferred, seconded or loaned to other organizations.**

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

640. UNHCR is reviewing and amending the annual leave accrual computation to exclude staff members who are transferred, seconded or loaned to other organizations.

641. **In paragraph 80 of its report, the Board recommended that UNHCR implement a control mechanism in the area of implementing partnership expenses to ensure that the country operations cannot deviate from a granted extension of liquidation and/or implementation period without mandatory information flow to headquarters.**

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

642. UNHCR is updating the instructions related to the posting of deferred expenses journals into its Managing Systems, Resources and People (MSRP) system, following an approval of the project implementation and liquidation period. As part of this enhanced process, the field offices will be required to confirm whether actual implementation has been extended and agreements have been duly signed. This change, as well as other enhancements required in the context of the regionalization process and triggered by the delegation of some tasks to the regional bureaux, will be reflected in the year-end administrative instruction that will be shared with the field operations during the fourth quarter of 2020.

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

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

644. Please refer to the comments of UNHCR relating to the recommendation contained in paragraph 36 of the Board's report (see para. 624 above).

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

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

646. Please refer to the comments of UNHCR relating to the recommendation contained in paragraph 36 of the Board's report (see para. 624 above).

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

Department responsible:	Executive Office
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

648. UNHCR has already created a user-friendly road map to document activities, deliverables, milestones and key actors to track organizational transformation in support of the decentralization and regionalization process. The road map is expected to be approved in the third quarter of 2020 and will be used throughout the remainder of 2020 and 2021.

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

Department responsible:	Executive Office
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

650. On 20 July 2020, the Institute of Internal Auditors issued an important update to the three lines of defence model. The risk-focused model is now enriched with guiding principles and has shifted away from the focus on the concept of "defence" only. The new model will be used as the basis for reviewing and adjusting accordingly the roles, accountabilities and authorities of the first and second lines of defence.

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

Department responsible:	Executive Office
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

652. The actions described in the response to the recommendation contained in paragraph 126 of the Board's report (see para. 650 above) will also address this recommendation.

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

Department responsible:	Executive Office
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

654. A guidance note will be developed and issued to clarify the roles and responsibilities of new functions in the regional bureaux.

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

Department responsible:	Executive Office
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

656. A review methodology (outside of the annual planning processes) will be developed to ensure ongoing monitoring and review of country capacities. Possible gaps will be bridged through the existing resource allocation mechanisms.

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

Department responsible:	Executive Office
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

658. The actions described in the response to the recommendation contained in paragraph 150 of the Board's report (see para. 656 above) will also address this recommendation.

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

Department responsible:	Executive Office
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

660. UNHCR has already developed and shared a cost tracking model with the Board during the audit. This automated model enables the tracking of resource allocation and expenditure related to decentralization and regionalization. A set of key performance indicators had already been developed in the second quarter of 2019 and partly utilized to measure, track and evaluate the intended results. The key performance indicators will be validated or updated, and automated dashboards will be created to facilitate the monitoring process.

661. **In paragraph 182 of its report, the Board recommended that UNHCR analyse expenses related to hosting countries and communities and identify ways to better demonstrate how its assistance benefits host communities in line with the principle set out in the global compact on refugees.**

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

662. UNHCR will review the current reporting set-up on the basis of the outputs that are part of its internal results framework, such as "community mobilization", "peaceful coexistence" and "natural resources and the environment", and will explore, in particular for the budget year 2020, how the expenses related to host communities could be estimated. Moreover, in the context of the ongoing transformation of UNHCR, which includes a renewed approach to results-based management, there are ongoing discussions aimed at finding the best information-gathering mechanisms concerning host communities. In this context, UNHCR will be looking into the most effective ways to track expenses related to activities undertaken for the host communities' benefit. This effort will be supported by the new results-based management system of UNHCR. Please also refer to the response to the recommendation contained in paragraph 77 of the Board's report for the year ended 31 December 2018 (A/74/5/Add.6, chap. II) for more details on the roll-out of the new results-based management system (see para. 740 below).

663. **In paragraph 189 of its report, the Board recommended that UNHCR establish a control mechanism to ensure that country offices monitor the implementation of partnership agreements as agreed in the monitoring schedule and in a timely manner.**

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

664. The newly established regional structures and capacities in the field for programme management, project control, monitoring and risk management will contribute to strengthening the adherence to the monitoring schedules. UNHCR is currently designing a system that would improve project management and oversight. UNHCR would include in the functionality of the system the controls that are necessary to address this recommendation. Until the system has been completed, UNHCR will continue to work with the regional bureaux and country operations to ensure compliance by establishing a community of practice for monitoring the implementation of partnership agreements and to share best practices, updates and requirements for the diligent management of such agreements.

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

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

666. A project monitoring and oversight system is under development. The system will greatly reduce the current dependency of UNHCR on paper-based tools, including the current risk-based monitoring tools. UNHCR is actively seeking to incorporate into this new online system an aggregate risk-based project monitoring template.

667. **In paragraph 201 of its report, the Board recommended that UNHCR headquarters and/or regional bureaux monitor country operations to ensure that they entrust procurement for a value of more than $100,000 only to partners with a valid pre-qualification for procurement status.**

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

668. UNHCR will work with regional bureaux to ensure that the necessary reporting functionality is available in order to monitor procurement pre-qualification. Compliance monitoring will be strengthened through the issuance of relevant reports midyear and during the fourth quarter to share findings that could better inform the regional bureaux and the field locations in their monitoring process. In the longer term, the Division of Strategic Planning and Results will further seek to include a functionality in the project management and oversight system (currently under development) and/or the United Nations Partner Portal that will enable easier monitoring of compliance in this area.

669. **In paragraph 213 of its report, the Board recommended that UNHCR review, in a combined exercise, the process of granting pre-qualification for procurement status to partners and the process for entrusting procurement to partners. UNHCR should ensure that the processes cover all main aspects of a procurement procedure and require the review of audit results and monitoring or verification observations in the area of partner procurement.**

Departments responsible:	Division of Emergency, Security and Supply and Division of Strategic Planning and Results
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

670. The Division of Emergency, Security and Supply, in collaboration with the Division of Strategic Planning and Results, will review the process and the guidance note to identify the areas requiring further enhancements, including clear requirements for the review of audit results and verification observations.

671. **In paragraph 216 of its report, the Board recommended that UNHCR review the templates for entrusting procurement to implementing partners in order to ensure a meaningful analysis, a calculation of costs and a justified decision. This should include a calculation of costs when a partner is not exempted from value added tax (VAT).**

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

672. UNHCR will review the process and the templates with a focus on addressing the issues related to costs linked to the non-exemption from VAT.

673. **In paragraph 221 of its report, the Board recommended that, in order to ensure compliance with established rules, UNHCR define clear monitoring responsibilities at headquarters and/or the regional bureaux regarding the country-level process to entrust procurement to partners.**

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

674. UNHCR will review the process to entrust procurement to partners in order to enhance the analysis that country offices undertake to determine comparative advantages when entrusting procurement to partners. The templates will be enhanced to better facilitate the analysis undertaken and document the decisions taken at the local level.

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

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

676. In the short term, UNHCR will work to identify immediate needs for capacity enhancement in field operations and will organize training sessions to refresh the knowledge about the requirements for the preparation and management of partnership agreements in relation to the application of the current results chain. With the renewed results framework (under the results-based management project), scheduled to become operational as of 2022, the capacity of country operations to manage projects will be enhanced through different features of the new framework. The new user-defined results chain will allow for a better description of desired results (impacts and outcomes), planned deliverables, their contribution towards the changes (outputs) and required resources to deliver the results. Moreover, colleagues in the field will be provided with training opportunities on the requirements of the new results framework and its application. UNHCR will ensure that the training includes necessary links to enhance field capacity in the preparation and management of partnership agreements aiming at increasing consistency across country operations.

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

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

678. The Division of Strategic Planning and Results will undertake a review of current templates for multi-year partnership agreement amendments in 2020 to ensure that the ongoing implementation and the extension of multi-year partnership agreements include a financial target and, for the years ahead, links to budget cycles, monitoring and auditing.

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

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

680. The Division of Strategic Planning and Results will undertake a review of current templates for multi-year partnership agreement amendments in 2020 to ensure that the agreement is continued into the second year, including information such as budget information and updated instalment plans.

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

Department responsible:	Division of Resilience and Solutions
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

682. UNHCR has developed remote training to be able to continue the roll-out of CashAssist. In addition, plans have been made with the regional bureaux for roll-out at country level, as well as a plan for the joint roll-out of CashAssist with the upgrade to version 4 of the Profile Global Registration System (proGres v4). With the current lockdowns as a result of the COVID-19 pandemic, the roll-out of proGres v4 may face some delays.

683. **In paragraph 249 of its report, the Board recommended that UNHCR specify the procedures for the procurement of financial services when participating in common cash facilities involving commingled cash pools. The**

procedures should also provide for a periodic review to confirm that the financial service provider has the capabilities to administer the programme and to meet UNHCR-specific requirements.

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

684. UNHCR has already developed cash-based intervention procurement guidance and various templates to be used in the process of procuring financial services, which also cover the aspects related to the common cash facility. Moreover, UNHCR will further strengthen due diligence and monitoring of the capabilities of the financial services sector with a macroassessment and a microassessment, which will then be reflected in the cash-based intervention procurement procedures for common cash facilities. UNHCR will validate whether the selected service provider applies an integrated advanced payment technology to ensure separation of funds, full traceability, reconciliations and accountability at the individual transactional level.

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

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

686. UNHCR will strengthen its procedures to achieve better tracing of the income generated by global fleet management and will explore ways to allocate funds back to the global fleet in a more efficient manner.

687. **In paragraph 264 of its report, the Board recommended that UNHCR support operations in their needs assessment for new vehicles in accordance with applicable administrative instructions.**

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

688. UNHCR will review the needs assessment methodology currently described in the internal instructions and procedures and will take action to clarify necessary steps for the country operations in order to better support them in establishing their needs. Furthermore, webinars for operations on how to use the new method for fleet planning started in September 2020.

689. **In paragraph 265 of its report, the Board recommended that UNHCR encourage operations to provide information on mileage in FleetWave, since global fleet management intended to use mileage as a criterion for disposal. If the system is not set up for that functionality, it should be adjusted accordingly.**

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

690. The system already includes a column on mileage that requires manual data entry by field operations from odometer readings. The requirement to regularly record the mileage is stated in the year-end instructions but could benefit from being further reinforced. UNHCR will explore additional ways of increasing compliance with this requirement.

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

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

692. UNHCR will explore measures to implement a comprehensive vehicle procurement plan, based on the consideration of the vehicle needs of the operations as validated by the regional bureaux, as well as the number of vehicles to be disposed of within the same period.

693. **In paragraph 272 of its report, the Board recommended that UNHCR define a reasonable level of capacity to optimize the average storage duration. UNHCR should consider lessons learned for all models before ordering new vehicles to avoid storage durations of more than 12 months.**

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

694. UNHCR will further discuss this matter internally in order to identify the optimal stock and pipeline size after having taken into account the need to guarantee to the operations a specific delivery time.

695. **In paragraph 274 of its report, the Board recommended that UNHCR consider including vehicles that are on stock for more than 12 months in the year-end impairment exercise.**

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

696. UNHCR did not accept the recommendation, since historical experience has shown that it recovers more than the net book value when the vehicles are sold, supporting the view that the vehicles do not need to be impaired. Nevertheless, to reflect the requirements of IPSAS 17, a change is being considered to initiate depreciation by default for all property, plant and equipment assets when they enter UNHCR control. This default is under the (rebuttable) assumption that all such property, plant and equipment assets are technically available for use, even when stored in a central location pending deployment. Under such a revised policy interpretation, if implemented, vehicle depreciation would, by default, commence earlier than is currently the case.

697. **In paragraph 279 of its report, the Board recommended that UNHCR capitalize expenses on accessories and their installation.**

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

698. The costs of accessories and related installation costs, if deemed material, will be capitalized using a standard cost approach in the 2020 financial statements.

699. **In paragraph 283 of its report, the Board recommended that UNHCR take steps to capture the mileage of the fleet together with the age of the vehicles as a basis for the disposal decision.**

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

700. UNHCR will first assess whether the existing criteria for disposal continue to be valid. Initial feedback collected so far from operations shows that the threshold of 150,000 kilometres for light vehicles may no longer be the most appropriate.

Following the conclusions of that review, UNHCR will explore ways to better capture mileage in the system if it is concluded that doing so is still necessary.

701. **In paragraph 291 of its report, the Board recommended that UNHCR ensure that disbursement agreements are signed in a timely manner. Annex A, as an integral part of the disbursement agreement, should be amended if amendments are required during the year. Furthermore, UNHCR should review and revise the June 1998 agreement with the United Nations Office for Project Services (UNOPS).**

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

702. UNHCR has started discussions with UNOPS to review and revise the 1998 agreement with a view to ensuring that it is fit for purpose for the new human resources systems. As part of those discussions, the administration of the arrangements, as reflected in the disbursement agreements, will also be reviewed.

703. **In paragraph 297 of its report, the Board recommended that UNHCR establish compliance controls to ensure that its staff enters reliable data in MSRP for reporting and monitoring.**

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

704. UNHCR will review the process as part of the overall review of the arrangements with UNOPS, as mentioned in the response to the recommendation contained in paragraph 291 of the Board's report (see para. 702 above).

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

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

706. As part of the discussions on the future administration of UNOPS disbursement agreements, UNHCR will propose new financial procedures to UNOPS, with the aim of achieving more efficient and regular monitoring and follow-up of the budget committed for UNOPS.

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

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

708. UNHCR has started discussions with UNOPS regarding the management of advanced funding, in accordance with the exchange of letters signed between UNOPS and UNHCR.

709. **In paragraph 311 of its report, the Board recommended that UNHCR establish comprehensive controls to prevent inconsistency of data on contractors engaged through UNOPS.**

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

710. UNHCR is developing an end-to-end administrative process to manage all personnel, including UNOPS-administered individual contractor agreements. This process will therefore address the need for consistent data relating to such agreements.

711. **In paragraph 316 of its report, the Board recommended that UNHCR define more clearly under what circumstances the use of UNOPS contractors is considered to be reasonable and necessary for its operations. Valid operational reasons should be defined in the framework by given examples in order to ensure the appropriate use of individual contractor agreements under UNOPS.**

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

712. UNHCR is introducing a feasibility analysis mechanism in the administrative instruction on the management of the affiliate workforce, scheduled for issuance in the third quarter of 2020. The feasibility analysis questionnaire facilitates the explanation, documentation and use of individual contractor agreements.

713. **In paragraph 321 of its report, the Board recommended that UNHCR regularly monitor the ratio of its regular staff to its affiliate workforce.**

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

714. UNHCR is issuing an administrative instruction on the management of the affiliate workforce, which includes guidance on the ratio of its regular staff to its affiliate workforce.

715. **In paragraph 331 of its report, the Board recommended that UNHCR review the proGres v4 deployment strategy and adapt the deployment plan accordingly.**

Department responsible:	Global Data Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

716. UNHCR will review and adapt the proGres v4 deployment strategy, taking into account the new operational and organizational environment, the COVID-19 situation, the transformation process of UNHCR, the regionalization process and the significant downsizing of the proGres v4 deployment team at headquarters.

717. **In paragraph 342 of its report, the Board recommended that UNHCR elaborate further the provisional guidance and finalize this as mandatory guidelines for decommissioning proGres v3, integrating the decommissioning guidance timeline.**

Department responsible:	Global Data Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

718. UNHCR will draft an administrative instruction to be circulated to all data controllers of proGres v4 sites which will set forth the mandatory guidelines and timelines for decommissioning proGres v3.

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

Department responsible:	Global Data Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

720. UNHCR has already implemented a tracking mechanism to enable data controllers to electronically confirm the decommissioning of proGres v3. The technical implementation will be covered in the proposed administrative instruction mentioned in the response to the recommendation contained in paragraph 342 of the Board's report (see para. 718 above). Completion of the confirmation process will still be contingent on the decommissioning timeline.

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

Department responsible:	Global Data Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

722. UNHCR will include in the global data protection policy and/or related administrative instruction currently under development a requirement for the designation of data controllers at the global and regional levels.

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

Department responsible:	Global Data Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

724. UNHCR will ensure that the costing and implementation of data protection impact assessments are procedurally embedded in the ICT development project management life cycle, whether performed centrally at headquarters, at the regional level or at the local or field level. The Population Registration and Identity Management EcoSystem steering committee has approved the creation of an analysis group that will extend oversight of local development initiatives and interoperability requests. Standard operating procedures will be introduced to enforce the principle of privacy-by-design and will include data protection impact assessments as a step in the application delivery process. In addition, an outreach exercise for all regional bureaux and field locations is envisaged to ensure that the data, identity management and analysis units map existing systems containing personal data of the persons of concern, which would require data protection impact assessments to be undertaken (see the response in para. 728 below relating to the recommendation contained in para. 374 of the Board's report).

725. **In paragraph 367 of its report, the Board recommended that UNHCR embed cooperation between the Division of Information Systems and Telecommunications and the Data Protection Officer in relevant current and new ICT project guidelines and administrative instructions in areas of personal data processing.**

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

726. The Division of Information Systems and Telecommunications has included the Data Protection Officer in the steering committee of the cybersecurity transformation programme, which allows the Data Protection Officer to ensure that data protection is and remains embedded in the work of the programme team. Concrete results are the involvement of the Security Operations Centre in the identification of personal data breaches and the secure file sharing project. Future measures in the area of information security, including the issuance of administrative instructions and guidance documents, will ensure that the Division and the Data Protection Officer duly consult and cooperate in key areas of overlap between cybersecurity and the security of personal data of persons of concern.

727. **In paragraph 374 of its report, the Board recommended that UNHCR ensure that data controllers keep the Data Protection Officer fully informed of any data transfer agreement and data protection impact assessment carried out under their responsibility.**

Department responsible:	Global Data Service
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

728. UNHCR will disseminate internal instructions to outline formal requirements related to the review and clearance of data-sharing agreements, as well as maintaining an inventory, reporting regularly and monitoring the completed data transfer agreements and data protection impact assessments.

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

729. In the annex to its report for the year ended 31 December 2019 (A/75/5/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 45 recommendations that have been determined by the Board to be either under implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

730. Table 22 summarizes the overall situation as of August 2020.

Table 22
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Emergency, Security and Supply	6	–	–	6	6	–
Division of Financial and Administrative Management	7	1	1	5	5	–
Division of Human Resources	12	–	–	12	12	–
Division of Information Systems and Telecommunications	9	–	–	9	9	–
Division of Strategic Planning and Results	7	–	–	7	7	–

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Global Data Service	2	–	–	2	2	–
Executive Office	1	–	–	1	1	–
Legal Affairs Service	1	–	–	1	1	–
Total	**45**	**1**	**1**	**43**	**43**	**–**

Report of the Board for the year ended 31 December 2018[29]

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

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

732. UNHCR did not concur with the recommendation. UNHCR will consider revising the presentation of net assets at the time when the new IPSAS on revenue recognition is published. A suite of three new exposure drafts covering revenue recognition and transfer expenses was issued by the IPSAS Board for comment in February 2020. UNHCR is currently reviewing the implications of these exposure drafts for financial reporting.

733. **In paragraph 45 of its report, the Board recommended that UNHCR review the item master data on a regular basis. Items that have not been selected for a longer period should be set to "discontinue". The standard unit prices should be updated periodically. Items in the item master data should be automatically flagged for review of actual pricing and accuracy after a defined period (e.g., five years).**

Department responsible:	Division of Emergency, Security and Supply
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

734. The standard unit price of an item in the Managing Systems, Resources and People (MSRP) system is only an orientation for the item creation. Nevertheless, these prices are being reviewed as part of the current review of the item master list. This review will be coordinated between the relevant divisions. UNHCR is aiming to complete the review by the end of the third quarter of 2020.

735. **In paragraph 50 of its report, the Board recommended that UNHCR establish a consistent accounting process and guidance for items that are procured for direct transfer of ownership to other entities especially for cases**

---

[29] A/74/5/Add.6, chap. II.

that do not refer to the implementation of a specific programme. UNHCR should flag these items in the MSRP system and disclose expenses resulting from such transfers separately in the notes to the financial statements.

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

736. The business requirement to implement a system functionality for the identification of procurement for transfer to partners was endorsed internally in June 2020 and will be implemented before 2020 year-end.

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

Department responsible:	Executive Office
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

738. The actions described in the responses of UNHCR to the recommendations contained in paragraphs 126, 135 and 141 of the Board's report for the year ended 31 December 2019 (A/75/5/Add.6, chap. II) will also address this recommendation (see paras. 650-654 above).

739. **In paragraph 77 of its report, the Board recommended that UNHCR use the new results-based management tool to present the link between input, outcome and results, including the outputs delivered by implementing partners, and facilitate alignment of country operation plans with inter-agency and multi-partner processes.**

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

740. The new results-based management approaches and results structure (impact, outcome and output) include a functionality to disaggregate output-level indicator information by implementors (UNHCR offices as well as project partners) to facilitate better linking of budget/expenditure information to the results, by implementor. The future multi-year strategic planning model to be adopted by UNHCR will allow country operations to choose which strategic cycle they wish to follow. Furthermore, the new results framework takes into consideration in its design UNHCR engagement

in various inter-agency processes, including the humanitarian response plan and the refugee response plan. The time frame for the roll-out of the new results-based management system remains the fourth quarter of 2021. The information related to the 2022 country plans (some of which will be multi-year strategies) will be available in the new results-based management platform from the second half of 2021.

741. **In paragraph 99 of its report, the Board recommended that UNHCR implement additional control mechanisms in the newly changed organization structure that compensate for the increased capitalization thresholds.**

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

742. The buildings that are currently not capitalized owing to the increased thresholds are considered serially tracked items. The revised administrative instruction on serially tracked items requires regular physical counts covering, at a minimum, 80 per cent of the original cost or value at acquisition of all serially tracked items in each country operation, regional bureau or headquarters location over a two-year cycle. Furthermore, it requires each serially tracked item to be selected for verification at least once during its useful life. Considering that buildings typically are the more valuable of serially tracked items, and since the coverage requirements of the revised administrative instruction provide an incentive for operations to select higher-value items to achieve coverage efficiently, buildings tracked as serially tracked items are likely to be regularly counted. Considering the fixed nature of buildings, UNHCR believes that this biyearly verification cycle provides a sufficient control mechanism. UNHCR considers this recommendation to have been implemented and requests its closure by the Board.

743. **In paragraph 141 of its report, the Board recommended that UNHCR develop and maintain an overview of the specific VAT exemption procedures and formalities, applicable VAT rates, the deliveries and services concerned, due dates and thresholds for each country operation. UNHCR should carry out periodical analytical reviews of key VAT figures.**

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

744. UNHCR has compiled the 2019 VAT questionnaires in order to capture additional country-specific information on VAT and to reflect changing circumstances. UNHCR already uses this compiled information to maintain an overview of the country-specific VAT exemption procedures. UNHCR is in the process of preparing a template for an expense analysis in the power business intelligence platform, using the VAT data collected through the VAT questionnaires, in order to facilitate operational and financial reporting.

745. **In paragraph 147 of its report, the Board recommended that UNHCR enhance its variance analysis of salaries and employee benefits to carry out the controls required in the financial control matrix.**

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

746. UNHCR has introduced a separate analysis for each of the main salary earning elements (gross salary, post adjustment, dependency allowance and pension contribution) in the month-end payroll procedures to analyse fluctuations of salaries and employee benefits. UNHCR will include in its analysis the aggregated summary of salary payments to staff and will use graphs to visualize major variances.

747. **In paragraph 156 of its report, the Board recommended that UNHCR document the regular run of human resources monitoring reports in a log tracking file. The reports with results should be uploaded to eSafe. UNHCR should document the review in a separate column of the MSRP human resources reports and take appropriate (corrective) action, if necessary. The number of automated human resources reports should be increased.**

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

748. UNHCR assessed that it was not feasible to implement centralized tracking and recording in a separate column of corrective actions taken by almost 400 human resources administrative staff in different geographical locations worldwide. UNHCR opted to explore alternative solutions to automate a good number of these entries to ensure compliance with the human resources data entry requirement. In this connection, a working group was established in September 2019 and tasked with reviewing the list of human resources reports and recommending changes, as well as giving advice on the use of robotic process automation in the light of the limited possibilities for enhancement of the current system. Additionally, and more importantly, UNHCR is scheduled to move to a more robust cloud-based enterprise resource planning system, which is expected to enhance the data entry, approval and audit process.

749. **In paragraph 161 of its report, the Board recommended that UNHCR examine the options for implementing an approval cycle for the review of the MSRP human resources reports in the MSRP human resources module to facilitate supervisory controls and their consistent documentation.**

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

750. Considering that UNHCR plans to change the enterprise resource planning system currently used for human resources, customization for the recommended approval cycle is not currently being considered, pending the outcome of the review to select the new system. UNHCR expects the new system to be fully implemented in 2022.

751. **In paragraph 226 of its report, the Board recommended that UNHCR establish additional controls to perform overall reviews as well as sample checks and increase compliance with the implementing partner sections of the UNHCR Manual through more accountability. This could be embedded in the new regional bureaux structure through the future Regional Control Officers.**

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

752. The decentralization and regionalization has provided UNHCR with an opportunity to continue to strengthen compliance with the requirements of the UNHCR Manual and policies. UNHCR headquarters conducts an annual review of the quality of monitoring reports based on a representative sample of agreements and monitoring reports for UNHCR operations globally. The revised strengthened template for project financial reports also addresses some requirements of this recommendation. In addition, the regional bureaux will be conducting the overall review at the bureau level to provide timely feedback to the operations. The programme and project control functions in the regional bureaux will oversee these monitoring activities. The Division of Strategic Planning and Results and the regional bureaux will follow up with the field operations to emphasize the requirement for the reports received from partners to be uploaded only after the required signatures and approval dates have been secured.

753. **In paragraph 235 of its report, the Board recommended that UNHCR implement further electronic processes, such as submission of partner financial reports from partners through the United Nations Partner Portal and electronic signature for the approval of partner financial reports to replace the current offline verification signatures where possible, in order to facilitate strengthened internal controls. When electronic signatures are implemented, UNHCR should ensure that the authorities are aligned with the delegation of authority plan.**

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

754. In the short term, UNHCR has introduced measures that allow partners and UNHCR staff to sign the partner financial reports, the monitoring reports and the verification reports electronically, in accordance with the established delegation of authority plans. In an effort to address the shortcomings referred to in this recommendation, UNHCR is developing a project management and oversight system and is engaging actively with other United Nations system agencies to assess different options for suitable online tools that will help to strengthen the current processes.

755. **In paragraph 262 of its report, the Board recommended that UNHCR strengthen the link of performance review and resource requirements to additional instalment payments and document the review accordingly when initiating the payment of additional instalments.**

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

756. As of mid-July 2019, the format of the partner financial reports has been amended to strengthen their link with the instalments to be paid to a partner. The current templates of the partner financial reports will be further reviewed to determine the best way of establishing the links between performance and the instalments payment schedule.

757. **In paragraph 267 of its report, the Board recommended that UNHCR transparently link transfers of ownership to project partnership agreements in cases where the recipient is an implementing partner. The transfer of ownership agreement and MSRP recordings should state the project partnership agreement identification symbol. The purpose of the transfer should be clearly defined and stipulated in the transfer of ownership agreements.**

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

758. In November 2019, UNHCR changed the templates in MSRP for the transfer of ownership to ensure that the partnership agreement identification number is reflected and linked to the related transfer of ownership. UNHCR will assess the current templates to identify the most appropriate way to introduce a mandatory field where the purpose of the transfer shall also be inserted.

759. **In paragraph 299 of its report, the Board recommended that UNHCR incorporate the results of the evaluation report in the next fleet strategy and assess the sequence and importance of the processes needed to be implemented and prioritize them accordingly.**

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

760. UNHCR has developed a revised strategy covering the period 2019–2021. However, the Board considered that the document would benefit from additional content. UNHCR will update the strategy to take into consideration the recommendations made by the Business Innovations Group as well as this outstanding

recommendation. It is expected that the revised fleet strategy will be completed by the end of 2020.

761. **In paragraph 300 of its report, the Board recommended that the field level should be obliged to record all operational and financial data in the analysis tools (FleetWave/vehicle tracking system) and that global fleet management staff have access to all databases and have the capacity to carry out analytical services and evaluate the data.**

Department responsible:	Division of Financial and Administrative Management
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

762. Field operations are already obliged, under the annual administrative instruction on year-end activities, to enter FleetWave data regularly. In order to further simplify data entry by operations into FleetWave, a mass upload format for fuel data has been created, while another update for a mass upload of maintenance and repair data is in progress.

763. **In paragraph 301 of its report, the Board recommended that UNHCR consider a solution to integrate operational and cost data from commercially rented vehicles in the operational and cost analysis.**

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

764. Building on the existing instruction, which already makes reference to commercially rented vehicles or transportation services, UNHCR will take additional steps to enhance the guidance to field operations so as to better capture and monitor costs for commercially rented vehicles and transportation services.

765. **In paragraph 307 of its report, the Board recommended that UNHCR strengthen its justification and documentation for hiring individual contractors under the circumstances that the required capability is not available in UNHCR.**

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

766. UNHCR will issue a new administrative instruction on the management of the affiliate workforce in the third quarter of 2020, which will emphasize the importance of workforce planning and will include requirements for documenting the justifications at the time of hiring an affiliate, including an individual contractor.

767. **In paragraph 310 of its report, the Board recommended that UNHCR ensure the mandatory break in service of three full months is fulfilled in every case. Therefore, UNHCR should monitor the duration of contracts to comply with the applicable limits set.**

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

768. Under annex II to the new administrative instruction on the management of the affiliate workforce, UNHCR is proposing to remove the provision for the mandatory break in service for individual contractors. The provision would be replaced by a proposed maximum duration of individual contractor contracts of five years, with leave entitlements and occupational safety and health principles applied to an individual contractor identical to those applied for the UNOPS workforce agreements modality.

769. **In paragraph 316 of its report, the Board recommended that UNHCR provide clear guidance to divisions and field operations (hiring entities) to enhance the awareness of human resources clearance. UNHCR should amend the respective policies with regard to human resources clearance and ensure the involvement of the Affiliate Partnerships Unit in the clearance process.**

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

770. UNHCR will issue a new administrative instruction on the management of the affiliate workforce in the third quarter of 2020, which will re-emphasize the importance of the clearance process.

771. **In paragraph 317 of its report, the Board recommended that UNHCR establish tools that enable the processing of human resources clearance on an online basis.**

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

772. UNHCR is working to identify technical solutions for an automated process as part of the new enterprise resource planning system, which is currently under consideration.

773. **In paragraph 324 of its report, the Board recommended that UNHCR ensure that the entire contractor identification and selection process is independently verified or is based on an approval workflow process (as an integrated part of the MSRP module) in order to increase transparency and efficiency of the selection decision made by the hiring manager.**

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

774. UNHCR has rolled out to 18 locations a local recruitment module within the MSRP system that is used for hiring local staff. UNHCR is now assessing whether this module can also be used as an interim measure in hiring the affiliate workforce, including individual contractors. In the longer term, the recommendation will be fully addressed through the adoption of the new human resources system that will replace the current MSRP. By using either the local recruitment module, in the short term, or the new human resources system, in the longer term, UNHCR aims to integrate the hiring of individual contractors into better structured workflow processes dedicated to the hiring of personnel in MSRP or in the new enterprise resource planning system. Through this integration, the process of selecting individual contractors will be enhanced through the introduction of steps with segregated roles and responsibilities and independent approval in the system, and will result in increased transparency and consistency, clearer delegation of authority and accountability, and centralized oversight across the organization.

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

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

776. A new, redesigned standard job description template will be distributed to all operations as part of the revised policy on individual contractors, which will give more clarity on what is required to be included in the job descriptions. Also, the decision has been made to include individual contractors in the online performance management. UNHCR is currently assessing whether the online performance management of contractors should be started using the performance function of the currently used MSRP system or whether it should be incorporated into the future human resources system only.

777. **In paragraph 328 of its report, the Board recommended that UNHCR conduct an analysis to determine whether the assignment of contractors is the most cost-effective solution.**

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

778. As part of the consultations taking place during the development of the relevant administrative instruction, UNHCR concluded that a cost-benefit analysis for hiring contractors should be part of a broader feasibility analysis to be conducted at the hiring operation level. As part of the upcoming new administrative instruction, the Division of Human Resources has therefore developed a feasibility analysis template, and one component of the feasibility assessment will be the cost of assigning the affiliate workforce, including individual contractors.

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

Department responsible:	Division of Information Systems and Telecommunications
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

780. UNHCR is working on issuing an administrative instruction on information security. The current target date for its promulgation is December 2020.

781. **In paragraph 344 of its report, the Board recommended that UNHCR establish a mandatory central clearance process to avoid the duplication of existing applications and establish a register for all applications developed in the field. Field offices should inform the Division of Information Systems and Telecommunications when they plan to develop additional applications.**

Department responsible:	Division of Information Systems and Telecommunications
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

782. At the planning stage, applications over defined thresholds, whether they are centrally or locally planned, must be sent to the Information and Communications Technology Governance Board, of which the Division of Information Systems and Telecommunications is a party, in accordance with the existing administrative instructions, in order to avoid duplication of systems. Regional ICT officers are in communication with the Division at headquarters to ensure that the requirement of submission to the ICT Governance Board is adhered to and to maintain an up-to-date inventory of locally developed applications and systems.

783. **In paragraph 345 of its report, the Board recommended that UNHCR make additional funds available to implement and monitor mandatory minimum information security standards in the field.**

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

784. Through the funds allocated to cybersecurity transformation programme, UNHCR is implementing good practices in information security in those areas where minimum security standards are not yet available.

785. **In paragraph 356 of its report, the Board recommended that UNHCR document primary and supporting assets for the information security risk assessment.**

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

786. The core ICT processes, activities and information, as well as hardware and infrastructure, have been captured as primary or supporting assets in the recently implemented ServiceNow tool. UNHCR is currently in the process of grouping and labelling the assets based on their criticality.

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

Department responsible:	Division of Information Systems and Telecommunications
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

788. UNHCR is planning to establish an information security council to involve more senior management in cybersecurity efforts. A Chief Information Security Officer has been appointed, and the position is based in Geneva within the Office of the Chief Information Officer. The role and tasks of the Chief Information Security Officer will be described in the new information security instruction scheduled to be issued by 2020 year-end. The Chief Information Security Officer will provide, on a regular basis, relevant reports related to information security to the council.

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

Department responsible:	Legal Affairs Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

790. An advanced working draft of the global data protection policy and administrative instruction have been prepared following internal consultations throughout 2019 and 2020. The drafting process has been informed by a detailed data mapping exercise, which is now in an advanced stage, and by internal and external developments, including the Data Strategy of the Secretary-General for Action by Everyone, Everywhere, adopted in April 2020, ongoing dialogue between the United Nations and external actors and the regionalization process that has been implemented within UNHCR. The time frame for finalization and consultation remains in the fourth quarter of 2020.

791. **In paragraph 382 of its report, the Board recommended that UNHCR review and update the Data Protection Officer's role and functions in such a way that the Officer is able to perform the tasks stated in the policy on the protection of personal data of persons of concern to UNHCR. The Board also recommended that as UNHCR develops its global data protection policy, it should ensure that accountability regarding protection of all personal data is addressed.**

Department responsible:	Global Data Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

792. The UNHCR data transformation strategy 2020–2025 contains a strong commitment to enabling UNHCR to lead globally on data protection, security and data ethics. UNHCR is currently in the process of implementing the new strategy, which includes the transfer of the Senior Data Protection Officer position from the Division of International Protection to the new Global Data Service. Since March 2020, the Senior Data Protection Officer has been supported by a Data Protection Officer and an Associate Data Protection Officer. Further updates of the Data Protection Officer's role and position are foreseen in the course of 2020 in the broader context of the setting up of the Global Data Service, ongoing regionalization and decentralization (including a role for policy oversight for regional bureau protection services) and the ongoing headquarters review.

793. **In paragraph 387 of its report, the Board recommended that the UNHCR Data Protection Officer have appropriate access to the top management.**

Department responsible:	Global Data Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

794. A transfer of the Senior Data Protection Officer position from the Division of International Protection to the Global Data Service has taken place. The Head of the Global Data Service, in consultation with Director of the Division and the Data Protection Officer, will ensure the working structure and engagement required to facilitate appropriate access by the Data Protection Officer to the senior executive team. The target date for consultation and finalization of the structure has been revised to the fourth quarter of 2020 to take account of these developments.

Report of the Board for the year ended 31 December 2017[30]

795. **In paragraph 119 of its report, the Board recommended that UNHCR develop more specific guidance on how to implement the corporate position on the Sustainable Development Goals.**

Department responsible:	Division of Strategic Planning and Results
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

796. The operational guidance for the field operations concerning the engagement of UNHCR with the Sustainable Development Goals and the United Nations Sustainable Development Cooperation Framework is being finalized and is planned to be issued during the third quarter of 2020. The finalization of the UNHCR operational guidance was impacted by the changing timelines of the issuance by the United Nations of its Organization-wide guidance on related Sustainable Development Goals processes, which became available in May 2020.

797. **In paragraph 120 of its report, the Board recommended that UNHCR define reasonable targets for developing, implementing and managing engagement of country operations in the Sustainable Development Goals so as to support an effective and coherent approach for UNHCR engagement in the Goals in the field.**

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

798. Parameters for the engagement of UNHCR with the Sustainable Development Goals will be included in the guidance on the Goals and the United Nations Sustainable Development Cooperation Framework, which is mentioned in relation to the recommendation contained in paragraph 119 of the Board's report (see para. 796 above). Emphasis will be placed on country contextualization, given the diverse contexts of UNHCR engagement. In the long run, the contribution of UNHCR to the Goals will be reported on through the new results framework, which includes corporate outcome areas that are mapped to the key Goals in the context of the UNHCR mandate. Moreover, some of the core UNHCR indicators have been adapted from Sustainable Development Goals indicators and rephrased to be more relevant to persons of concern to UNHCR.

799. **In paragraph 172 of its report, the Board recommended that UNHCR enhance compliance with its policy and standard operating procedures on individual consultants, ensure effective consultant contract management and consider centralizing some tasks of the hiring units to obtain a higher level of specialization.**

---

[30] A/73/5/Add.6, chap. II.

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

800. As of January 2020, senior human resources partners have been operational in all regional bureaux. They have assumed an oversight function with regard to affiliate contract management in order to ensure compliance with the relevant policies. The upcoming administrative instruction on the management of the affiliate workforce will strengthen the role of senior human resources partners by delegating them more authority to ensure increased efficiency in the management of affiliate contracts.

801. **In paragraph 181 of its report, the Board recommended that UNHCR review its policy and the standard operating procedures for the use of individual consultants. During this process UNHCR should enhance the guidance on advertising requirements, the segregation of duties, waiver processes, processes to determine and negotiate consultant fees, documents supporting payment reconciliation and the file management process.**

Department responsible:	Division of Human Resources
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

802. While the new administrative instruction on the management of the affiliate workforce will address overarching issues relevant to all categories of affiliate workforce modalities, annexes I and II to the administrative instruction will be more specific with regard to the use of consultants and individual contractors. Annex II to the newly prepared instruction will address the items listed in the recommendation and will provide more clarity on the points identified.

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

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

804. UNHCR recognizes that potential benefits can be achieved by managing the UNHCR stock of core relief items at the corporate level. However, since stocks of core relief items are currently managed by the respective country operations and decentralized management is an important element of the organizational structure, such a change would have to be carefully assessed together with the operations concerned, the regional bureaux and the senior management team at headquarters. As a basis for such a discussion, the Division of Emergency, Security and Supply will

draft a concept note setting out a proposal for how global management of inventories of core relief items might be implemented as part of the ongoing regionalization process, as well as the potential costs and benefits for the organization. On the basis of the concept note, deliberations will be conducted with all stakeholders concerned, including the regional bureaux and the relevant divisions.

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

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

806. This recommendation will be addressed through the actions taken in response to the recommendation contained in paragraph 213 of the Board's report (see para. 804 above).

807. **In paragraph 222 of its report, the Board recommended that UNHCR initiate an internal stakeholder process to assess how more efficient order placement and purchase planning could be put in place.**

Department responsible:	Division of Emergency, Security and Supply
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

808. Revised processes and procedures for order placement and purchase planning are defined in the upcoming administrative instruction on procurement, for which the target date for publication is the third quarter of 2020.

809. **In paragraph 226 of its report, the Board recommended that UNHCR identify further opportunities for the consolidation of requirements, either at a regional or even a global level.**

Department responsible:	Division of Emergency, Security and Supply
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

810. Guidance on further opportunities for the consolidation of requirements will be included in the upcoming administrative instruction on procurement and in the revised chapter on procurement (chapter 8) of the UNHCR Manual. The target date for the publication of the new administrative instruction is the third quarter of 2020, and it will soon be followed by the revision of the relevant chapter of the UNHCR Manual.

811. **In paragraph 229 of its report, the Board recommended that UNHCR expedite its revision of chapter 8 of the UNHCR Manual in order for staff to gain access to consistent and reliable guidance on procurement procedures.**

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

812. The revised chapter 8 of the UNCHR Manual will be issued soon after the publication of the policy and the administrative instruction on procurement. The revised chapter 8 will serve the purpose of an overall repository for detailed guidance related to procurement and other supply-related matters.

813. **In paragraph 234 of its report, the Board recommended that UNHCR include the remaining applications in the disaster recovery plan to increase their data security.**

Department responsible:	Division of Information Systems and Telecommunications
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

814. UNHCR is in the process of adding the relevant applications in the cloud.

815. **In paragraph 235 of its report, as part of overall business continuity management, the Board recommended that UNHCR establish an ICT disaster recovery guideline.**

Department responsible:	Division of Information Systems and Telecommunications
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

816. UNHCR is in the process of elaborating disaster recovery guidance for the field offices.

817. **In paragraph 240 of its report, the Board recommended that UNHCR implement comprehensive backup and disaster recovery guidelines in every country operation. The guidelines should be embedded in the local business continuity management.**

Department responsible:	Division of Information Systems and Telecommunications
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

818. While the ICT field operations manual is being drafted at the headquarters level, activities for backup and disaster recovery are ongoing in the field. The Division of Information Systems and Telecommunications has recently released a revised backup instruction that caters in particular to the migration from Windows 7 to Windows 10.

819. **In paragraph 244 of its report, the Board recommended that UNHCR review responses from the field to the checklist on ICT general computer controls for UNHCR field operations and that country operations take timely steps to address any significant weaknesses.**

Department responsible:	Division of Information Systems and Telecommunications
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

820. Two main subprocesses (security, and backup and recovery) have been incorporated in the internal control self-certification questionnaire distributed to the field in 2019 as part of the compilation of the statement of internal controls. Furthermore, the full ICT self-assessment questionnaire has been added to the site profile in the central ICT management tool and a dashboard is available for monitoring. The Board confirmed that it would review this process in the next audit.

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 2019[31]

821. Table 23 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

Table 23
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Corporate Services Division	6	–	–	6	6	–
Secretariat for the Convention on Biological Diversity	2	–	–	2	2	–
Multiple offices	9	–	1	8	8	–
Total	**17**	**–**	**1**	**16**	**16**	**–**

822. Table 24 summarizes the status of implementation of all recommendations of the Board as of August 2020.

---

[31] A/75/5/Add.7, chap. II.

Table 24
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Corporate Services Division	19	2	–	17	17	–
Evaluation Office	2	–	1	1	1	–
Secretariat for the Bamako Convention	4	–	–	4	4	–
Secretariat for the Convention on Biological Diversity	14	–	–	14	14	–
Multiple offices	21	–	1	20	20	–
Total	**60**	**2**	**2**	**56**	**56**	**–**

823. **In paragraph 26 of its report, the Board recommended that the United Nations Environment Programme (UNEP) – at the headquarters level – set up an up-to-date dashboard with the consolidated financial and project data of the regional presence and secretariats, identifying all sources of budgetary and extrabudgetary financing, income and expenses, and information on projects and/or activities, in order to ensure an extensive view of UNEP worldwide presence.**

Departments responsible: Corporate Services Division and Policy and Programme Division

Status: Under implementation

Priority: High

Target date: First quarter of 2021

824. UNEP will continue to explore the possibility of developing a dashboard that consolidates financial and project data to enhance the visibility of UNEP worldwide.

825. **In paragraph 27 of its report, the Board recommended that UNEP – at the headquarters level – establish monitoring and control mechanisms over the workplans delivered by regional offices and the secretariats of the multilateral environmental agreements in order to guarantee the accomplishment of the objectives of the UNEP programme of work and to ensure the fulfilment of the organization's secretariat functions.**

Departments responsible: Regional offices, Policy and Programme Division and secretariats of the multilateral environmental agreements

Status: Under implementation

Priority: High

Target date: First quarter of 2021

826. The workplans for the secretariats of the multilateral environmental agreements are approved by their relevant governing bodies, that is, the conferences of the parties, and UNEP has no mandate to establish monitoring and control mechanisms over those workplans. Regarding the workplans for the UNEP regional offices, UNEP, through its transformation process, is aligning its workplan processes with a proven model in organizational performance alignment called "objective and key results". UNEP expects that the adoption of this approach in workplan processes will lead to the accomplishment of the objectives of the programme of work. Therefore, UNEP does not accept the recommendation with regard to the workplans for the secretariats of the multilateral environmental agreements but is committed to implementing the recommendation for the workplans for the regional offices.

827. **In paragraph 28 of its report, the Board recommended that UNEP implement a results-based budgeting approach at the regional and secretariat level.**

Departments responsible:	Regional offices, Policy and Programme Division and secretariats of the multilateral environmental agreements
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

828. With the deployment of Umoja, all projects are required to be costed at the regional and secretariat levels using a results-based budgeting approach.

829. **In paragraph 35 of its report, the Board recommended that UNEP implement a risk matrix which considers the risks associated with the recommendations for the purpose of prioritizing the recommendations made by the Evaluation Office of UNEP.**

Department responsible:	Evaluation Office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

830. Formal guidance on the preparation of recommendations and lessons learned from each previous evaluation has been developed by UNEP to address the requirements of this recommendation. In this regard, UNEP considers this recommendation to have been implemented and requests its closure by the Board.

831. **In paragraph 46 of its report, the Board recommended that UNEP review the trust funds that have low contributions and/or no activity and determine whether they can be merged, closed or transferred.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

832. UNEP is already undertaking reconciliations and the financial closure of inactive trust funds as part of the clean-up exercise of grants and projects.

833. **In paragraph 59 of its report, the Board recommended that UNEP introduce a new framework for the regional workplan template elaboration, which involves regional representatives from an early stage of the development process and allows for the inclusion of indicators of achievement and targets customized to the reality of the respective regional office.**

Departments responsible:	Policy and Programme Division, Regional Office for Africa and Regional Office for Latin America and the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

834. UNEP, through its transformation process, is revising its approach to the workplan processes. UNEP has now aligned its workplan processes with a proven model in organizational performance alignment called "objective and key results". It is expected that the workplan for the regional offices will reflect the reality for the respective offices once the transformation process is fully implemented.

835. **In paragraph 60 of its report, the Board recommended that UNEP establish the proper coordination measures and controls in order to ensure an adequate use of the workplan formats at the regional level and to enhance coherence within and between workplans.**

Departments responsible:	Policy and Programme Division, Regional Office for Africa and Regional Office for Latin America and the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

836. UNEP, through its transformation process, is revising its approach to the workplan processes. UNEP has now aligned its workplan processes with a proven model in organizational performance alignment called "objective and key results", and through that approach aims to ensure a "clear line of sight" between strategic objectives and colleagues in the organization; focus effort and alignment across the entire organization, including the regional offices; establish indicators for measuring progress (up to quarterly indicators); and enable more accurate and consistent communication on performance throughout UNEP.

837. **In paragraph 71 of its report, the Board recommended that UNEP introduce a new framework and a template for regional workplan reporting that includes an analysis of the implementation of indicators of accomplishment and takes into consideration the expected progress and sources of data for verification established in the programme of work as applied to the regional level.**

Departments responsible:	Policy and Programme Division, Regional Office for Africa and Regional Office for Latin America and the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

838. UNEP has now adopted the "objective and key results" model for its work planning process. The design and roll-out of a new template has been completed. In addition, training workshops have been rolled out throughout UNEP, including the regional offices. The framework and template for regional workplan reporting will be put in place once all of the preparation processes are completed.

839. **In paragraph 72 of its report, the Board recommended that regional offices of UNEP maintain updated workplans by formalizing in them the new activities and projects that have been included in the respective year's performance.**

Departments responsible:	Policy and Programme Division, Regional Office for Africa and Regional Office for Latin America and the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

840. UNEP is applying the "objective and key results" approach in its workplan process across the entire organization, including the regional offices. The approach is aimed at ensuring accurate and consistent communication on performance throughout UNEP.

841. **In paragraph 82 of its report, the Board recommended that the Evaluation Office of UNEP establish a mechanism that allows it to verify the integrity of the project information received from other UNEP sections, to guarantee the completeness and integrity of databases for the elaboration of the workplan of the Evaluation Office of UNEP.**

Department responsible:	Evaluation Office
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

842. UNEP has put in place an enhanced verification process to create an initial annual workplan that acts as a tool for tracking the completion of UNEP projects and assessing their eligibility for evaluation throughout the year. The workplan also allows for the strategic priority of projects to be assessed and for work to be assigned.

843. **In paragraph 98 of its report, the Board recommended that UNEP coordinate with the Regional Office for Latin America and the Caribbean and the Regional Office for Africa in order to take liaison measures with the external**

institutions involved in project implementation, aiming to improve the efficiency of the project implementation process.

Departments responsible:	Corporate Services Division, Regional Office for Latin America and the Caribbean and Regional Office for Africa
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

844. UNEP will explore the elaboration of the corporate guidance to partners signing small-scale funding agreements and programme cooperation agreements with regard to UNEP implementation arrangements, applicable rules, implications for cooperation and/or agreements and reporting requirements, among other things.

845. **In paragraph 99 of its report, the Board recommended that UNEP expedite the recruitment process of project coordinators as a principal priority and, subsequently, the recruitment of the personnel to support project implementation, taking into consideration the committed starting date.**

Departments responsible:	Policy and Programme Division, Regional Office for Latin America and the Caribbean, Regional Office for Africa and Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

846. The UNEP Regional Office for Latin America and the Caribbean has already advertised the project coordination positions prior to the receipt of funds. In addition, the Regional Office intends to advertise the proposed Professional positions once the project is approved, to expedite the process.

847. **In paragraph 100 of its report, the Board recommended that UNEP liaise with the Regional Office for Latin America and the Caribbean to coordinate and organize in a timely manner the inception workshops to start with the project review and, subsequently, begin its implementation.**

Departments responsible:	Policy and Programme Division, Regional Office for Latin America and the Caribbean and Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

848. UNEP has organized inception workshops for all the Global Environment Facility and Green Climate Fund projects and aims to include this process as a requirement in the implementation plans of projects.

849. **In paragraph 101 of its report, the Board recommended that UNEP coordinate its budget allocations in a timely manner in order to comply with the execution schedule of project workplans.**

Departments responsible:	Policy and Programme Division, Regional Office for Latin America and the Caribbean, Regional Office for Africa and Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

850. UNEP will review its internal processes that impact on the timely allocation of budgets with a view to establishing opportunities for enhancing process efficiency to ensure compliance with the schedules of project workplans.

851. **In paragraph 109 of its report, the Board recommended that UNEP coordinate with the Umoja team to improve the structure of the registration of information in the Umoja system with regard to regional projects that develop activities in several countries of the region, allowing for segregation by country in the system.**

Departments responsible:	Policy and Programme Division, Regional Office for Latin America and the Caribbean, Regional Office for Africa and Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

852. UNEP will liaise with the Umoja team at United Nations Headquarters on the possibilities of implementing technical changes required in Umoja to accommodate the inclusion of country information.

853. **In paragraph 126 of its report, the Board recommended that the UNEP Regional Office for Latin America and the Caribbean improve the preparation of progress reports by adequately informing the development of activities together with measurable results, in order to enhance transparency and accountability of the outcomes that are obtained from the use of the resources allocated.**

Departments responsible:	Policy and Programme Division and Regional Office for Latin America and the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

854. The UNEP Regional Office for Latin America and the Caribbean has initiated the development of a checklist for all progress reports.

855. **In paragraph 127 of its report, the Board recommended that the UNEP Regional Office for Latin America and the Caribbean take the necessary measures to maintain updated information in Umoja regarding ongoing projects in order to use that information for reporting.**

Departments responsible:	Policy and Programme Division and Regional Office for Latin America and the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

856. The UNEP Regional Office for Latin America and the Caribbean will put in place measures to ensure periodic review and verification of the information on grants and projects to ensure that it is up-to-date in Umoja. In addition, the Regional Office will establish mechanisms to monitor information on project performance to ensure that it is captured in Umoja in a timely manner whenever possible.

857. **In paragraph 137 of its report, the Board recommended that UNEP establish a control mechanism that ensures compliance with the provisions of the partnership policy and procedures with regard to the requirement to compare at least three candidate organizations. This mechanism should include the correct documentary record of the performance of the comparison.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

858. UNEP has already initiated the process of revising and updating the partnership policy and procedures to enhance compliance.

859. **In paragraph 138 of its report, the Board recommended that UNEP include, in the evaluation process of candidates, records of their compliance with the requirements to be an implementing partner of UNEP and, in addition, implement a weighting or scoring system of the factors evaluated to ensure greater transparency in the selection process.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

860. UNEP has already initiated the process of revising and updating the partnership policy and procedures.

861. **In paragraph 139 of its report, the Board recommended that UNEP identify, within the requirements that UNEP considers when evaluating a candidate, those that are requested by the donor, so that the process is more transparent and creates a climate of trust between the different stakeholders towards the processes of implementing partnership selection carried out by UNEP.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

862. UNEP, through the process already initiated for revising and updating the partnership policy and procedures, will explore the possibility of accommodating the requirements for candidates in order to fulfil this recommendation.

863. **In paragraph 151 of its report, the Board recommended that UNEP develop guidelines for the determination of instalments to be paid to implementing partners, regulating the quantity of payments to be disbursed, assigning to each of those payments a range or percentage of the total amount of the agreement and evaluating the establishment of a minimum number of instalments to be disbursed to implementing partners. For this purpose, the entity could consider the indications in the UNEP programme manual.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

864. UNEP has already started to review its partnership policy and procedures to address issues relating to implementing partners, for example, the minimum number of instalments to be disbursed.

865. **In paragraph 152 of its report, the Board recommended that UNEP establish the factors and/or situations that will be considered as exceptions to the instalment payment rule, keeping records of the authorizations and decisions made.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

866. UNEP will consider establishing the criteria for the exceptions to the instalment payment rule through the ongoing review of its partnership policy and procedures.

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

Departments responsible:	Secretariat for the Convention on Biological Diversity and Law Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

868. UNEP notes that the roles and responsibilities are set out in the Revised Administrative Arrangements between UNEP and the secretariat for the Convention on Biological Diversity (annex I to decision X/45 of the Conference of the Parties to the Convention). UNEP plans to develop the service level agreement envisaged in the decision.

869. **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.**

Department responsible:	Secretariat for the Convention on Biological Diversity and Law Division
Status:	Closure requested
Priority:	High
Target date:	Not applicable

870. The secretariat for the Convention on Biological Diversity notes that the Revised Administrative Arrangements, endorsed by the Conference of the Parties to the Convention in its decision X/45, already establish the respective roles of UNEP and the secretariat for the Convention. It also notes that the programmatic cooperation with UNEP, as with other United Nations entities, is guided by relevant decisions of the Conference of the Parties. In this context, there are several memorandums of cooperation with other entities, including with various programmes under UNEP. In view of the Revised Administrative Arrangements, which define the responsibilities of UNEP, and considering that the responsibility and accountability for programmatic elements are guided by the relevant decisions of the Conference of the Parties, the secretariat for the Convention and UNEP consider this recommendation to have been implemented and request its closure by the Board.

871. **In paragraph 180 of its report, the Board recommended that UNEP coordinate with the secretariat for the Convention on Biological Diversity to introduce a framework that guides the planning process at the different levels of the secretariat, incorporating a clear definition of the main concepts to be used in that process, such as results, outputs, indicators of achievement and/or means of verification.**

Departments responsible:	Secretariat for the Convention on Biological Diversity and Law Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

872. The secretariat for the Convention on Biological Diversity will develop a results-based budgeting framework in accordance with decisions of the Conference of the Parties to the Convention.

873. **In paragraph 181 of its report, the Board recommended that UNEP coordinate with the secretariat for the Convention on Biological Diversity the establishment of a comprehensive workplan on the secretariat's activities, which is aligned with the secretariat's strategic objectives and with the decisions of the Conference of the Parties to the Convention on Biological Diversity and incorporates measurable indicators of accomplishment and means of verification.**

Departments responsible:	Secretariat for the Convention on Biological Diversity and Law Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

874. The secretariat for the Convention on Biological Diversity notes that it reports to the Conference of the Parties on its programmatic activities in accordance with article 24 of the Convention. The reports include the updates on the implementation of the decisions of the Conference of the Parties. However, the secretariat will continue to work with UNEP headquarters, in consultation with the Conference of the Parties, as necessary, on the alignment of its workplans with its strategic objectives. The secretariat estimates that this recommendation is partly implemented and is committed to its full implementation.

875. **In paragraph 185 of its report, the Board recommended to UNEP that the secretariat for the Convention on Biological Diversity issue the report on the administration of the Convention on Biological Diversity in line with the activities disclosed in its programme of work, presenting those activities in accordance with its budget and its execution.**

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

876. The secretariat for the Convention on Biological Diversity will work on improving its reports to comply with the recommendation.

877. **In paragraph 186 of its report, the Board recommended that UNEP assist and coordinate with the secretariat for the Convention on Biological Diversity in order to standardize the secretariat's reporting processes, with the aim of including indicators, means of verification, outcomes and assessment for each activity presented in the programme of work.**

Departments responsible:	Secretariat for the Convention on Biological Diversity and Law Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

878. The secretariat for the Convention on Biological Diversity notes that it reports to the Conference of the Parties, in accordance with article 24 of the Convention, and receives its mandate on programmatic and reporting matters from the Conference of the Parties. However, the secretariat will continue to work with UNEP headquarters, in consultation with the Conference of the Parties, as necessary, to determine the possibility of making appropriate changes to the processes of issuance of reports, as outlined in this recommendation.

879. **In paragraph 199 of its report, the Board recommended that UNEP assess and correct the grants posted in its BHL and BXL trust funds.**

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

880. The secretariat for the Convention on Biological Diversity will work on the reconciliation and the cleaning up of the trust funds in line with the recommendation.

881. **In paragraph 200 of its report, the Board recommended that UNEP coordinate with the secretariat for the Convention on Biological Diversity in order to include in the report on the administration of the secretariat information on the performance of the BHL and BXL trust funds.**

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

882. The secretariat for the Convention on Biological Diversity will work on the inclusion of the performance of its BHL and BXL trust funds in its report on the administration of the secretariat.

883. **In paragraph 209 of its report, the Board recommended that UNEP coordinate with the secretariat for the Convention on Biological Diversity to take the measures needed to comply with the preparation of a complete long-term**

strategic framework for capacity-building beyond 2020, in order for it to be presented in conformity with the requirements of the Conference of the Parties.

Departments responsible:	Secretariat for the Convention on Biological Diversity and Law Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

884. The secretariat for the Convention on Biological Diversity and the Law Division of UNEP will take the measures needed to ensure conformity with decisions of the Conference of the Parties.

885 **In paragraph 219 of its report, the Board recommended that UNEP assist and liaise with the secretariat for the Convention on Biological Diversity to coordinate with the Conference of the Parties to the Convention to adjust the programme of work and budget submission, with the aim of evaluating and implementing a more realistic workplan for the secretariat in accordance with available resources.**

Departments responsible:	Secretariat for the Convention on Biological Diversity and Law Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

886. The secretariat for the Convention on Biological Diversity welcomes the support of UNEP headquarters; it notes, however, that the role of coordination with the Conference of the Parties on such matters rests with the secretariat. The secretariat will, nonetheless, work with UNEP headquarters, in consultation with the Conference of the Parties, as necessary, to determine the possibility of making appropriate changes to the workplans, as outlined in this recommendation.

887. **In paragraph 220 of its report, the Board recommended that UNEP assist and liaise with the secretariat for the Convention on Biological Diversity to coordinate with the Conference of the Parties to include the voluntary contributions in the budget submission in a way that reflects the necessary resources to implement the Conference of the Parties' decisions.**

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

888. The secretariat for the Convention on Biological Diversity has already included the voluntary contributions in the budget submission, and will continue to do so. In this regard, the secretariat and UNEP consider this recommendation to have been implemented and request its closure by the Board.

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

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

890. The secretariat for the Convention on Biological Diversity welcomes the support of UNEP headquarters, but notes that it is not the role of UNEP to coordinate with the Conference of the Parties on such matters. Wherever possible, assistance will be provided to colleagues in the secretariat on the basis of the corporate expertise of UNEP in resource mobilization.

891. **In paragraph 237 of its report, the Board recommended that UNEP reinforce its control mechanisms at the secretariat for the Convention on Biological Diversity to ensure that the selection processes of consultants and individual contractors are competitive and transparent and consider at least three recommended applicants.**

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

892. The secretariat for the Convention on Biological Diversity has already implemented this recommendation. Implementation started with all post-audit recruitments and will continue for future recruitments.

893. **In paragraph 238 of its report, the Board recommended that UNEP establish and correctly document an initial control mechanism at the secretariat for the Convention on Biological Diversity to verify whether the applicants for consultants and individual contractors have permission to work in the country, when that is required by the terms of reference, as a first filter before starting to make any evaluation of the candidate.**

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

894. The secretariat for the Convention on Biological Diversity has already started to implement this recommendation.

895. **In paragraph 239 of its report, the Board recommended that UNEP liaise with the secretariat for the Convention on Biological Diversity with the aim of ensuring that the secretariat completes each field of the application process documents to ensure that all participants have complete information.**

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

896. The secretariat for the Convention on Biological Diversity has already started to implement this recommendation.

897. **In paragraph 247 of its report, the Board recommended that UNEP establish a control and supervision mechanism that periodically and in a documented manner ensures that the contracting processes of consultants and individual contractors include terms of reference for each of them, and that these terms of reference contain all information established in the administrative instruction ST/AI/2013/4.**

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

898. The secretariat for the Convention on Biological Diversity has already started to implement this recommendation.

899. **In paragraph 255 of its report, the Board recommended that UNEP establish a control mechanism that guarantees compliance with the terms of reference of the hiring processes of consultants and individual contractors at the secretariat for the Convention on Biological Diversity, in particular with regard to the deadline for the development of contracted tasks, so that contracts do not exceed the duration specified in the terms of reference.**

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

900. The secretariat for the Convention on Biological Diversity will work on implementing this recommendation.

901. **In paragraph 256 of its report, the Board recommended that UNEP ensure that the contracts contain all the information necessary to identify the department that signs the contract and the consultants and individual contractors hired at the secretariat for the Convention on Biological Diversity.**

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

902. The secretariat for the Convention on Biological Diversity has already started to implement this recommendation.

903. **In paragraph 257 of its report, the Board recommended that UNEP keep records of how the fee level was determined for each contract with consultants and individual contractors at the secretariat for the Convention on Biological Diversity.**

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

904. The secretariat for the Convention on Biological Diversity has already started to implement this recommendation.

905. **In paragraph 267 of its report, the Board recommended that UNEP establish a control mechanism that allows for the alerting of personnel in charge of hiring consultants and individual contractors about possible risk situations, such as hiring former and retired staff members or surpassing the maximum hiring periods in accordance with the administrative instruction.**

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

906. The secretariat for the Convention on Biological Diversity has already started to implement this recommendation.

907. **In paragraph 274 of its report, the Board recommended that UNEP reinforce its control mechanism and ensure that each interim evaluation and each final evaluation are carried out in a timely manner in accordance with the provisions of the administrative instruction.**

Department responsible:	Secretariat for the Convention on Biological Diversity
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

908. The secretariat for the Convention on Biological Diversity has already started to implement this recommendation.

909. **In paragraph 284 of its report, the Board recommended that UNEP coordinate with the secretariat for the Bamako Convention in order to establish a comprehensive workplan on the secretariat's activities. The workplan should be aligned with the secretariat's strategic objectives and with the decisions of the Conference of the Parties to the Bamako Convention, incorporating also a schedule of milestones and measurable indicators of accomplishment and means of verification.**

Department responsible:	Secretariat for the Bamako Convention
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

910. UNEP will liaise with the secretariat for the Bamako Convention for the establishment of a workplan that is aligned with the secretariat's strategic objectives and with the decisions of the Conference of the Parties to the Bamako Convention.

911. **In paragraph 297 of its report, the Board recommended that UNEP assess the creation of trust funds in Umoja for the Bamako Convention secretariat in order to comply with the structure settled by the United Nations Environment Assembly.**

Department responsible:	Secretariat for the Bamako Convention
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

912. UNEP will liaise with the secretariat for the Bamako Convention on the implementation of this recommendation.

913. **In paragraph 298 of its report, the Board recommended that UNEP reallocate the Bamako Convention revolving fund into an assessed contribution category, creating a specific account for this purpose in the BML trust fund.**

Department responsible:	Secretariat for the Bamako Convention
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

914. UNEP will liaise with the secretariat for the Bamako Convention on the implementation of this recommendation.

915. **In paragraph 299 of its report, the Board recommended that UNEP liaise with the Bamako Convention secretariat to coordinate with the Conference of the Parties to the Bamako Convention to adjust the programme of work and budget submission, with the aim of evaluating and implementing a more realistic workplan for the secretariat in accordance with the available resources.**

Department responsible:	Secretariat for the Bamako Convention
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

916. UNEP will liaise with the secretariat for the Bamako Convention on the implementation of this recommendation.

917. **In paragraph 312 of its report, the Board recommended that UNEP coordinate with the United Nations Secretariat and the United Nations Office at Nairobi to assess and elaborate a new accounting policy in order to establish an enhanced basis for decision-making on the recognition of non-exchange transactions, in line with IPSAS 23: Revenue from non-exchange transactions (taxes and transfers).**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

918. UNEP will continue to liaise with the United Nations Office at Nairobi on the possibility of elaborating the new accounting policy on the recognition of revenue for non-exchange transactions. UNEP wishes to note that the implementation of this recommendation is subject to the issuance of the new accounting policy on the recognition of revenue for non-exchange transactions by the United Nations Secretariat.

919. **In paragraph 313 of its report, the Board recommended that UNEP implement the appropriate control mechanisms to measure the level of accomplishment of contribution agreements and to make the necessary budgetary and programme of work adjustments before the year's closure.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

920. UNEP will liaise with the United Nations Office at Nairobi on the possibility of creating a report in Umoja that could serve as a control tool to monitor and evaluate the level of accomplishment of contribution agreements to make appropriate budgetary and programme of work adjustments before the year's closure.

921. **In paragraph 314 of its report, the Board recommended that UNEP implement a mechanism to ensure proper support documentation for the contribution agreements uploaded in Umoja.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

922. UNEP, in collaboration with the United Nations Office at Nairobi, is already working on updating the standard operating procedures to ensure that proper supporting documentation is maintained in Umoja for the contribution agreements.

923. **In paragraph 326 of its report, the Board recommended that UNEP improve its note on segment reporting in the notes to the financial statements by adding the description of the structure and activities developed by each segment.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

924. UNEP, in conjunction with the United Nations Office at Nairobi, will work on implementing this recommendation.

925. **In paragraph 327 of its report, the Board recommended that UNEP disclose in the annexes to the notes to the financial statements the details, at the fund level, of the five pending segments, in order to enhance transparency of financial reporting.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

926. UNEP is already in discussion with the United Nations Office at Nairobi on the possible ways of ensuring implementation of this recommendation.

927. **In paragraph 328 of its report, the Board recommended that UNEP evaluate, in coordination with the United Nations Office at Nairobi and United Nations Headquarters, the disclosure of expenses in the notes to the financial statements disaggregated by geographical segments. This evaluation should also be extended to revenue, assets and liabilities.**

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

928. UNEP has evaluated, with the United Nations Office at Nairobi, the feasibility of geographical segment reporting and has found that it is not technically possible. UNEP does not accept this recommendation and requests its closure by the Board.

929. **In paragraph 329 of its report, the Board recommended that UNEP enact a reasoned decision on the feasibility of reporting by geographical segment that includes an implementation schedule in case this disclosure is determined to be practicable.**

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

930. UNEP has evaluated, with the United Nations Office at Nairobi, the feasibility of geographical segment reporting and has found that it is not technically possible. UNEP does not accept this recommendation and requests its closure by the Board.

931. **In paragraph 358 of its report, the Board recommended that UNEP ensure that overtime rewards as compensatory time off and as additional payment be calculated in accordance with the information circular UNON/IC/2015/07 and the proper instructions, in compliance with the schedule established by the Nairobi duty station.**

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

932. UNEP will closely monitor overtime and compensatory time off in line with information circular UNON/IC/2015/07. UNEP will also liaise closely with the United Nations Office at Nairobi to ensure that the calculation adheres to the information circular.

933. **In paragraph 359 of its report, the Board recommended that UNEP review and correct the cases identified, as accumulated entitlement of compensatory time off on inappropriate schedules; overtime payments on incorrect schedules; and payments that exceed the established rates.**

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

934. In collaboration with the United Nations Office at Nairobi, UNEP will review and establish any case of overpayment so that the requisite deductions can be made from the staff members. Where there is an underpayment, reimbursement will be made to the staff member.

935. **In paragraph 360 of its report, the Board recommended that UNEP regulate the lunch-break time on Fridays under the overtime hypothesis, indicating its duration, opportunity and counting the overtime rewards from this interruption thereafter.**

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

936. UNEP will ensure adherence to Friday work arrangements. In addition, time administrators will sensitize the staff in their offices of the regulations.

937. **In paragraph 361 of its report, the Board recommended that UNEP review the quantity of overtime per month, with special emphasis on those who exceed the allowed limit of 40 hours, taking the necessary measures to avoid surpassing this ceiling and requiring prior exceptional approval every time this boundary cannot be complied with.**

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

938. UNEP will monitor and limit the overtime requests that are over 40 hours per month to the most essential tasks. Pre-approvals by managers will be required before any such overtime is taken.

939. **In paragraph 369 of its report, the Board recommended that UNEP reactivate the ICT group or ICT local committee by holding meetings twice a year, as indicated in its ICT terms of reference established in May 2015, and complying with the provisions of the Secretary-General's bulletin on the Information and Communications Technology Board.**

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

940. UNEP notes that the ICT local committee meeting was tentatively planned for May 2020, but, owing to COVID-19, the ICT team needed to focus and support the organization on various ICT-related issues. The meeting is now planned for the fourth quarter of 2020.

941. **In paragraph 374 of its report, the Board recommended that UNEP issue its delegations of authority through the delegation of authority online portal and clear up any discordances between the delegation of authority online portal and Umoja roles in accordance with the delegation of authority in the administration of the Staff Regulations and Rules and the Financial Regulations and Rules.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

942. UNEP conducted a review of the delegation of authority online portal and Umoja roles in May 2020 and all discordances were cleared up. Such a review is carried out on a quarterly basis. The Business Transformation and Accountability Division of the Department of Management Strategy, Policy and Compliance of the United Nations Secretariat also reviews subdelegations and Umoja roles and requests the delegation of authority focal points to review any inconsistencies.

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

943. In the annex to its report for the year ended 31 December 2019 (A/75/5/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 24 recommendations that have been determined by the Board to be either under implementation or not implemented. The information is set out below in the order in which the recommendations are presented in the annex.

944. Table 25 summarizes the overall situation as of August 2020.

Table 25
Status of implementation of recommendations from prior periods considered not fully implemented
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Corporate Services Division	16	–	1	15	15	–
Policy and Programme Division	3	–	–	3	3	–
UNEP Regional Office for Europe	1	–	–	1	1	–
Multiple offices	4	–	–	4	4	–
Total	**24**	**–**	**1**	**23**	**23**	**–**

Report of the Board for the year ended 31 December 2015[32]

945. **In paragraph 52 of its report, the Board recommended that UNEP ensure sufficient controls over the preparation and submission of required project reports by implementing agencies in compliance with the project cooperation agreements.**

---

[32] A/71/5/Add.7, chap. II.

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

946. UNEP notes that there is no system to identify which reports have been received and which are overdue. Nonetheless, it conveyed the Board's recommendations on project management, information updates and implementing partners' compliance with the requirements of the project cooperation agreement to the Umoja Extension 2 development team. UNEP has yet to conclude the discussions on system features but expects the system to have the following features: report due dates, submitted dates and accepted dates; the ability to allow implementing partners to report directly against the logical framework assigned to the implementing partner and attach certified financial reports; and the monitoring of payments and reports.

947. **In paragraph 56 of its report, the Board recommended that the UNEP Global Environment Facility: (a) make more effort and follow-ups to ensure that expenditure reports are submitted within the agreed time frames under the signed agreements; and (b) consider the write-off of receivables with respect to which expenditure reports cannot be retrieved and the recoverability of advances has proved to be uncertain.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

948. UNEP will continue working with the Umoja team at United Nations Headquarters on implementing system features that will help in monitoring implementing partners. In addition, UNEP has undertaken the clean-up process, which has resulted in a reduction in the converted balances. UNEP will also continue working with the United Nations Office at Nairobi to ensure that there are no approvals of new advances for implementing partners that have defaulted in reporting to UNEP.

949. **In paragraph 67 of the report, UNEP agreed with the Board's recommendation that it review the residual value and the useful lives of all assets and ensure that the asset register is updated to reflect the restated figures after Headquarters has completed the analysis of property, plant and equipment.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

950. The inter-agency Task Force on Accounting Standards survey of the analysis of useful economic life of fixed assets across the United Nations Secretariat and all United Nations agencies will be on all physical assets, and the collection of data on the actual useful lives of assets is in progress. It is expected that the data collected

from all United Nations offices and agencies across all classes of assets will serve as the basis for the revision of a system-wide policy on useful lives. In this regard, the United Nations Secretariat will await the survey outcome before taking a final decision on the treatment of fully depreciated assets still in use. The Administration also plans to introduce enhancements to equipment master records that will allow for a periodic review of useful lives across entities using Umoja.

Report of the Board for the year ended 31 December 2016[33]

951. **In paragraph 24 of its report, the Board recommended that UNEP enhance its follow-up efforts with implementing partners to submit the required reports on time so as to expedite financial closure of operationally closed projects.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

952. Please refer to the Administration's comments relating to the recommendation contained in paragraph 52 of the report of the Board for the year ended 31 December 2015 (see para. 946 above).

953. **In paragraph 33 of its report, the Board recommended that UNEP conduct a regular follow-up with implementing partners to ensure that they comply with the UNEP programme manual by submitting consolidated audited financial statements on completed projects to provide assurance over the expenditure incurred during the implementation of the projects.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

954. Please refer to the Administration's comments relating to the recommendation contained in paragraph 52 of the report of the Board for the year ended 31 December 2015 (see para. 946 above).

955. **In paragraph 39 of the report, UNEP agreed with the Board's recommendation to develop an anti-fraud policy to ensure that a consistent approach to fraud detection, measurement and reporting is in place across all implementing partners.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

---

[33] A/72/5/Add.7, chap. II.

956. UNEP is in the process of reviewing the draft anti-fraud and anti-corruption guidelines and aims to finalize this process to ensure that this recommendation is implemented.

957. **In paragraph 68 of its report, the Board recommended that UNEP expedite the implementation of enterprise risk management to ensure an effective and efficient risk management process.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

958. UNEP will continue the review and development of its enterprise risk management framework guidelines, including the implementation plan to be applied across the organization, including the secretariats of the multilateral environmental agreements. UNEP wishes to inform the Board that a small team has been assigned to take up the enterprise risk management responsibilities and the team is now preparing the second phase of the implementation plan (identification and assessment of corporate-level risks), in accordance with the proposed timeline.

Report of the Board for the year ended 31 December 2017[34]

959. **In paragraph 30 of its report, the Board recommended that UNEP: (a) introduce a mechanism to enforce prompt recording of all project financial information in Umoja and regularly update the project financial data in the system; (b) introduce a regular review of project information in Umoja to verify the correctness and completeness of project data; and (c) ensure that all transactions in Umoja are linked to a valid and approved project in support of the programme of work.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

960. UNEP will continue working with the Umoja team at United Nations Headquarters on the possibilities of this functionality in Umoja Extension 2.

961. **In paragraph 35 of its report, the Board recommended that UNEP establish guidelines for field offices on how to assess and select implementing partners who are not-for-profit, public-sector organizations.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

───────────────

[34] A/73/5/Add.7, chap. II.

962. UNEP will continue working with the Office of Programme Planning, Finance and Budget in developing a Secretariat-wide policy/framework for the management of implementing partners, including the guidelines on the engagement of partners.

963. **In paragraph 53 of the report, UNEP agreed with the Board's recommendation to issue a policy document based on the Anti-Fraud and Anti-Corruption Framework of the United Nations Secretariat.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

964. UNEP is in the process of reviewing the draft anti-fraud and anti-corruption guidelines and aims to finalize this process to ensure that this recommendation is implemented.

Report of the Board for the year ended 31 December 2018[35]

965. **In paragraph 29 of its report, the Board recommended that UNEP update the Programme Information and Management System with complete and up-to-date project information to ensure appropriate management and an integral future migration to Umoja, establishing control mechanisms that secure results-based management.**

Department responsible:	Policy and Programme Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

966. UNEP will continue updating the project information in the Programme Information and Management System. In addition, measures are under consideration to clean up and close inactive projects.

967. **In paragraph 41 of its report, the Board recommended that UNEP conduct a staffing assessment related to the positions of project manager and supervisor. This assessment could be related to work distribution, recruitment needs, employee redeployment and training, or any other evaluation suitable to determine the measures needed to ensure adequate performance monitoring and reporting.**

Departments responsible:	Corporate Services Division and Policy and Programme Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

_____
[35] A/74/5/Add.7, chap. II.

968. UNEP will undertake the assessment of the staffing needs as required by the Board's recommendation.

969. **In paragraph 43 of its report, the Board recommended to regulate the supervisor position, setting out its obligations and responsibilities in the UNEP programme manual, in accordance with what the agency has indicated.**

Department responsible:	Policy and Programme Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

970. An overall project for skills mapping and role mapping has been undertaken for the Corporate Services Division, which houses corporate functions such as finance, administration, human resources and budget. A proposal on the restructuring of the Division has been presented. Skills mapping for the entire organization is not envisaged at the moment. However, UNEP management has launched a UNEP-wide transformation study, led by the Executive Director and senior management and representatives from staff. A draft document on "supervisor responsibilities" has been prepared for internal circulation. Final roles would need to take into account the staffing assessment.

971. **In paragraph 45 of its report, the Board recommended that, despite actions that have already been taken, UNEP establish an appropriate training course for both positions as well as complete guidelines regulating the accountability process for their obligations set out in the UNEP programme manual.**

Department responsible:	Policy and Programme Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

972. UNEP has initiated the consultancy and review process for the Project Review Committee. The assessment is expected to be carried out in the next six months to provide clarity to the roles and responsibilities of different actors involved in project design and implementation. UNEP intends to use the outcomes of this assessment to set up a priority plan for the training needs for the entire project cycle, including for the project manager and supervisor.

973. **In paragraph 60 of its report, the Board recommended that UNEP establish measures to guarantee that the digital folders contain all the files that support the implementation of the projects and the performance of the implementing partners.**

Departments responsible:	Secretariat for the Basel, Rotterdam and Stockholm conventions and UNEP Regional Office for Europe
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

974. The secretariat for the Basel, Rotterdam and Stockholm conventions and the UNEP Regional Office for Europe will continue working towards ensuring that all the files are available in the digital folders.

975. In paragraph 61 of its report, the Board recommended that UNEP improve its project planning process, in order to avoid significant variations in terms of deadlines and allocated funds.

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

976. UNEP has started to undertake "legal instruments" training, which covers the workflow related to the handling of legal instruments, including planning, allocation of funds and deadlines. The sessions are aimed at improving efficiency in the management and processing of legal instruments, from the planning stage to implementation, from the legal point of view, and will include information on the new delegation of authority policy and framework and on the progress of the revision of the 2011 partnership policy and procedures.

977. In paragraph 79 of its report, the Board recommended that UNEP carry out a review and consolidation of all current UNEP Global Environment Facility projects, with the necessary information to ensure adequate accountability and programme management.

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

978. UNEP will continue working with the Umoja team on Umoja Extension 2 to explore the possibilities for addressing the needs of this recommendation. As an interim solution, UNEP has developed a "corporate dashboard" system, building on the Programme Information and Management System database, that will help ensure sound project and portfolio management. The Global Environment Facility team will continue discussions with the teams on policy and programme monitoring and enterprise solutions about the indicators that should be regularly monitored and measures that are useful in the Global Environment Facility and UNEP context. UNEP also hopes to benefit from its participation in the development of the Umoja Extension 2 project portfolio module for voluntary contributions, which includes funding for the Facility, as the module is intended to support project planning and reporting while linking to project budgeting and project implementing partners in other Umoja modules.

979. In paragraph 80 of its report, the Board recommended that UNEP take measures to integrate and to improve the management of information, in order to ensure compliance with the objectives of the Programme.

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

980. UNEP will continue working with the Umoja team on Umoja Extension 2 deployment in exploring ways to address this recommendation. In addition, UNEP plans to integrate Global Environment Facility projects into the Programme Information and Management System and corporate dashboard monitoring to ensure improved information and risk management in the Facility's portfolio.

981. **In paragraph 88 of its report, the Board recommended that UNEP establish proper coordination with its Regional Office for Europe and the secretariat for the Basel, Rotterdam and Stockholm Conventions, in order to obtain that they systematically manage risks and facilitate effective implementation of their mandated activities under the United Nations enterprise risk management and internal control policy.**

Departments responsible:	Secretariat for the Basel, Rotterdam and Stockholm conventions and UNEP Regional Office for Europe
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

982. Please refer to the Administration's comments relating to the recommendation contained in paragraph 68 of the report of the Board for the year ended 31 December 2016 (see para. 958 above).

983. **In paragraph 89 of its report, the Board recommended that the UNEP Regional Office for Europe and the secretariat for the Basel, Rotterdam and Stockholm conventions maintain an updated risk log, in accordance with the UNEP programme manual.**

Departments responsible:	Secretariat for the Basel, Rotterdam and Stockholm conventions and UNEP Regional Office for Europe
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

984. The secretariat for the Basel, Rotterdam and Stockholm conventions wishes to inform the Board that the risk assessment log used as a corporate risk management tool will be updated periodically.

985. **In paragraph 114 of its report, the Board recommended that the UNEP Regional Office for Europe consider, in its next annual workplans, performance indicators for monitoring, reporting and measuring the impact of its activities in the region, so as to implement the UNEP operating principle of results-based management.**

Department responsible:	UNEP Regional Office for Europe
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

986. UNEP notes that its Regional Office for Europe reviewed its workplan's indicators of achievement and targets against those of the overall UNEP programme of work for 2018–2019. The indicator values for all the subprogrammes, except subprogramme 4, are the same as in the overall programme of work. The Regional Office's projects are part of the overall programme of work and contribute to the expected accomplishments and the related indicators of the subprogrammes. The workplan format was provided by the Executive Office, together with the programme of work's indicators.

987. **In paragraph 143 of its report, the Board recommended that UNEP improve its monitoring of staff annual leave to ensure that all leave is requested and approved through supervisors in a timely manner in accordance with the Staff Regulations and Rules of the United Nations.**

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

988. UNEP, in liaison with the United Nations Office at Nairobi, has conducted briefings on time management and the recording of leave, including telecommuting. In addition, UNEP, in collaboration with the United Nations Office at Nairobi, has conducted training for the time managers and leave monitors. UNEP considers this recommendation to have been implemented and requests its closure by the Board.

989. **In paragraph 144 of its report, the Board recommended that UNEP perform a periodic and timely review of the leave system to identify absences and, if relevant, apply the charges to the monthly salary of the staff.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

990. UNEP is exploring the possibility of revamping the existing dashboard related to annual leave management to implement this recommendation. In the interim, UNEP has already conducted training for time managers and leave monitors to enhance monitoring. In addition, the leave monitors and time managers have been briefing the staff on time management issues.

991. **In paragraph 152 of its report, the Board recommended that UNEP ensure the accuracy of ICT data, preserve and protect ICT resources, related to the consolidation of the management information on projects in one system, considering also in this process the historical projects data, pursuant to bulletin ST/SGB/2004/15.**

Department responsible:	Corporate Services Division
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

992. UNEP will continue to take part in the discussion on the reporting features of Umoja Extension 2 among all entities in the United Nations Secretariat, on the possibility of incorporating this requirement into the system. In addition, discussions in UNEP are ongoing on the enhancements to the Programme Information and Management System to consolidate projects from the Global Environment Facility, the Green Climate Fund and the Multilateral Fund into one progress dashboard. The initial pilot of the enhancements is expected to be released to selected users as soon as possible.

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 2019[36]

993. Table 26 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

Table 26
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Procurement Services Branch	2	–	–	2	2	–
Multiple offices	4	–	–	4	4	–
Total	**6**	**–**	**–**	**6**	**6**	**–**

994. Table 27 summarizes the status of implementation of all recommendations of the Board as of August 2020.

Table 27
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division for Management Services	6	–	2	4	4	–
Ethiopia country office	3	–	2	1	1	–
Information Technology Solutions Office	1	–	–	1	1	–
Mozambique country office	1	–	–	1	1	–
Myanmar country office	3	–	–	3	3	–

_____

[36] A/75/5/Add.8, chap. II.

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Policy and Strategy Division	1	–	1	–	–	–
Procurement Services Branch	3	–	–	3	3	–
Multiple offices	10	–	–	10	10	–
Total	**28**	**–**	**5**	**23**	**23**	**–**

995. **In paragraph 28 of its report, the Board recommended that the United Nations Population Fund (UNFPA) take measures to improve preventive controls, in order to ensure that all UNFPA business units conduct procurement processes in accordance with the thresholds established in the procurement procedures (from the perspective of the solicitation method and procurement authority) and conduct solicitation and contract management using tools based on enterprise resource planning.**

> *Department responsible*:   Procurement Services Branch
>
> *Status*:   Under implementation
>
> *Priority*:   High
>
> *Target date*:   Second quarter of 2022

996. Management agreed with the spirit of the recommendation that the current enterprise resource planning system lacked many useful functionalities. UNFPA has already taken action to define the functional requirements that should be incorporated into the new system with regard to imposing the procurement process controls based on the thresholds established in the procurement procedures. The new cloud-based Oracle enterprise resource planning system, which is currently being implemented and is expected to be functioning by mid-2021, will address the concerns raised with regard to process visibility, internal control and effectiveness.

997. **In paragraph 29 of its report, the Board recommended that UNFPA ensure that the Procurement Services Branch coordinates with each procurement process user, in order to make the business analytics team of the Branch aware of the users' requirements, with the main objective of building standardized, timely and useful monitoring tools and reports for the users.**

> *Department responsible*:   Procurement Services Branch
>
> *Status*:   Under implementation
>
> *Priority*:   High
>
> *Target date*:   Fourth quarter of 2020

998. The management of the Procurement Services Branch has taken note of the recommendation of the Board that the Branch standardize and improve the existing procurement monitoring tools and reports, and has since worked on documenting, standardizing and enhancing a series of practices, guidelines and standard operating procedures for the newly formed business analytics team of the Branch. All of these documents will be presented to the Board during its next visit to UNFPA headquarters.

999. **In paragraph 38 of its report, the Board recommended that UNFPA ensure that information related to purchases is maintained in a reliable and comprehensive corporate electronic system, and that the information is complete and entered in a timely manner, in order to guarantee the effective management and monitoring of the different procurement and solicitation processes conducted by UNFPA.**

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

1000. Management recognized the importance of reliable information, effective governance and monitoring of the different procurement and solicitation processes. Accordingly, UNFPA has already taken actions to define the functional requirements for integrated digitized solicitation and procurement processes that should be incorporated into the new enterprise resource planning system, as the current Atlas enterprise resource planning system could not address such conditions owing to its limitations. This will guarantee the effective management and monitoring of the processes, including the maintenance of procurement logs.

1001. **In paragraph 53 of its report, the Board recommended that the UNFPA country office in Mozambique improve the assessment of the annual procurement plan in order to identify recurrent local acquisitions and undertake processes for the award of long-term agreements or requests for quotations, to avoid the risk of splitting procurements and increase the efficiency and effectiveness of this kind of procurement process.**

Department responsible:	Mozambique country office
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2020

1002. The country office in Mozambique has taken note of the recommendation and, based on the annual projected needs of the country office, will finalize the long-term agreement for the purchase of air travel tickets in the fourth quarter of 2020. As already shared with the Board, the country office is already using existing joint long-term agreements for the rental of vehicles. For the other services, the office does not consider it to be beneficial in terms of costs at this stage to engage in a complex and lengthy bidding process related to long-term agreements and therefore, for those services, it will continue to apply the procurement methods mandated in the relevant procurement policy in accordance with the thresholds and the nature of the purchases undertaken.

1003. **In paragraph 54 of its report, the Board recommended that the UNFPA country office in Myanmar comply with procurement procedures and monitor the financial thresholds for the different solicitation methods with the utmost accuracy.**

Department responsible:	Myanmar country office
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1004. In the UNFPA Myanmar country office, all procurement, including local procurement, is covered by the standard procurement procedures. The Myanmar country office had explained the circumstances to the Board of those few situations that were beyond the control of the office. Going forward, the country office will ensure compliance with the recommendation. The current enterprise resource planning system also lacks many useful functionalities. UNFPA has already taken actions to define the functional requirements that should be incorporated into the new system with regard to imposing the procurement process controls based on the thresholds established in the procurement procedures. The new cloud-based Oracle enterprise resource planning system, which is currently being implemented and is expected to be functioning by mid-2021, will address the concerns raised with regard to process visibility, internal control and effectiveness.

1005. **In paragraph 55 of its report, the Board recommended that the UNFPA country office in Myanmar create, approve and budget-check purchase orders before the suppliers provide the goods or services.**

Department responsible:	Myanmar country office
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1006. The country office in Myanmar had explained the circumstances of the exceptions to the Board. Going forward, the country office will ensure full compliance with the established procurement procedures.

1007. **In paragraph 64 of its report, the Board recommended that UNFPA recognize the inventories under the control of field offices each quarter, as established in the Policy and Procedures on Management of Programme Supplies.**

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

1008. Starting from the first quarter of 2020, UNFPA has been running the system processes required to reflect inventory balances in the general ledger on a quarterly basis, instead of upon completion of the certification of inventory balances by field offices. Management reiterates that, regardless of the frequency of the execution of the general ledger inventory processes, control and reporting on inventory balances is done on an ongoing basis, using data and reports provided by the shipment tracking tool in Atlas (i.e., the inventory control system). UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

1009. **In paragraph 65 of its report, the Board recommended that UNFPA comply with the preparation of the quarterly reports of conditions indicative of potential problems related to operating effectiveness in the order sourcing, fulfilment and delivery processes.**

Department responsible:	Division for Management Services
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1010. UNFPA decided to prepare the reports on conditions indicative of potential issues related to operating effectiveness in the programme supplies management process on a biannual basis, as the preparation of the report is currently a manually intensive task. The Policy and Procedures on Management of Programme Supplies will be modified to acknowledge this decision. The reports will be issued quarterly once the new enterprise resource planning system is rolled out.

1011. **In paragraph 76 of its report, the Board recommended that UNFPA and its Mozambique and Myanmar country offices update inventory transactions in a timely manner and accurately record them, in order to avoid inaccurate financial reporting for management decision-making.**

Departments responsible:	Mozambique and Myanmar country offices, with support from Division for Management Services
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1012. The Mozambique and Myanmar country offices will implement managerial oversight controls, under the responsibility of the country office representatives, to ensure that the inventory transactions are recorded in the Atlas shipment tracker as they occur. The Finance Branch of the Division for Management Services will present a series of global webinars focused on the proper use of the shipment tracker and additional guidance will be provided to both country offices as required.

1013. **In paragraph 77 of its report, the Board recommended that UNFPA and its Ethiopia and Mozambique country offices carry out all procedures established in the Policy and Procedures on Management of Programme Supplies in a timely manner, keeping the flow of operations updated and with the respective documentation in the shipment tracker.**

Departments responsible:	Ethiopia and Mozambique country offices, with support from Division for Management Services
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1014. The Mozambique and Ethiopia country offices will implement managerial oversight controls, under the responsibility of the country office representatives, to

ensure that all procedures mandated by the Policy and Procedures on Management of Programme Supplies are performed in a consistent and timely manner. The Finance Branch of the Division for Management Services will present a series of global webinars focused on those areas where compliance issues have been identified through the UNFPA performance management reporting process, and additional guidance will be provided to both country offices as required.

1015. In paragraph 84 of its report, the Board recommended that the UNFPA country offices in Ethiopia and Mozambique improve the standard operating procedure for customs clearance by incorporating the missing minimum activities established in the policy.

Departments responsible:	Ethiopia and Mozambique country offices
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1016. Management has taken note of the recommendation. In this regard, the Mozambique country office will revise the respective standard operating procedures for customs clearance for the commodities for which UNFPA is the consignee, based on the Policy and Procedures on Management of Programme Supplies. However, it is essential to note that in the case of Mozambique, the consignee for sexual and reproductive commodities is the Ministry of Health. Hence, for those commodities the Mozambique country office will continue to use the standard operating procedures that have been designed and implemented by the Ministry of Health.

1017. In paragraph 94 of its report, the Board recommended that the UNFPA country office in Ethiopia put in order the supplies stored in the warehouse, with the purpose of complying with the storage conditions established in the policy.

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

1018. Management is pleased to report that the supplies in the Ethiopia country office have already been put in order by the World Food Programme. Management will share the supporting documentation in this regard with the Board during the upcoming audit. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

1019. In paragraph 95 of its report, the Board recommended that the UNFPA country office in Ethiopia monitor on a daily basis the temperature and humidity of the warehouse, and keep respective logs.

Department responsible:	Ethiopia country office
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1020. Management agreed with the recommendation. The World Food Programme, as the manager of the warehouse, is looking into the possibility of implementing this recommendation and will advise UNFPA on the way forward.

1021. **In paragraph 96 of its report, the Board recommended that the UNFPA country office in Ethiopia evaluate the conditions of the products, in order to identify damaged or unusable supplies.**

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

1022. Management is pleased to report that the Ethiopia country office has already conducted an exercise to identify damaged and unusable supplies. Management will share the supporting documentation in this regard with the Board during the upcoming financial audit. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

1023. **In paragraph 110 of its report, the Board recommended that UNFPA country offices recognize correctly the expenditures incurred by implementing partners, in order to avoid expenditures that are not eligible or not aligned with the workplan or agreements signed between the parties.**

Departments responsible:	Policy and Strategy Division and Division for Management Services
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1024. Requirements with regard to the eligibility of expenses and the related review and approval processes are clearly stated in the Policy and Procedures for Preparation, Management and Monitoring of Workplans and the Policy and Procedures for Management of Cash Transfers to Implementing Partners. UNFPA management will present a series of global webinars, organized by the Policy and Strategy Division and the Finance Branch of the Division for Management Services, that will support improved policy compliance by reminding staff of essential policy requirements with regard to workplan reviews and the review and approval of expenses submitted by implementing partners, as well as other issues affecting workplan management and cash transfers processes identified through the annual workplan compliance review, the performance management reporting process and internal audit reports.

1025. **In paragraph 111 of its report, the Board recommended that UNFPA headquarters build capacity and provide training to country office staff, in order to ensure that the criteria for accepting expenditure are respected, in accordance with the policies and the applicable regulations.**

Departments responsible:	Policy and Strategy Division and Division for Management Services
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1026. UNFPA management will present a series of global webinars, organized by the Policy and Strategy Division and the Finance Branch of the Division for Management Services, that will support improved policy compliance by reminding staff of key policy requirements with regard to workplan reviews and the review and approval of expenses submitted by implementing partners, as well as other issues affecting workplan management and cash transfers processes identified through the annual workplan compliance review, the performance management reporting process and internal audit reports.

1027. **In paragraph 124 of its report, the Board recommended that the UNFPA country offices in Ethiopia, Mozambique and Myanmar take measures to improve and strengthen the monitoring and correct use of the global programming system to promote effective and efficient management of the use of the system among implementing partners.**

Departments responsible:	Ethiopia, Mozambique and Myanmar country offices
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1028. Management has taken note of the recommendation and is pleased to submit the information below for the three country offices:

(a)   The Ethiopia country office will conduct capacity-building sessions in the second half of 2020 for staff and implementing partners to improve and strengthen the monitoring and correct use of the global programming system by implementing partners;

(b)   The Myanmar country office will take measures to improve and strengthen the monitoring and correct use of the global programming system by implementing partners. As indicated by the Myanmar country office to the Board during the audit, the late submissions mentioned were related to humanitarian situations, particularly in Rakhine, where the working environment is different and implementing partners experience difficulties in collecting all information on time. The country office will continue to support and encourage implementing partners to submit electronic funding authorization and certificate of expenditure forms on time;

(c)   The Mozambique country office is taking the following measures:

(i)   During the second half of 2020, the Mozambique country office will train key staff of the implementing partners on the global programming system, the electronic funding authorization and certificate of expenditure forms and internal controls;

(ii) The assurance plan (the spot checks) has been revised and is being implemented throughout 2020 as part of the monitoring tools used by the country office.

1029. **In paragraph 125 of its report, the Board recommended that the UNFPA country offices in Ethiopia and Mozambique update all the bank accounts for each implementing partner agreement.**

Departments responsible:	Ethiopia and Mozambique country offices
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1030. Management has taken note of the recommendation and is pleased to report that in the Ethiopia country office, the discussion on updating bank accounts was accomplished and was agreed with UNDP. The country office has updated all bank accounts.

1031. The Mozambique country office will incorporate the updating of bank accounts against the implementing partner agreement, as uploaded to the Implementing Partners Assurance System, into the checklist it uses to approve requests by implementing partners for advance payments, which will ensure that such updates are continually carried out.

1032. **In paragraph 134 of its report, the Board recommended that the UNFPA country office in Myanmar perform spot checks in a timely manner and make efforts to improve the proactive and effective review of financial monitoring and control of the implementing partners.**

Department responsible:	Myanmar country office
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1033. Management has taken note of the recommendation and is pleased to report that the Myanmar country office will continue planning and conducting spot checks within the approved time frame.

1034. **In paragraph 152 of its report, the Board recommended that UNFPA and the Ethiopia, Mozambique and Myanmar country offices make efforts to ensure that travel requests and security authorizations are submitted in a timely manner, in order to ensure that the organization's resources are utilized efficiently and effectively.**

Departments responsible:	Division for Management Services, Office of the Security Coordinator and Ethiopia, Mozambique and Myanmar country offices
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1035. Management has been strongly encouraging country offices to confirm travel itineraries as early as possible and not only book but purchase airline tickets at least 21 days in advance of the travel date when travelling in the class below first class and at least 14 days in advance when travelling in economy class. The organization acknowledges that it is not always possible to comply with such a timeline (for reasons that include the need to respond urgently to humanitarian situations or comply with timelines that are linked to partners' responses) but expects offices to plan as early as possible, given the constraints.

1036. Management also has been strongly encouraging staff to obtain security clearance before travel, as it is an individual responsibility. Obtaining security clearances also allows personnel to receive updated security advisories and be included in security arrangements.

1037. With regard to specific actions by country offices:

(a) The Ethiopia country office is now enforcing the requirement that staff submit travel requests on time. If requests are not submitted on time, the representative of the country office will not approve the travel;

(b) The Myanmar country office will continue approving a purchase order before travel, once a travel authorization and security clearance are granted. Most of the trips are domestic, and all airfares are fixed, so there is no possibility of cost savings with regard to when tickets are purchased;

(c) The Mozambique country office will take measures to improve its oversight of the timely submission and processing of travel requests and security clearance through a travel dashboard. However, it is worth mentioning that, given the nature of UNFPA work, there are always instances, out of the office's control, that lead to the submission of travel requests at short notice (e.g., activities or events triggered by donors, or requests that come from or are contingent upon the confirmation of high-level Government authorities, among others).

1038. **In paragraph 153 of its report, the Board recommended that UNFPA monitor compliance with the deadlines established in the guidance on the authorization of official business travel, with the purpose of managing such travel in an effective, efficient and timely manner.**

Department responsible:	Division for Management Services
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2022

1039. Management, at the corporate level, is pleased to report that it already tracks the timeliness of travel requests for travel originating at headquarters. As UNFPA develops and implements a new enterprise resource planning solution, it fully expects that a global travel module will track these indicators for country offices as well.

1040. With regard to specific actions by country offices:

(a) The Ethiopia country office is analysing its travel processes and will soon develop standard operating procedures to improve efficiency and effectiveness in business travel;

(b) The Mozambique country office will take measures to improve its oversight of the timely submission and processing of travel requests and security clearance through a travel dashboard. However, it is worth highlighting that, given

the nature of UNFPA work, there are always instances, out of the office's control, that lead to the submission of travel requests at short notice (e.g., activities or events triggered by donors, or requests that come from or are contingent upon the confirmation of high-level Government authorities, among others).

1041. **In paragraph 154 of its report, the Board recommended that UNFPA make travellers and managers aware of their duties and roles as envisaged in the travel guidance and policies.**

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

1042. UNFPA management is pleased to report that the induction materials include an introduction to travel, which covers the roles and responsibilities of all personnel. In addition, UNFPA regularly holds travel information sessions and training for all staff (travellers, travel arrangers, approvers), which always covers such topics. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

1043. **In paragraph 165 of its report, the Board recommended that the UNFPA country offices in Ethiopia, Mozambique and Myanmar incorporate into the information system strengthened tools related to the travel management process, in order to increase the effectiveness and efficiency of that process.**

Departments responsible:	Ethiopia, Mozambique and Myanmar country offices
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2022

1044. Management fully acknowledged the need to strengthen ICT tools to improve the travel management process, and aims at increasing its effectiveness and efficiency. UNFPA is already in the process of implementing a new corporate enterprise resource planning solution, and the travel module of the new solution, with all the related monitoring mechanisms, will be rolled out to all country offices as well.

1045. **In paragraph 166 of its report, the Board recommended that UNFPA improve the travel process to ensure timely payment of the daily subsistence allowance, in order to avoid possible unregistered liabilities.**

Department responsible:	Division for Management Services
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2022

1046. Management fully acknowledged the need for the timely payment of the daily subsistence allowance. It is fully expected that a global travel module in the new enterprise resource planning system will include all offices. The new system will

streamline the processing of daily subsistence allowance disbursement for field offices (similar to what is already in place at UNFPA headquarters).

1047. **In paragraph 173 of its report, the Board recommended that UNFPA perform disaster recovery plan testing and then release an approved disaster recovery plan for its data centre at headquarters, taking into consideration the enhancements made as a result of the disaster recovery exercise and any important additional information.**

Department responsible:	Information Technology Solutions Office
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1048. UNFPA noted the recommendation and will restart the execution of the disaster recovery exercise for the data centre hosted at headquarters until it is decommissioned.

1049. **In paragraph 181 of its report, the Board recommended that UNFPA take measures to ensure that conflicts between Atlas system user profiles are resolved in a timely manner, in accordance with the established policy and workplan.**

Department responsible:	Division for Management Services
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1050. UNFPA management continued to focus attention on the resolution of Atlas user profile conflicts. It is undergoing a concerted effort to eliminate the conflicts and track the exceptions granted through the use of an "exceptions report", which is periodically reviewed by the Division for Management Services to determine whether an exemption granted to an office is still required.

1051. **In paragraph 190 of its report, the Board recommended that UNFPA undertake a documented review and revision of its policies and procedures in a timely manner in order to comply with the Policy and Procedures for Development, Approval and Issuance of Policies, Procedures, Tools and Guidance Notes, in order to keep all procedures properly updated.**

Department responsible:	Policy and Strategy Division
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1052. UNFPA initiated its annual review of policies and guidance notes in July 2020. As part of this review, UNFPA has added a column to better document discussions between the Policy and Procedures Manual secretariat and the respective divisions. In late 2019, UNFPA changed the policy template to remove a mandatory revision date (replacing it with a compulsory review) and issued the revised Policy and Procedures for Development, Approval and Issuance of Policies, Procedures, Tools and Guidance

Notes, to clarify the language on the mandatory revision. The updated version states that a mandatory review of policy content should be conducted every three years to determine whether or not a revision should be initiated. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

1053. **In paragraph 198 of its report, the Board recommended that UNFPA establish updated procedures and measures for the review, maintenance and updating of the global directory, and an oversight mechanism to ensure that the information contained in the directory and the separation list is updated.**

Departments responsible:	Information Technology Solutions Office, Office of the Security Coordinator and Division for Human Resources
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

1054. UNFPA management has taken note of the recommendation related to the updating of the global directory policy and the strengthening of the oversight role to ensure the availability of updated information in the directory.

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

1055. In the annex to its report for the year ended 31 December 2019 (A/75/5/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 five recommendations that have been determined by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

1056. Table 28 summarizes the overall situation as of August 2020.

Table 28
Status of implementation of recommendations from prior periods considered not fully implemented
(Number of recommendations)

Department responsible	Total	Not accepted	Implemented/ closure requested	In progress	Target date set	No target date
Division for Management Services	1	–	–	1	1	–
Information Technology Solutions Office	2	–	–	2	2	–
Multiple offices	2	–	1	1	1	–
Total	**5**	**–**	**1**	**4**	**4**	**–**

Report of the Board for the year ended 31 December 2016[37]

1057. **In paragraph 100 of its report, the Board recommended that UNFPA put in place a mechanism for monitoring the adoption of software policies and procedures and ensure their compliance across the entity.**

Department responsible:	Information Technology Solutions Office
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1058. A technical guidance note will be issued in September 2020 to address the recommendation. Specific measures have already been identified in the procurement policy. UNFPA will hold webinars with country offices between October and December 2020 to ensure understanding and compliance.

Report of the Board for the year ended 31 December 2017[38]

1059. **In paragraph 16 of the report, UNFPA agreed with the Board's recommendation to formalize the enterprise risk management policy to guide staff at country offices and supplement the guidance in place for managing the enterprise risks.**

Departments responsible:	Division for Management Services and Office of the Executive Director
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1060. The Division for Management Services and the Office of the Executive Director are currently developing an enterprise risk management policy and a risk appetite statement to supplement the existing guidance notes and enterprise risk management framework to ensure effective risk management at UNFPA.

1061. **In paragraph 59 of its report, the Board recommended that UNFPA monitor the distribution process to ensure that inventory is handed over to the intended beneficiaries by the implementing partners and get assurance on whether inventory has been utilized as intended.**

Departments responsible:	Division for Management Services and Technical Division
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

---

[37] A/72/5/Add.8, chap. II.
[38] A/73/5/Add.8, chap. II.

1062. The Policy and Procedures on Management of Programme Supplies establishes a robust framework of procedures and control activities, collectively referred to as the "last mile assurance process", that provides assurances with regard to the proper utilization of programme supplies through: (a) the development of supply chain maps, which demonstrate the flow of products as well as the different supply chain levels; (b) assessments of the implementing partner supply chain management capacity and risk assignments; (c) periodic reporting by the implementing partner on the management and safeguarding of programme supplies; and (d) regular "last mile" spot checks and audits, which include, based on extracts from UNFPA delivery records and national logistics management information systems, the tracking of samples of deliveries and distributions down to the service delivery points where the products are made available to beneficiaries (i.e., the "last mile"). The design of the last mile assurance process and the training of close to 100 staff members from 60 offices was completed in October 2019. Guidance notes and templates for all of the above-mentioned processes have been developed and made available to UNFPA staff at all country offices, and webinars to support the roll-out of each tool were presented in the first half of 2020. An initial batch of last mile audits of the 16 largest implementing partners that received around 35 per cent of total inventories donated through the UNFPA supplies programme in 2018 was completed in 2019, and the remaining activities in the process have either been implemented or are under implementation in accordance with the timeline defined for the process. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

1063. **In paragraph 87 of its report, the Board recommended that UNFPA establish an enterprise resource planning solution which will have a global travel and expenses module at all country offices to facilitate the travel management activities and reporting, including reporting of travel data globally in real time.**

Department responsible:	Division for Management Services
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2022

1064. UNFPA acknowledged the benefits of extending the travel and expenses module functionality to the field. At the time of writing, UNFPA is conducting a pilot exercise of the Atlas travel and expenses module in one regional office. It is anticipated that lessons learned from this exercise will inform the design and set-up of a planned new enterprise resource planning solution, incorporating a global travel and expenses module.

1065. **In paragraph 98 of its report, the Board recommended that UNFPA: (a) incorporate the requirements for ICT security awareness training in the existing policies; and (b) make it mandatory and establish an enforcement mechanism for all staff members to complete information security awareness training.**

Department responsible:	Information Technology Solutions Office
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1066.   UNFPA has incorporated ICT security awareness training requirements into the new ICT security policy. The new policy establishes the mandatory ICT security awareness training requirements to be enforced in consultation with the Division for Human Resources.

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 2019[39]

1067.   Table 29 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

Table 29
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Management, Advisory and Compliance Service	3	–	–	3	3	–
Regional Office for Asia and the Pacific	3	–	1	2	2	–
Total	**6**	**–**	**1**	**5**	**5**	**–**

1068.   Table 30 summarizes the status of implementation of all recommendations of the Board as of August 2020.

Table 30
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Management, Advisory and Compliance Service	19	–	1	18	18	–
Regional Office for Asia and the Pacific	13	–	2	11	11	–
Total	**32**	**–**	**3**	**29**	**29**	**–**

1069.**In paragraph 19 of its report, the Board recommended that the United Nations Human Settlements Programme (UN-Habitat) establish sufficient controls for legally enforceable agreements in order to have voluntary contributions correctly accounted during the same year in which they become binding.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

––––––––––––––––

[39] A/75/5/Add.9, chap. II.

1070.   UN-Habitat and the United Nations Office at Nairobi have in place controls meant to ensure that contribution agreements are recorded in the financial year in which they become legally enforceable. However, these controls will be revisited. As part of the amended standard operating procedure of the Budget and Financial Management Service of the United Nations Office at Nairobi, a procedure will be included in this regard.

1071.   **In paragraph 55 of its report, the Board recommended that the Sri Lanka and Afghanistan country offices, together with the Regional Office for Asia and the Pacific, comply with the implementing partners' policy by extending the agreements of cooperation and their amendments prior to their expiration date, thereby avoiding uncovered periods in the agreement.**

Department responsible:	Regional Office for Asia and the Pacific
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1072.   The Regional Office for Asia and the Pacific, in coordination with UN-Habitat headquarters, will establish mechanisms to ensure that agreements are extended before expiration.

1073.   **In paragraph 56 of its report, the Board recommended that the Cambodia and the Lao People's Democratic Republic country offices, together with the Regional Office for Asia and the Pacific, ensure that funds are released and instalments are paid on time to implementing partners in accordance with the agreements.**

Department responsible:	Regional Office for Asia and the Pacific
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1074.   The Regional Office for Asia and the Pacific, in coordination with UN-Habitat headquarters, will establish mechanisms to ensure that payments are processed on time.

1075.   **In paragraph 57 of its report, the Board recommended that the Afghanistan, the Lao People's Democratic Republic and the Philippines country offices, together with the Regional Office for Asia and the Pacific, ensure that the deadlines for the achievement of deliverables are met, along with the timely scheduled payment of instalments, in order to improve the implementation of projects with implementing partners, as planned.**

Department responsible:	Regional Office for Asia and the Pacific
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1076.   The Regional Office for Asia and the Pacific, in coordination with UN-Habitat headquarters, will establish mechanisms to monitor delays affecting the timeliness of deliverables.

1077.   **In paragraph 58 of its report, the Board recommended that the Sri Lanka country office and the Regional Office for Asia and the Pacific take measures to properly approve the payments to the implementing partners in accordance with the agreement's mandatory requirements, which should be received prior to or at the time of the payment requests.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1078.   UN-Habitat will monitor payments in accordance with the terms and conditions of the agreements, the Financial Regulations and Rules of the United Nations and specifically the IPSAS delivery principle.

1079.   **In paragraph 77 of its report, the Board recommended that the Philippines country office and the Regional Office for Asia and the Pacific, together with UN-Habitat headquarters, take the measures necessary to ensure that the maximum amounts for community agreements are reviewed and clearly established in a formal instrument.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1080.   UN-Habitat will formalize the financial limit for community agreements.

1081.   **In paragraph 78 of its report, the Board recommended that the Philippines country office, together with the Regional Office for Asia and the Pacific, ensure that the achievement of deliverables deadlines is met and the scheduled payment of instalments released in order to improve the implementation of projects developed through community agreements.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1082.   While UN-Habitat operates in a challenging post-disaster and post-conflict environment, characterized by instability and insecurity and in which delays are common despite its best plans, it will enhance the monitoring of deadlines for deliverables and payments.

1083.   **In paragraph 88 of its report, the Board recommended that the Afghanistan country office and the Regional Office for Asia and the Pacific issue**

a formal document that provides guidelines for the personnel contracted by non-United-Nations entities, in order to ensure a proper recruitment process performed by these entities.

Department responsible:	Regional Office for Asia and the Pacific
Status:	Closure requested
Priority:	High
Target date:	Not applicable

1084. UN-Habitat has already formalized the procedure, which is currently in practice. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1085. **In paragraph 108 of its report, the Board recommended that the Afghanistan country office and the Regional Office for Asia and the Pacific monitor the non-United-Nations entity, in order to ensure that it performs a proper recruitment process.**

Department responsible:	Regional Office for Asia and the Pacific
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1086. UN-Habitat will review and strengthen the selection of individuals recruited under this modality through the use of standardized procedures.

1087. **In paragraph 119 of its report, the Board recommended that the Philippines country office and the Regional Office for Asia and the Pacific, in cooperation with UNDP, assure the timely compliance with the services provided by the individual contractors regarding the agreed and scheduled deliverables established in the contracts.**

Department responsible:	Regional Office for Asia and the Pacific
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1088. UN-Habitat will enhance its monitoring process over the services provided by individual contractors to ensure timely deliverables.

1089. **In paragraph 150 of its report, the Board recommended that UN-Habitat ensure that overtime as compensatory time off and additional payment are calculated in accordance with information circular UNON/IC/2015/07 and other applicable instructions, in compliance with the official work schedule established by the Nairobi duty station.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1090.   UN-Habitat will undertake a review of the reported overtime cases and the overtime practices, in coordination with the United Nations Office at Nairobi, and take appropriate corrective measures. In this regard, UN-Habitat clarifies that most overtime cases were related to the first session of the UN-Habitat Assembly, which took place in May 2019. The United Nations Office at Nairobi is awaiting the updated administrative instruction from United Nations Headquarters on working hours, overtime and compensatory time off before altering the current information circular. The United Nations Office at Nairobi has also committed to reviewing the information circular in 2021, to simplify application and calculation procedures in consultation with its clients, if no administrative instruction is forthcoming, as the publication of the proposed instruction has been deferred several times.

1091.   **In paragraph 151 of its report, the Board recommended that UN-Habitat review and correct the cases of miscalculations of compensatory time off, of overtime payments on incorrect schedules and of payments that exceed the established rates.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1092.   Please refer to the comments provided in response to the recommendation contained in paragraph 150 of the Board's report (see para. 1090 above). UN-Habitat will work with the United Nations Office at Nairobi to review cases individually to correct any records deemed to be miscalculated.

1093.   **In paragraph 152 of its report, the Board recommended that UN-Habitat regulate the lunch break time on Fridays for the purpose of ensuring the proper calculation of the overtime.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1094.   At present, the lunch break time is not stated in the information circular for the United Nations Office at Nairobi. A revision of the circular would be needed. As stated in the comments provided in response to the recommendations contained in paragraphs 150 and 151 of the Board's report (see paras. 1090 and 1092 above), this revision has been pending an updated administrative instruction from United Nations Headquarters on working hours, overtime and compensatory time off.

1095. **In paragraph 153 of its report, the Board recommended that UN-Habitat review the quantity of overtime per month, with an emphasis on those that exceed the allowed limit of 40 hours, and require the exceptional approval every time that this ceiling is exceeded.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1096. Please refer to the comments provided in response to the recommendation contained in paragraph 150 of the Board's report (see para. 1090 above).

1097. **In paragraph 164 of its report, the Board recommended that the Regional Office for Asia and the Pacific make efforts to conduct the annual leave requests and approvals in a timely manner through Umoja, so that annual leave is approved before being used.**

Department responsible:	Regional Office for Asia and the Pacific
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1098. The Regional Office for Asia and the Pacific will make efforts to ensure that staff request annual leave in Umoja prior to taking such leave, and that approval is accomplished in a timely manner.

1099. **In paragraph 165 of its report, the Board recommended that the Regional Office for Asia and the Pacific improve the monitoring process in Umoja, performing periodic and timely reviews of the annual leaves of staff members, in order to avoid having annual leave being requested and approved after being used.**

Department responsible:	Regional Office for Asia and the Pacific
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1100. The Regional Office for Asia and the Pacific will make a serious effort to ensure that staff record annual leave in Umoja prior to taking such leave. A memorandum will be circulated to this effect.

1101. **In paragraph 175 of its report, the Board recommended that UN-Habitat determine the delegations of authority of staff members through the delegation of authority online portal, pursuant to Secretary-General's bulletin ST/SGB/2019/2, resolving any discordance detected with the assigned Umoja roles.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1102.   UN-Habitat completed a review of all active delegations and ensured that their proper roles were issued in Umoja and that the roles related to all inactive delegations were revoked or expired, as applicable. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1103.   **In paragraph 183 of its report, the Board recommended that UN-Habitat adjust the roles with conflict consistently with the Security Liaison Officer workbook and the Umoja roles guide, to comply with a correct segregation of duties.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1104.   UN-Habitat will undertake comprehensive and regular reviews of Umoja user roles in order to prevent conflicting roles and enhance the segregation of duties.

1105.   **In paragraph 184 of its report, the Board recommended that UN-Habitat perform periodic reviews of Umoja roles established in the access control for the United Nations Secretariat systems ICT technical procedure, as applicable.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1106.   UN-Habitat will undertake comprehensive and regular reviews of Umoja user roles in order to prevent conflicting roles and enhance the segregation of duties.

1107.   **In paragraph 195 of its report, the Board recommended that UN-Habitat update the information contained in the Umoja report on equipment in accordance with the SC119 Umoja property management overview course, assigning for each item the location and/or user responsible.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1108.   UN-Habitat will further enrich the original asset data converted from the legacy system to Umoja.

1109.   **In paragraph 196 of its report, the Board recommended that the assigned staff member responsible for the operational equipment be a staff member of UN-Habitat.**

Department responsible: Management, Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2020

1110.   UN-Habitat will ensure that the asset custodians are staff members of UN-Habitat.

1111.   **In paragraph 207 of its report, the Board recommended that UN-Habitat headquarters take measures to monitor the proper registration of the capitalization and disposal of property, plant and equipment items, from the time when the assets are received by the entity and according to the information indicated in the corresponding delivery note or when the disposal is approved.**

Department responsible: Management, Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2020

1112.   UN-Habitat procures property items through UNDP for its field offices, and as such there is usually a time lag between the actual receipt of the items and their registration, which occurs once the financial information and documentation are received from UNDP. UN-Habitat will ensure that the time lag is reduced.

1113.   **In paragraph 208 of its report, the Board recommended that UN-Habitat consider the depreciation of its assets when they are available for use, pursuant to the delivery principle of the United Nations corporate guidance for IPSAS on the delivery principle and paragraph 71 of IPSAS 17.**

Department responsible: Management, Advisory and Compliance Service

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2020

1114.   UN-Habitat will ensure that the depreciation of assets starts when they are available for use.

1115.   **In paragraph 215 of its report, the Board recommended that UN-Habitat coordinate with Headquarters on the possibility of phasing out the standard cost methodology, aligning its accounting with IPSAS requirements for valuing property, plant and equipment assets.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1116.   UN-Habitat will consult with United Nations Headquarters on how best to implement this recommendation in accordance with the IPSAS requirements.

1117.   **In paragraph 226 of its report, the Board recommended that UN-Habitat coordinate with Headquarters to carry out a regular review of the residual value of assets in general and its fully depreciated assets that remain in use, in particular appropriately assigned useful lives and residual values to the assets, as established under IPSAS 17.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1118.   UN-Habitat will consult with United Nations Headquarters on how best to implement this recommendation in accordance with the IPSAS requirements.

1119.   **In paragraph 237 of its report, the Board recommended that the Sri Lanka country office and the Regional Office for Asia and the Pacific assess and determine the disposal of the three vehicles that are not planned to be assigned to immediate projects. In this assessment, the vehicle that has been fully depreciated should also be included.**

Department responsible:	Regional Office for Asia and the Pacific
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1120.   The Regional Office for Asia and the Pacific, with the assistance of UN-Habitat headquarters, will review the need to dispose of all vehicles that are presently not in use or are fully depreciated.

1121.   **In paragraph 238 of its report, the Board recommended that the Sri Lanka country office and the Regional Office for Asia and the Pacific improve the measures taken to ensure that the vehicles awaiting use are in good condition. This means proper maintenance, which should include routine general check-ups of the vehicles, and adequate storage.**

Department responsible:	Regional Office for Asia and the Pacific
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1122. The Regional Office for Asia and the Pacific, with the assistance of UN-Habitat headquarters, will set up a safeguarding and maintenance plan for all vehicles.

1123. **In paragraph 247 of its report, the Board recommended that UN-Habitat strengthen the monitoring of the payment procedure, in order to avoid having pending payments owing to an absence of the prerequisite documentation.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1124. UN-Habitat will, in coordination with the United Nations Office at Nairobi, strengthen the monitoring process in order to ensure timely payments to vendors.

1125. **In paragraph 258 of its report, the Board recommended that the Philippines country office and the Regional Office for Asia and the Pacific formalize the use of the workspaces provided by the Food and Agriculture Organization of the United Nations (FAO).**

Department responsible:	Regional Office for Asia and the Pacific
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1126. UN-Habitat will formalize the use of the office space provided by FAO.

1127. **In paragraph 267 of its report, the Board recommended that the Philippines country office and the Regional Office for Asia and the Pacific improve the monitoring process of the lease agreements, in partnership with UNDP, in order to enforce these agreements properly and in a timely manner, avoiding any inconsistencies with regard to the use of the facilities.**

Department responsible:	Regional Office for Asia and the Pacific
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1128. The new lease for the period from 31 March to 31 December 2020 was signed on 31 March 2020. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1129. **In paragraph 281 of its report, the Board recommended that the Regional Office for Asia and the Pacific ensure the timely compliance with the requirements of official travel, in particular the timely approval in advance of the commencement of travel and submission of travel expense reports after the completion of said travel, including recording exceptions to those requirements.**

Department responsible:	Regional Office for Asia and the Pacific
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1130.   UN-Habitat clarified that justifications for travel starting fewer than 16 days in advance were systematically and automatically documented in Umoja. For operational reasons the 16-day rule cannot always be met because, in some instances, staff members are invited by government partners on short notice or staff members must attend emergency activities. In such cases, the justifications are documented in Umoja.

1131.   **In paragraph 292 of its report, the Board recommended that UN-Habitat hold the ICT Committee meetings periodically in order to achieve the objectives and purposes established in Secretary-General's bulletin ST/SGB/2003/17 and the Committee's terms of reference.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1132.   UN-Habitat accepted the recommendation and will consider it in the context of the new organizational structure, which came into effect on 1 January 2020.

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

1133.   In the annex to its report for the year ended 31 December 2019 (A/75/5/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 34 recommendations that have been determined by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

1134.   Table 31 summarizes the overall situation as of August 2020.

Table 31
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Evaluation Unit	2	–	2	–	–	–
External Relations, Strategy, Knowledge and Innovation Division	3	–	1	2	2	–
Management, Advisory and Compliance Service	23	–	6	17	17	–

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Office of the Executive Director	2	–	1	1	1	–
Regional Office for Latin America and the Caribbean	4	–	1	3	–	–
Total	**34**	**–**	**11**	**23**	**23**	**–**

Report of the Board for the year ended 31 December 2015[40]

1135. **In paragraph 54 of its report, UN-Habitat agreed with the Board's recommendation that it: (a) identify the risks that might affect project implementation in advance of the execution phase to minimize the negative effects of delaying the intended benefits for the societies involved; and (b) plan and manage the recruitment process with respect to experts in the field office to ensure that there is timely and adequate staffing for improved project performance.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1136. A new project risk management guide has been put in place that provides guidelines on how to manage risks, including risks related to the recruitment process and to non-performance by implementing partners. The guide is expected to be approved by a committee on risk oversight and accountability at its meeting during the fourth quarter of 2020.

Report of the Board for the year ended 31 December 2016[41]

1137. **In paragraph 13 of its report, UN-Habitat agreed with the Board's recommendation that it: (a) conduct enterprise resource management awareness training to enable the country offices staff to acquire the skills and knowledge necessary for effective implementation of enterprise risk management; and (b) prepare the risk register in accordance with the UN-Habitat enterprise risk management guidelines and summarize all important risks and response strategies in order to mitigate risks in project implementation.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1138. A new project risk management guide has been put in place which provides guidelines on how to manage risks, including risks related to the recruitment process and to non-performance by implementing partners. The guide is expected to be approved by a committee on risk oversight and accountability at its meeting during the fourth quarter of 2020.

_____

[40] A/71/5/Add.9, chap. II.
[41] A/72/5/Add.9, chap. II.

1139.   **In paragraph 23 of its report, the Board recommended that UN-Habitat: (a) formulate strategies to minimize consultancy costs in accordance with its strategic objectives for the period 2014–2019; and (b) include minimization of consultancy costs in the results framework for tracking and reporting periodically.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Closure requested
Priority:	High
Target date:	Not applicable

1140.   UN-Habitat adopted a new strategic plan for the period 2020–2023. Thus, this recommendation related to the implementation of the previous strategic plan for the period 2014–2019 is considered to be overtaken by events, and UN-Habitat requests its closure by the Board.

1141.   **In paragraph 74 of its report, UN-Habitat agreed with the Board's recommendation that the organization strengthen monitoring of the implementation projects funded by conditional agreements in order to ensure that revenue is realized after fulfilling the conditions and to reduce the amount of liability in the financial statements.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1142.   UN-Habitat has started a review of the old balances and conditional liabilities relating to implementing partners, which it plans to complete by December 2020.

Report of the Board for the year ended 31 December 2017[42]

1143.   **In paragraph 15 of its report, the Board recommended that UN-Habitat: (a) ensure capacity-building programmes are conducted for all staff who have resource mobilization responsibilities at the country and regional levels; and (b) develop policy guidelines and circulate them to the regional and country offices as required under the results framework for the donor relations and income strategy.**

Department responsible:	External Relations, Strategy, Knowledge and Innovation Division
Status:	Closure requested
Priority:	High
Target date:	Not applicable

1144.   In December 2019, UN-Habitat conducted training on resource mobilization with all regional staff and headquarters staff. The policy on donor visibility has

---

[42] A/73/5/Add.9, chap. II.

already been finalized and circulated. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1145. **In paragraph 19 of its report, UN-Habitat agreed with the Board's recommendation that it ensure that substantive and financial aspects of project documents are reviewed and approved by the Project Advisory Group prior to the signing of funding agreements, as required by the UN-Habitat project-based management policy.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1146. UN-Habitat is currently redesigning its project approval process and the controls over the signing of funding agreements, and will embed enhanced controls in each business process.

1147. **In paragraph 22 of its report, the Board recommended that UN-Habitat ensure documentation is in place whenever there is movement of assets in order to reduce the risk of losing assets.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1148. UN-Habitat is preparing a refresher training session for its asset focal points which will strengthen compliance with asset controls in general, including with regard to tracing the movement of assets.

1149. **In paragraph 32 of its report, UN-Habitat agreed with the Board's recommendation that it: (a) ensure that funds are released to implementing partners on time so that the planned activities can be completed within the scheduled period; and (b) establish a risk-based fast-track payment process for emergency and high-priority countries, as proposed by the country office in the Syrian Arab Republic.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1150. UN-Habitat will design mechanisms to monitor activities by implementing partners and make payments to them within the agreed deadlines.

1151. **In paragraph 39 of its report, UN-Habitat agreed with the Board's recommendation that it ensure that the country offices in Colombia and Brazil: (a) find safer outside locations to store their backups, which can be accessed by staff during disasters; and (b) develop disaster recovery and business continuity plans.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1152.   UN-Habitat implemented the off-site cloud-based system "OneDrive", which has been approved by the United Nations Secretariat. UN-Habitat is also in the process of finalizing a risk mitigation plan for business continuity planning that will address this recommendation.

1153.   **In paragraph 44 of its report, the Board recommended that UN-Habitat establish management structures and administrative policies and procedures for the new hub arrangement that provide guidance on the day-to-day management of hub operations in the Regional Office for Latin America and the Caribbean.**

Department responsible:	Office of the Executive Director
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1154.   Once the ongoing regional organizational realignment is completed, UN-Habitat will consider the need for establishing a management structure and administrative policies and procedures for the new hub arrangement.

1155.   **In paragraph 51 of its report, UN-Habitat agreed with the Board's recommendation that the Regional Office for Latin America and the Caribbean develop an action plan to ensure that core activities are performed by staff members.**

Department responsible:	Regional Office for Latin America and the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1156.   Once the ongoing regional organizational realignment is completed, UN-Habitat will develop an action plan to ensure that the core activities are performed by staff members.

1157.   **In paragraph 55 of its report, the Board recommended that UN-Habitat comply with the administrative instruction on consultants and individual contractors (ST/AI/2013/4) by utilizing the roster in the selection of consultants and individual contractors to ensure that competent and experienced consultants and individual contractors are selected.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1158. UN-Habitat communicated to its staff the need to comply with the administrative instruction and will develop a mechanism to monitor compliance.

1159. **In paragraph 59 of its report, UN-Habitat agreed with the Board's recommendation that it ensure that field offices: (a) adhere to the results-based management policy on reporting by incorporating analyses of the logical frameworks into their progress reports; and (b) prepare annual workplans for their activities in line with the approved programme of work for the biennium.**

Department responsible:	External Relations, Strategy, Knowledge and Innovation Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1160. UN-Habitat will strengthen its monitoring mechanisms to ensure that field offices adhere to the results-based management policy on reporting by incorporating analyses of the logical frameworks into their progress reports and prepare annual workplans for their activities in line with the approved programme of work.

Report of the Board for the year ended 31 December 2018[43]

1161. **In paragraph 21 of its report, the Board recommended that UN-Habitat conduct a complete analysis of the registers associated with the grants, specifically for the cases observed by the Board. As part of the analysis, UN-Habitat should identify the current status of the amounts delivered to implementing partners and received from conditional agreements, conduct a compliance review of the signed agreements and, if applicable, request reimbursement of the resources provided under them and correct the accounting transactions records.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1162. UN-Habitat has completed the analysis of 38 grants and is completing the review of the remaining 32 grants identified by the Board.

1163. **In paragraph 22 of its report, the Board recommended that UN-Habitat evaluate the application of impairment provisions to advances accounts.**

---

[43] A/74/5/Add.9, chap. II.

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1164.   UN-Habitat, in coordination with the United Nations Office at Nairobi, is reviewing its advances accounts and will consider the need for impairment provisions against them.

1165.   **In paragraph 23 of its report, the Board recommended that UN-Habitat enhance project supervision and internal control in the UN-Habitat policy for implementing partners to prevent grants under which no accounting transactions have been made for an extended period from remaining in force.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1166.   UN-Habitat is strengthening mechanisms to monitor advances to implementing partners under which no accounting transactions have been made for an extended period.

1167.   **In paragraph 42 of its report, the Board recommended that UN-Habitat establish a framework and methodology for full cost recovery in accordance with General Assembly resolution 67/226 applicable in all units of the entity and inform its hubs and offices of its application.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1168.   UN-Habitat will review and update its corporate cost allocation and cost recovery policy to ensure that direct and indirect costs are appropriately attributed to projects across the organization.

1169.   **In paragraph 53 of its report, the Board recommended that UN-Habitat include detailed documentation of each project in the project accrual and accountability system in order to support their execution and corresponding progress.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1170.   UN-Habitat is upgrading the project accrual and accountability system by integrating the full project cycle, including functionalities that support the implementation, monitoring, closing and reporting stages of projects.

1171.   **In paragraph 54 of its report, the Board, considering that UN-Habitat manages projects worldwide, recommended that UN-Habitat improve the controls related to updated information, established in paragraph 36 of the project-based management policy.**

Department responsible:	External Relations, Strategy, Knowledge and Innovation Division
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1172.UN-Habitat is now developing new procedures governing project approval and management and will take into consideration the recommendation during that process.

1173.   **In paragraph 62 of its report, the Board recommended that UN-Habitat incorporate in the project accrual and accountability system the midterm and/or end-of-project evaluations for all its projects.**

Department responsible:	Evaluation Unit
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1174.   UN-Habitat has upgraded its project accrual and accountability system, which now includes an evaluation module. The Evaluation Unit has uploaded the midterm and/or end-of-project evaluations for all its projects to the new module. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1175.   **In paragraph 63 of its report, the Board, considering that UN-Habitat manages projects worldwide, recommended that UN-Habitat improve the controls related to the evaluation reports, established in paragraph 19 of the project-based management policy.**

Department responsible:	Evaluation Unit
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1176.   UN-Habitat has strengthened its control mechanisms to ensure that its projects comply with the requirements of its evaluation policy. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1177.   **In paragraph 67 of its report, the Board recommended that UN-Habitat update its internal manuals, such as the project-based management policy and the project accrual and accountability system guidelines and manual, to clearly**

establish Umoja and its extensions as the system that gives support to the different duties performed by the entity.

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1178. UN-Habitat is in the process of revising and updating its programme manual. As part of that process, UN-Habitat will address the recommendation.

1179. **In paragraph 77 of its report, the Board recommended that UN-Habitat conduct a review of the expenses relating to projects that are led or supported by consultants.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1180. The issue of travel costs for consultants wrongly classified under staff costs was identified and communicated to United Nations Headquarters by the United Nations Office at Nairobi during 2018. United Nations Headquarters initiated an enhancement to Umoja and the issue has been fixed: all new trips after 1 September 2019 are mapped to the correct expense class. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1181. **In paragraph 78 of its report, the Board recommended that, as part of the review, UN-Habitat should request reclassification of the travel expenses and correct the accounting transactions records.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1182. Please refer to the comments provided in response to the recommendation contained in paragraph 77 of the Board's report (see para. 1180 above).

1183. **In paragraph 79 of its report, the Board recommended that UN-Habitat strengthen measures to identify and reclassify expenses and clearly set out the scope and frequency of controls.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1184. Please refer to the comments provided in response to the recommendation contained in paragraph 77 of the Board's report (see para. 1180 above).

1185. **In paragraph 87 of its report, the Board recommended that the Regional Office for Latin America and the Caribbean align the preparation of the quarterly travel plans for the Mexico City hub with the provisions established in the project cycle procedures manual of 2017 to ensure appropriate authorization of travel.**

Department responsible:	Regional Office for Latin America and the Caribbean
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1186. The Regional Office for Latin America and the Caribbean updated the project cycle procedures manual to ensure that travel is adequately approved. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1187. **In paragraph 95 of its report, the Board recommended that UN-Habitat prepare a comprehensive annual acquisition plan for the forthcoming periods, in as timely a manner and as accurately as possible, in accordance with both the Financial Regulations and Rules of the United Nations and the United Nations Procurement Manual, taking into consideration its regional offices, country offices and hubs.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1188. UN-Habitat will update its 2020 procurement plan, taking into consideration the requirements specified in this recommendation.

1189. **In paragraph 107 of its report, the Board recommended that each administrative level of UN-Habitat develop a comprehensive risk catalogue in accordance with the enterprise risk management implementation guidelines put in place by the organization.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

1190. UN-Habitat has adopted a road map for the completion of an organizational risk register and will carry out risk identification processes in line with the new road map.

1191. **In paragraph 108 of its report, the Board recommended that UN-Habitat facilitate and validate the risk documentation made by each of its regional offices, thus offering a more comprehensive view of the difficulties and risk factors that affect the regions and ways to reduce local risks.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

1192. Please refer to the comments provided in response to the recommendation contained in paragraph 107 of the Board's report (see para. 1190 above).

1193. **In paragraph 115 of its report, the Board recommended that, for the office of the Rio de Janeiro hub, UN-Habitat make the efforts necessary to conclude a lease agreement signed by both parties, in accordance with the required conditions.**

Department responsible:	Regional Office for Latin America and the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1194. UN-Habitat is in the process of finalizing a lease agreement for the office of the Rio de Janeiro hub.

1195. **In paragraph 116 of its report, the Board recommended that UN-Habitat review the disbursements related to lease payments previously made to the Instituto Pereira Passos of the municipality of Rio de Janeiro and clarify the legal basis for the payments.**

Department responsible:	Regional Office for Latin America and the Caribbean
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1196. UN-Habitat will ensure that all lease payments comply with the provisions of the final signed lease agreement.

1197. **In paragraph 127 of its report, the Board recommended that UN-Habitat improve the monitoring of staff annual leave to ensure that all leave is requested and approved by supervisors before being taken.**

Department responsible:	Management, Advisory and Compliance Service
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1198. UN-Habitat has started conducting periodic monitoring to ensure that staff members apply for annual leave and that such leave is approved by managers before staff members proceed on leave. UN-Habitat considers this recommendation to have been implemented and requests its closure by the Board.

1199. **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*:   Closure requested
>
>   *Priority*:   Medium
>
>   *Target date*:   Not applicable

1200. Please refer to the comments provided in response to the recommendation contained in paragraph 127 of the Board's report (see para. 1198 above).

1201. **In paragraph 132 of its report, the Board recommended that UN-Habitat management devise a suitable mechanism to ensure better coordination between the entity and the Office of Internal Oversight Services (OIOS) for the complete and comprehensive reporting of cases of fraud and presumptive fraud.**

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

1202. UN-Habitat devised a mechanism to ensure better coordination to ensure complete and comprehensive reporting of cases of fraud and presumptive fraud. 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 2019[44]

1203. Table 32 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

Table 32
Status of implementation of the main recommendations
(Number of recommendations)

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

_____

[44] A/75/5/Add.10, chap. II.

1204. Table 33 summarizes the status of implementation of all recommendations of the Board as of August 2020.

Table 33
Status of implementation of all recommendations

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division for Management	6	–	3	3	3	–
Regional Office for South-East Asia and the Pacific	2	–	2	–	–	–
Multiple offices	5	–	3	2	1	1
Total	**13**	**–**	**8**	**5**	**4**	**1**

1205. **In paragraph 27 of its report, the Board recommended that the United Nations Office on Drugs and Crime (UNODC) review the entire entity's delegations of authority, including at its field offices, in order to ensure that all respective delegations were granted through the delegation of authority portal, as required under the new framework for delegation of authority.**

    Departments responsible: Division for Management, Division for Operations, Division for Policy Analysis and Public Affairs and Division for Treaty Affairs

    Status: Closure requested

    Priority: High

    Target date: Not applicable

1206. In March 2020, UNODC conducted a global review of the delegation of authority. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1207. **In paragraph 28 of its report, the Board recommended that UNODC conduct a complete overhaul of the existing delegation of authority-related user role mapping in Umoja and correct those that are not consistent with the delegations provided.**

    Departments responsible: Division for Management, Division for Operations, Division for Policy Analysis and Public Affairs and Division for Treaty Affairs

    Status: Closure requested

    Priority: High

    Target date: Not applicable

1208. Please refer to the comments provided in response to the recommendation contained in paragraph 27 of the Board's report (see para. 1206 above). Umoja user roles and delegations are continuously granted and reviews are performed on a regular basis for all Umoja processes and delegations of authority. The most recent review

also included a corrective action. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1209. **In paragraph 39 of its report, the Board recommended that UNODC make the necessary efforts in order to ensure that all the entity's fixed assets that must be derecognized every financial year are removed from the financial statements in a timely manner and ensure that no assets are transferred to beneficiaries before approval from the Local Property Survey Board/Headquarters Property Survey Board, as appropriate.**

Department responsible:	Division for Management
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

1210. UNODC will develop a plan to ensure the assets are removed in a timely manner and the expenses are recognized in the correct periods so as to ensure that Umoja accurately shows the current status of property, plant and equipment and that the financial statements of UNODC are materially correct in this regard. The office in charge of property management continues to provide additional training to field office focal points in order to reiterate that assets should not be transferred prior to the approval of the Local Property Survey Board/Headquarters Property Survey Board.

1211. **In paragraph 50 of its report, the Board recommended that UNODC improve the internal controls for the service receipt process to ensure that proper evidence is provided regarding the receipt of every service.**

Department responsible:	Division for Management
Status:	Under implementation
Priority:	High
Target date:	Third quarter of 2020

1212. Instructions will be issued to all offices concerned advising them to include additional text indicating the service delivery date.

1213. **In paragraph 51 of its report, the Board recommended that UNODC establish a standard procedure that sets a unique criterion for recognizing expenses in Umoja through the Service Entry Sheets.**

Department responsible:	Division for Management
Status:	Under implementation
Priority:	High
Target date:	Third quarter of 2020

1214. In addition to the facilitation of extensive IPSAS and Umoja training on the topic of expense recognition, the Financial Resources Management Service will elaborate and publish a standard procedure for expense recognition, which will include the unique criterion in relation to expenses recognition through Service Entry Sheets.

1215. **In paragraph 67 of its report, the Board recommended that the Regional Office for South-East Asia and the Pacific comply with the appropriate procurement procedure for recurring requirements.**

Department responsible:	Regional Office for South-East Asia and the Pacific
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1216. When the two purchase orders mentioned in the report were up for renewal in early 2020, the Regional Office for South-East Asia and the Pacific conducted a competitive bidding process to ensure that the Office was getting the best value for money. To ensure compliance with procurement procedures, a revised management instruction on procurement was issued in April 2020, which reiterated the need to comply with procurement rules and procedures. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1217. **In paragraph 68 of its report, the Board recommended that the Regional Office for South-East Asia and the Pacific keep all quotations and possible justifications uploaded in Umoja for every low-value acquisition process.**

Department responsible:	Regional Office for South-East Asia and the Pacific
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1218. Instructions have been issued with regard to the uploading of quotations and eventual justifications in Umoja for each low-value acquisition purchase. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1219. **In paragraph 79 of its report, the Board recommended that UNODC headquarters prepare an internal accounting guide in order to document the accounting steps and procedures for the recognition of the full cost recovery workflow.**

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

1220. An internal accounting guide has been prepared and circulated. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1221. **In paragraph 93 of its report, the Board recommended that UNODC make the necessary efforts to ensure that all staff submit their travel requests, security clearances and expense reports in a timely manner, in accordance with the applicable regulations.**

Departments responsible:	Division for Management, Division for Operations, Division for Policy Analysis and Public Affairs, Division for Treaty Affairs and field offices
Status:	Under implementation
Priority:	Medium
Target date:	Ongoing

1222. UNODC will continue to make efforts to sensitize staff members and encourage the early planning of meetings and conferences whenever possible. Field office representatives have been instructed to implement preventive and monitoring/corrective measures to address this, and actual compliance rates will be reviewed on a quarterly basis.

1223. **In paragraph 94 of its report, the Board recommended that the Regional Office for South-East Asia and the Pacific evaluate, in coordination with UNODC headquarters, the feasibility of delegating authority to an additional certifying officer or officers in order to strengthen compliance with the regulation's deadlines.**

Departments responsible:	Regional Office for South-East Asia and the Pacific, Division for Management and Division for Operations
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1224. A new certifying officer became active in Umoja upon the granting of the role on 30 March 2020. The Regional Office for South-East Asia and the Pacific now has two full-time certifying officers and one back-up certifying officer. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1225. **In paragraph 104 of its report, the Board recommended that UNODC make efforts, in liaison with the United Nations Secretariat, to update the administrative instruction on the official status file as well as trying to find ways to link Umoja and Inspira to the Unite Docs website.**

Departments responsible:	Division for Management, Department of Operational Support, Department of Management Strategy, Policy and Compliance and Office of Information and Communications Technology
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2021

1226. The implementation of this recommendation is contingent upon the promulgation of the administrative instruction on the official status file and the availability of the United Nations Secretariat's strategy for the digitization of personnel files. United Nations Headquarters confirmed that it is in the process of updating the administrative instruction and that a project on electronic filing is in progress.

1227. **In paragraph 115 of its report, the Board recommended that UNODC make a review of the UNOV/UNODC information technology services disaster recovery plan and add all the missing elements that the current United Nations disaster recovery plan technical procedures require.**

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

1228. The UNOV/UNODC disaster recovery plan has been updated. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1229. **In paragraph 116 of its report, the Board recommended that UNODC evaluate the advisability of incorporating in the disaster recovery plan the improvements suggested by the staff that participate in the table-top exercise.**

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

1230. The UNOV/UNODC disaster recovery plan has been revised to include the suggested improvements. UNODC 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

1231. In the annex to its report for the year ended 31 December 2019 (A/75/5/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 28 recommendations that have been determined by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

1232. Table 34 summarizes the overall situation as of August 2020.

Table 34
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division for Management	13	–	5	8	7	1
Division for Policy Analysis and Public Affairs	4	–	1	3	3	–

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Independent Evaluation Section	1	–	1	–	–	–
Office of the Executive Director	2	–	2	–	–	–
Multiple offices	8	–	2	6	6	–
Total	**28**	**–**	**11**	**17**	**16**	**1**

Report of the Board for the year ended 31 December 2018[45]

1233. **In paragraph 49 of its report, the Board recommended that UNODC: (a) formalize the electronic endorsement by the Programme Review Committee on the basis of proper justification in a revised management instruction on the Committee; and (b) keep a record of the documents.**

Department responsible: Division for Policy Analysis and Public Affairs

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2020

1234. The revised draft management instruction on the Programme Review Committee includes the provision for electronic endorsement. However, the final approval of the revised management instruction will take more time, as some elements are contingent upon the revised and approved management instructions for global programmes and for regional and country programmes, which are currently under review. A timeline for the review of the management instructions was presented to senior management in June 2020 and was approved by the Executive Director. Based on the approved workplan, the management instructions should be finalized by October 2020.

1235. **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

Target date: Fourth quarter of 2020

1236. The revised management instruction on field office reporting on programme and operational issues includes, in its note 1, a provision on ensuring the adequate segregation of duties. In July 2020, the senior management team reviewed the revised management instruction and further enhancements to the reporting templates were suggested. Feedback from users (field offices) and from OIOS will be sought and a comparison of reporting systems with other relevant United Nations organizations will be made. After a period of testing the revised templates, the revised management

---

[45] A/74/5/Add.10, chap. II.

instruction will be presented to the senior management team for final approval by the end of September 2020.

1237. **In paragraph 75 of its report, the Board recommended that UNODC review and update the management instruction on field office reporting in accordance with the Programme and Operations Manual.**

Departments responsible:	Division for Operations and Division for Policy Analysis and Public Affairs
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1238. The draft version of the revised management instruction on field office reporting on programme and operational issues provides for the streamlining of the reporting requirements and timelines. In December 2019, UNODC began a pilot programme using the revised reporting templates.

1239. **In paragraph 81 of its report, the Board recommended that UNODC perform a management assessment to evaluate whether implementing partners and grantees are providing good value for money. This will provide UNODC with organized information for decision-making.**

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

1240. The UNODC Framework on the Engagement of External Parties is currently under review, and its principles have been revised and replaced in the new draft partnership policy with concepts that take into account: (a) the interests of the United Nations; (b) fairness, integrity and transparency; and (c) complementarity and benefits. UNODC will no longer use "value for money" as one of the principles. UNODC requests the closure of this recommendation by the Board, as it has been overtaken by events.

1241. **In paragraph 96 of its report, the Board recommended that UNODC strengthen consultation and communication on evaluation planning between project managers and the Independent Evaluation Section, in order to ensure that mandatory evaluations are budgeted for and conducted on time.**

Department responsible:	Independent Evaluation Section
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1242. In line with the project documentation and revision process, the Independent Evaluation Section is consulted on a mandatory basis with regard to evaluations of projects and programmes. The new web-based evaluation management application, Unite Evaluations, ensures that all evaluation plans (including the intended year of

evaluation and the reserved budget) are included and therefore monitored. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1243. **In paragraph 100 of its report, the Board recommended that UNODC management devise a suitable mechanism to ensure better coordination between the entity and the Office of Internal Oversight Services for the complete and comprehensive reporting of cases of fraud and presumptive fraud.**

Department responsible:	Division for Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1244. UNODC will consolidate its data with data from OIOS and from the Office of Audit and Investigations of UNDP on a quarterly basis. This consolidation exercise and its results will serve as the proof of concept for the approach chosen in devising a suitable mechanism. While the latest consolidation in June 2020 revealed some further discrepancies, it needs to be acknowledged that the potential for discrepancy in records will always remain in situations where a report is registered in one entity in one year and in another entity the subsequent year (e.g., a case received in OIOS in December and referred to UNODC in January of the following year would be reported at two different entities in subsequent years). In addition, cases received by an investigative entity (such as OIOS or the Office of Audit and Investigations) and proceeding to investigation without being referred to UNODC would also give rise to different numbers of reported cases. These instances are not necessarily reflective of a lack of oversight or reporting.

Report of the Board for the year ended 31 December 2017[46]

1245. **In paragraph 29 of its report, the Board recommended that UNODC project owners review their costs and outstanding commitments more frequently by means of, for example, business intelligence reports, which highlight overspent budget lines.**

Departments responsible:	Division for Operations, Division for Policy Analysis and Public Affairs and Division for Treaty Affairs
Status:	Closure requested
Priority:	High
Target date:	Not applicable

1246. UNODC programme managers at headquarters and field offices conduct monthly reviews of open commitments. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1247. **In paragraph 86 of its report, the Board recommended that UNODC enhance the overall process of recording all leases in the supplier relationship management database in Umoja.**

---

[46] A/73/5/Add.10, chap. II.

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

1248. As of July 2020, 86 per cent of leases were regularized, 19 per cent related to donated right-to-use properties and internal Umoja-to-Umoja "lease outs" and 14 per cent were in the process of being regularized. The regularization of leases is an ongoing exercise and is a requirement for year-end closure. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1249. **In paragraph 99 of its report, the Board recommended that UNODC review the Programme section of the Programme and Operations Manual, update it as soon as possible and keep it up-to-date and accurate.**

Departments responsible:	Division for Policy Analysis and Public Affairs, Division for Operations and Division for Management
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

1250. UNODC will finalize the review of all its management instructions by the end of 2020. Following this, the review of the Programme and Operations Manual will resume. The revised management instructions that relate to programme and operations management will be incorporated.

1251. **In paragraph 101 of its report, the Board recommended that UNODC make the knowledge in the Programme and Operations Manual available in such a way that users can easily print a copy.**

Department responsible:	Division for Policy Analysis and Public Affairs
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

1252. Elements of the Programme and Operations Manual (i.e., the relevant management instructions), will be placed on the iSeek intranet after being approved by the Executive Director by the end of December 2020. The link to the revised Manual will be added during the first quarter of 2021. Users will easily be able to print copies of the instructions and the Manual.

1253. **In paragraph 107 of its report, the Board recommended that UNODC integrate the Handbook for Results-Based Management and the 2030 Agenda for Sustainable Development and the document "UNODC: The Integrated Programme Approach (IPA): A 'How To' Guide" into the Programme and Operations Manual.**

Department responsible:	Division for Policy Analysis and Public Affairs
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

1254. The Handbook on Results-Based Management and relevant elements of the document "UNODC: The Integrated Programme Approach (IPA): A 'How To' Guide" will be integrated into the Programme and Operations Manual. Work on this is on hold until the review of the management instructions is finalized. Delays in implementation are also a result of the transition away from Lotus Notes, where the current Manual is housed, to iSeek. It was not considered pertinent to update the Manual in the old system, which was supposed to be replaced in 2018.

1255. **In paragraph 114 of its report, the Board recommended that UNODC review the Operations section of the Programme and Operations Manual. If UNODC considers the Operations section as no longer helpful even after an update, the Operations section should be abolished.**

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

1256. UNODC is working on the design and roll-out of a client service portal that will provide information on administrative processes and steps to follow and will provide links to related tools and guidelines. UNODC considers the recommendation to have been overtaken by events and requests its closure by the Board.

1257. **In paragraph 122 of its report, the Board recommended that UNODC consider offering additional training on fraud and corruption.**

Department responsible:	Division for Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1258. The Human Resources Management Service is planning to conduct a number of online training sessions (to be facilitated by OIOS) for UNODC field offices. The sessions will be complemented and followed by coaching sessions, which will be conducted by the Human Resources Management Service to reinforce learning. Delays have been encountered in delivering the training, as the presence of staff at UNODC headquarters at Vienna was restricted owing to the COVID-19 pandemic, and offices operated virtually. Similar restrictions were implemented at UNODC field office locations around the globe. Online training on fraud and corruption is now scheduled for the fourth quarter of 2020.

1259. **In paragraph 124 of its report, the Board recommended that UNODC provide information about fraud and corruption in a special section on its intranet site and that UNODC update its intranet site regularly.**

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

1260. UNODC developed and adopted the fraud and corruption risk register and the treatment plans at the end of 2019. The Office has updated the intranet site and uploaded the new documents, including the fraud and corruption risk register and treatment and response plan. UNODC has been migrating its intranet website to iSeek. Consequently, the presentation of the enterprise risk management webpage is likely to change in the near future. UNODC will ensure the visibility of risk management documentation, in particular documentation related to fraud and corruption. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1261. **In paragraph 125 of its report, the Board recommended that UNODC include in the section about fraud and corruption a clear statement by its Executive Director to make the Office's approach to fraud and corruption clear.**

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

1262. A clear statement on the prevention of fraud was included in the senior manager's compact between the Executive Director of UNODC and the Secretary-General, posted on iSeek. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1263. **In paragraph 130 of its report, the Board recommended that UNODC consider appointing focal points on fraud at its headquarters and field offices.**

Department responsible:	Division for Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1264. In the light of the currently ongoing United Nations Secretariat-wide initiatives aiming at strengthened internal controls, enhanced accountability and the prevention of fraud and corruption, UNODC is in the process of revisiting this recommendation to address it in a harmonized and efficient way. Initiatives such as the implementation of the statement of internal control have documented and laid out the key steps and points of contact for reporting, preventing, detecting and addressing fraud, waste, abuse, malfeasance and mismanagement. In this context, UNODC is of the opinion that the designation of a fraud focal point would only add additional administrative burdens and contribute to the duplication of efforts, as the functions that would be assigned to the focal point have already been set in place. In order to efficiently address the recommendation, UNODC intends to implement measures to enhance accessibility, transparency and guidance when communicating potential cases of fraud. The organization will therefore look into measures to systematically

promote and provide easily accessible information related to the reporting and prevention of fraudulent acts, including common or frequently asked questions and answers, contact points and hotlines, training materials and relevant documentation.

1265. **In paragraph 131 of its report, the Board recommended that UNODC disseminate information about the focal points on its intranet site and list them in the "Joint Panel, Body and Focal Point Registry".**

Department responsible:	Division for Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1266. Please refer to the comments provided in response to the recommendation contained in paragraph 130 of the Board's report (see para. 1264 above).

1267. **In paragraph 140 of its report, the Board recommended that UNODC take efforts, in liaison with the United Nations Secretariat, to customize the Umoja travel module to facilitate advance travel planning and to pool the overall travel process within Umoja.**

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

1268. Following discussions with the Travel Unit at United Nations Headquarters, it was determined that travel planning was not within the scope of the planned modifications for the travel module. UNODC considers the recommendation to have been overtaken by events and requests its closure.

1269. **In paragraph 144 of its report, the Board recommended that UNODC consider requesting a review of the advance purchase policy by the United Nations Secretariat as well as an evaluation on how best prices for travel can be achieved.**

Department responsible:	Division for Management
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

1270. UNODC is consulting with the other Vienna-based organizations that are clients of the local travel management company to develop a joint strategy for determining how the best prices for travel can be achieved.

1271. **In paragraph 153 of its report, the Board recommended that UNODC regularly evaluate its compliance with the advance purchase policy and immediately initiate corrective actions when necessary.**

Department responsible:	Division for Management
Status:	Under implementation
Priority:	Medium
Target date:	Ongoing

1272.   The nature of business in the field locations leads to late event planning, the late identification of travellers, delayed confirmations by travellers and so on, and has made it difficult to adhere to the advance purchase policy. UNODC continues to regularly evaluate its compliance rate and has instructed senior managers to ensure that all personnel and non-staff personnel adhere to the travel rules and to stress the need to prevent and monitor any deviance from the administrative instruction on official travel (ST/AI/2013/3).

1273.   **In paragraph 167 of its report, the Board recommended that UNODC review, in liaison with the United Nations Secretariat, the automatic recovery function of Umoja, especially with regard to initiated expense reports, which should block the system only for a reasonable period of time.**

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

1274.   The automatic recovery function could not be executed when expense reports were initiated but not completed, which prevented the expenses from being recovered by payroll. Changes to Umoja were implemented in February 2019 that set the timeline and conditions for the documents to be recovered. The thrust of the recommendation has been addressed. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

1275.   **In paragraph 174 of its report, the Board recommended that UNODC review and refine the established structure to collect the consolidated procurement plans of the subordinate entities in a timely manner.**

Department responsible:	Division for Management
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1276.   UNODC will continue to make improvements with regard to the collection and consolidation of procurement plans. The Procurement Unit is now able to dedicate resources to reviewing and refining the current structure for the collection of consolidated procurement plans. The Unit is putting in place a SharePoint tracking capability to obtain procurement plans from the field offices in order to enhance efficiency and facilitate the monitoring of submissions in a timely manner.

1277.   **In paragraph 183 of its report, the Board recommended that UNODC analyse the root causes of the reasons for ex post facto procurement cases and establish specific measures to prevent the recurrence of such cases.**

Department responsible:	Division for Management
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1278. The implementation of the recommendation is in progress. Resources have now been identified to use the analysis on hand and develop measures to prevent the recurrence of ex post facto cases.

1279. **In paragraph 195 of its report, the Board recommended that UNODC develop a training package to deliver comprehensive guidance and advice on how the Sustainable Development Goals can be best integrated into UNODC work, and make the training package available for UNODC staff as an online training course.**

Department responsible:	Division for Policy Analysis and Public Affairs
Status:	Closure requested
Priority:	High
Target date:	Not applicable

1280. The e-learning tool on results-based management and the 2030 Agenda for Sustainable Development has been developed. The Strategic Planning and Inter-Agency Affairs Unit of the Division for Policy Analysis and Public Affairs has confirmed that the modules have been finalized, and have been shared with United Nations Headquarters as a Shareable Content Object Reference Model (SCORM) package, which is a set of technical standards for e-learning software products. The package will be uploaded shortly on Inspira, after which the e-learning training course will become available. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

Report of the Board for the year ended 31 December 2016[47]

1281. **In paragraph 62 of its report, the Board recommended that UNODC set up standards for accessibility of field office premises.**

Departments responsible:	Division for Management and Division for Operations
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2021

1282. As part of a United Nations Office at Vienna/UNODC action plan for the implementation of the United Nations Disability Inclusion Strategy, by December 2021 a baseline assessment will be completed that incorporates the specificities of the headquarters environment as well as those of the field locations. Best practices will be identified that can be replicated in the field and vice versa.

1283. **In paragraph 63 of its report, the Board recommended that UNODC consider cooperating with UNDP to implement standards for accessibility in UNDP-administered premises.**

---

[47] A/72/5/Add.10, chap. II.

Departments responsible:	Division for Management and Division for Operations
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2021

1284. Please refer to the comments provided in response to the recommendation contained in paragraph 62 of the Board's report (see para. 1282 above).

Report of the Board for the year ended 31 December 2015[48]

1285. **In paragraph 86 of its report, the Board recommended that UNODC consider the scope for simplifying the reporting structure, for example, by only reporting changes from the previous submissions, through better use of graphics to show progress against targets, and through the inclusion of key expenditure data to identify departures from the agreed forecasts and to highlight reasons for variances in spending and activity.**

Departments responsible:	Division for Treaty Affairs, Division for Operations and Division for Policy Analysis and Public Affairs
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1286. The voluntary contributions module for Umoja Extension 2 is expected to be rolled out by the end of 2020. A streamlined project planning and reporting template has been agreed on across the Secretariat and will be rolled out in due course. UNODC internal meetings on the frequency of project reporting as well as its utilization by senior managers will take place in the fourth quarter of 2020. A dashboard combining progress against substantive targets and information on the use of financial resources is also being developed as part of Umoja Extension 2.

Report of the Board for the year ended 31 December 2014[49]

1287. **In paragraph 18 of its report, the Board recommended that UNODC develop fraud risk assessments to identify areas where it is most susceptible to fraud within its operations. These should be used to inform the development of risk mitigation plans to focus training and targeted exception reporting to detect cases of fraud.**

Departments responsible:	Office of the Executive Director, Division for Management, Division for Operations, Division for Policy Analysis and Public Affairs and Division for Treaty Affairs
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

---

[48] A/71/5/Add.10, chap. II.
[49] A/70/5/Add.10 and A/70/5/Add.10/Corr.1, chap. II.

1288. UNODC has developed and adopted a fraud and corruption risk register together with related risk response and treatment plans. UNODC considers this recommendation to have been implemented and requests its closure by the Board.

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 2019[50]

1289. Table 35 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

Table 35
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Finance Group	3	–	–	3	3	–
Infrastructure and Project Management Group	1	–	–	1	1	–
Procurement Group	2	–	–	2	2	–
Shared Service Centre	3	–	2	1	1	–
Sustainable Infrastructure Impact Investments	1	–	–	1	1	–
Total	**10**	**–**	**2**	**8**	**8**	**–**

1290. Table 36 summarizes the status of implementation of all recommendations of the Board as of August 2020.

Table 36
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Finance Group	7	–	1	6	6	–
Infrastructure and Project Management Group	1	–	–	1	1	–
Procurement Group	4	–	–	4	4	–
Shared Service Centre	9	–	6	3	3	–
Sustainable Infrastructure Impact Investments	2	–	–	2	2	–
Total	**23**	**–**	**7**	**16**	**16**	**–**

1291. **In paragraph 23 of its report, the Board recommended that the United Nations Office for Project Services (UNOPS) review its required minimum operational reserves and adhere to its policy of full cost recovery, so that the risks**

---

[50] A/75/5/Add.11, chap. II.

arising during the course of its operations are effectively met and surpluses are not accumulated over and above the realistically assessed operational reserves.

Department responsible:	Finance Group
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2022

1292. As directed by decision 2020/8 of the Executive Board (see DP/2020/19), UNOPS will undertake a review of minimum operational reserves. The review will be presented to the Advisory Committee on Administrative and Budgetary Questions for review, and then be presented to the Board.

1293. **In paragraph 37 of its report, the Board recommended that UNOPS convey to its partners and clients the components of the fee and fee increments that it charges for projects and adopt a more transparent communication methodology in that regard.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1294. UNOPS has established a corporate action plan with regard to improving its client relations for 2020. This includes an action to develop and roll out detailed external communication material explaining its value proposition, including its pricing. UNOPS has begun work on an improved presentation and explanation of its cost recovery model to partners, which should in turn address this specific recommendation.

1295. **In paragraph 46 of its report, the Board recommended that UNOPS issue specific instructions following up on the issue of the framework, guidelines, procedures and policy to strengthen and formalize the processing and documentation of projects funded through the growth and innovation reserve.**

Department responsible:	Sustainable Infrastructure Impact Investments
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1296. UNOPS accepted the generic recommendation but categorically disagreed with some non-factual comments made by the Board in paragraphs 42 to 45 of its report. UNOPS had in place a robust policy framework before embarking on sustainable infrastructure and impact investment activities. The framework included both internal UNOPS policies that are applicable to such activities as well as a detailed set of supplemental policy guidelines co-created over a period of nine months with one of the most renowned management consulting companies.

1297. While the Sustainable Infrastructure Impact Investments initiative is still in a pilot phase, policy-honing activities continued uninterrupted. The final draft of the initiative's supplementary policies should be completed by October 2020 and

promulgated before the end of 2020. However, the work will not stop there and UNOPS will keep making significant further adjustments to the Sustainable Infrastructure Impact Investments initiative policy framework until the end of the pilot phase at the end of 2023.

1298. **In paragraph 63 of its report, the Board recommended that UNOPS review the status of implementation of the projects, establish a more structured process for monitoring their progress, reassess the risks to its investments on the basis of actual progress against the benchmarks and take appropriate steps for mitigation measures.**

Department responsible:	Sustainable Infrastructure Impact Investments
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1299. While UNOPS agreed with the general thrust of the Board's generic recommendation in its report, UNOPS made it very clear that the it did not accept many of the comments made by the Board, as they were not grounded in the reality of the ways in which the world of investments operates. Furthermore, some of the comments made by UNOPS were ignored or misstated. The way the recommendation is worded is so generic that it is virtually impossible to objectively assess the implementation status. UNOPS is of the view that its processes aimed at monitoring progress are already adequate and include frequent on-site verifications, monthly and quarterly progress reports, monthly and quarterly sets of management accounts and annual audit reports.

1300. To date UNOPS has been receiving all dividend payments in full and on time. Of equal importance is the fact that the portfolio of projects, in particular in the area of affordable housing, is rapidly growing on three continents and ranges from middle-income to least developed countries, with agreements endorsed at the highest level of the respective Governments. UNOPS will continue to apply best practices in the implementation of such projects and mitigating risks, but it will not limit itself to a one-time review of the status of implementation. UNOPS will keep reviewing all its Sustainable Infrastructure Impact Investments initiative projects with much rigour and on an ongoing basis, learning from the unique experiences gained in the process and adjusting its working methods to achieve the best outcomes for the people in need.

1301. **In paragraph 78 of its report, the Board recommended that UNOPS examine the risks of an investment manager investing UNOPS portfolios in its own fund and take appropriate mitigation measures.**

Department responsible:	Finance Group
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1302. UNOPS confirms that, effective from July 2019, portfolios managed by UNOPS external managers do not hold any investments in the Legal and General Investment Management-owned/operated pooled investment vehicles. UNOPS therefore considers this recommendation to have been implemented and requests its closure by the Board.

1303. **In paragraph 80 of its report, the Board recommended that UNOPS take immediate action to implement the asset and liability management study report and restructure its health-care portfolio so that the returns are sufficient to meet future liabilities.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

1304. UNOPS agreed during a meeting of its Investment Advisory Committee, held in June 2020, to implement a new asset allocation and start a search for a new manager for its after-service health insurance investment portfolio. The new allocation and a new manager are expected to be in place before the end of the fourth quarter of 2020.

1305. **In paragraph 90 of its report, the Board recommended that UNOPS review and document the performance of the investment manager at intervals, as formalized in the statement of investment principles of January 2020.**

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

1306. The supplier performance of the investment manager is formally evaluated against the contractual obligations in accordance with the prevailing procurement policies of UNOPS. The UNOPS procurement policies currently require supplier performance to be formally evaluated upon completion of the entire award, which in the case of the provident fund is in 2024. UNOPS management will work with the Board to establish a process through which the recommendation can be closed, in accordance with the UNOPS procurement processes and the review frequency prescribed therein.

1307. **In paragraph 92 of its report, the Board recommended that UNOPS consider the performance of the investment manager against the objectives of the statement of investment principles, while considering a further extension of the agreement with the investment manager.**

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

1308. While the next time the contract of the investment manager is considered for extension and the manager's performance is reviewed against the objectives of the statement of investment principles may be in 2022, the supplier performance of the investment manager is formally evaluated against the contractual obligations in accordance with the prevailing procurement policies of UNOPS, and upon completion

of the entire award in 2024. UNOPS management will work towards the implementation of the recommendation.

1309. **In paragraph 109 of its report, the Board recommended that UNOPS assess its approach to the inclusion of a provision for performance security, in particular for non-works contracts with a high value, large volume or complexity, for ensuring seriousness on the part of suppliers and performance of the contract.**

Department responsible:	Procurement Group
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

1310. UNOPS accepted this recommendation and is working on the assessment for the additional performance security requirements as part of the ongoing revision to its Procurement Manual.

1311. **In paragraph 110 of its report, the Board recommended that UNOPS improve its monitoring to ensure that performance securities are submitted in a timely manner and kept valid throughout the contract period.**

Department responsible:	Procurement Group
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

1312. UNOPS accepted this recommendation and is assessing the potential system enhancements that can be made to the contract management module of the enterprise resource planning system, oneUNOPS, to improve the monitoring of the performance securities received.

1313. **In paragraph 123 of its report, the Board recommended that UNOPS assess its approach to the inclusion of the provision of liquidated damages, in particular for high-value contracts, in order to mitigate the risk of potential late performance leading to financial loss to UNOPS and its partners.**

Department responsible:	Procurement Group
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

1314. UNOPS accepted this recommendation and is working on the assessment of its approach to the inclusion of liquidated damages as part of the ongoing revision to its Procurement Manual.

1315. **In paragraph 129 of its report, the Board recommended that UNOPS comply with the guidance regarding the supplier performance evaluation and complete the evaluations according to the prescribed timeline.**

Department responsible:	Procurement Group
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

1316. UNOPS accepted this recommendation and is working on its implementation as part of its project on the enhancement of supplier performance evaluation processes and practices.

1317. **In paragraph 136 of its report, the Board recommended that UNOPS ensure compliance with its financial regulations and rules for the operational closure of projects and put in place appropriate checks to promptly change the status of the projects as soon as their activities have ceased.**

Department responsible:	Infrastructure and Project Management Group
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2021

1318. Because UNOPS operates under a decentralized model, the regional and country offices are responsible for the operational closure of projects in accordance with the process set out in the Project Management Manual, which was made mandatory on 1 January 2019, using the guidance and systems developed at the corporate level under the oversight of the Organizational Portfolio Management Office. In an effort to improve the operational closure of projects and prompt the change of status of the projects upon completion of the implementing stage, UNOPS has begun making improvements to: (a) the guidance made available to the country offices and project teams; (b) the application of the Project Management Manual by further embedding project closure considerations into the UNOPS Enterprise Portfolio and Project Management system (oneUNOPS Projects); and (c) the oversight carried out at the UNOPS corporate level.

1319. **In paragraph 147 of its report, the Board recommended that UNOPS pursue the transfer of new lines of business to the Bangkok Shared Service Centre and enable scalable operations in line with the objectives of setting up the Centre and the UNOPS strategic plan for 2018–2021.**

Department responsible:	Shared Service Centre
Status:	Closure requested
Priority:	High
Target date:	Not applicable

1320. The recommendation has already been addressed. The transfer of new services to the Bangkok Shared Service Centre is a continuous exercise that was demonstrated during the audit period and will continue to be actively pursued going forward. During 2018 and 2019, UNOPS reported that 13 new tasks were transferred to the Centre. Throughout 2020 at least three key new services (a payment factory, the reconciliation of bank accounts and the reconciliation of transactions in UN Web Buy Plus) have

been included in the Centre's transition plan. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1321. **In paragraph 155 of its report, the Board recommended that UNOPS establish strong governance structures to identify and evaluate service lines that could be considered for transfer to the Bangkok Shared Service Centre and develop business plans for each of those service lines.**

Department responsible:	Shared Service Centre
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1322. UNOPS considers the requirement of the recommendation to be fulfilled through its current corporate structure, composed of the Director of the Shared Service Centre, the Chief Financial Officer and Director of Administration and ultimately the UNOPS Senior Leadership Team. The Director of the Shared Service Centre reports directly to the Chief Financial Officer and Director of Administration, who sits on the UNOPS Senior Leadership Team, which is directly under the Executive Director of UNOPS. In addition, the steering panel of the Bangkok Shared Service Centre is being rendered more robust in terms of its overall strength and influence with regard to future service line analyses and transfers. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1323. **In paragraph 161 of its report, the Board recommended that UNOPS streamline the functioning of the Bangkok Shared Service Centre's steering panel through systematic documentation of its recommendations and their follow-up so that the panel contributes to the introduction of new service lines, which could be followed up on by the Centre or the Shared Service Centre Group.**

Department responsible:	Shared Service Centre
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1324. UNOPS confirms that the Bangkok Shared Service Centre's steering panel was established to represent the views and needs of its field offices, which are the Centre's key clients. UNOPS has decided to update the terms of reference of the steering panel to expand membership within the panel and to appoint new members. These steps should achieve the objective of granting the steering panel a stronger role in terms of its overall influence and its ability to support the implementation of service transfers to the Centre.

1325. **In paragraph 168 of its report, the Board recommended that UNOPS identify and prioritize ICT interventions that are essential for the work of the Bangkok Shared Service Centre, in consultation with relevant stakeholders, for the fulfilment of the strategic goal of providing globally shared transactional services with economy, efficiency, effectiveness and scalability.**

Department responsible:	Shared Service Centre
Status:	Closure requested
Priority:	High
Target date:	Not applicable

1326. UNOPS believes this recommendation has already been implemented through the current method of evaluation and implementation of information technology projects. The Bangkok Shared Service Centre actively partners with the Information and Communications Technology Unit within the Finance Group and jointly supports the Senior Leadership Team in assessing and deciding on the required information technology development work and solutions needed, with the goal of improving efficiency, automation and compliance. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1327. **In paragraph 170 of its report, the Board recommended that UNOPS develop business cases with details of activities, including ICT developments, along with milestones, resources requirements, timelines and cost avoidance estimates, in a holistic manner for consideration during decisions on ICT submissions.**

Department responsible:	Shared Service Centre
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1328. The recommendation has already been addressed within the current method of requesting information technology development work, design and solutions mapping, starting with the 2020 road map for ICT. The road map has been divided into five streams according to business focus and the nature of information technology development. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1329. **In paragraph 180 of its report, the Board recommended that UNOPS implement the treasury management system and related automation of the whole process to save time and funds, as well as potential loss to the projects.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1330. In July 2019, UNOPS signed an agreement with Kyriba, which will provide the software for its new treasury management system. The roll-out of the system will use a three-phase approach starting in August 2020, and be finalized by the end of 2020.

1331. **In paragraph 185 of its report, the Board recommended that UNOPS consider a version management mechanism in the issuance and revision of various instructions to enable tracking of the start of the activity or function at**

the Bangkok Shared Service Centre, followed by the dates and nature of revisions.

Department responsible:	Shared Service Centre
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1332. The recommendation was implemented at the end of 2019 through the global introduction of a new software suite, Google G Suite. This corporate productivity tool will automatically address the issues raised by this recommendation. Google G Suite automatically manages version control as well as the dating and tracking of document changes. UNOPS considers this recommendation to have been implemented and requests its closure by the Board.

1333. **In paragraph 190 of its report, the Board recommended that UNOPS incorporate reporting tools for performance requirement into ICT applications.**

Department responsible:	Shared Service Centre
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1334. The Bangkok Shared Service Centre is supporting ICT with the development of an advanced human resources/payroll reporting platform in Google BigQuery (a highly scalable and cost-effective cloud data warehouse designed for business agility) which will facilitate the creation of advanced reporting tools for the Centre.

1335. **In paragraph 197 of its report, the Board recommended that UNOPS study the processes related to human resources and payroll and take steps to automate process flows and incorporate validation controls to avoid or at least reduce repetitive feeding of the same data, thereby ensuring data integrity and avoiding manual errors.**

Department responsible:	Shared Service Centre
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

1336. This recommendation is currently being addressed with a payroll and human resources automation project outlined by ICT as part of the 2020 road map. As part of this project, business needs will be identified and process mapping will be conducted by a working group composed of the relevant stakeholders (ICT, the Finance Group, the People and Change Group, the Shared Service Centre and the Partnerships and Liaison Group). This will be followed up with appropriate design and development solutions by ICT.

1337. **In paragraph 207 of its report, the Board recommended that UNOPS prepare and prescribe integrated timelines delineating the functions of involved**

entities within UNOPS, in order to leverage the existence of the shared service centre for transactional services.

Department responsible:	Shared Service Centre
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1338. The recommendation has already been addressed. UNOPS has created an interactive online system called the Process and Quality Management System. Processes for all UNOPS entities are delineated in the System by both functional areas and entity. The System shows detailed procedural workflows with delineated roles and responsibilities by unit. In addition, the System serves as the UNOPS process repository, where all key processes are stored. The System is the link between the legislative framework and daily work. It is divided into two parts that addresses both policy (knowledge) and process. The process is designed in simple steps, allowing the process user to see the sequence of the steps and which resource is responsible for each step. UNOPS 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

1339. In the annex to its report for the year ended 31 December 2019 (A/75/5/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 16 recommendations that have been determined by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

1340. Table 37 summarizes the overall situation as of August 2020.

Table 37
Status of implementation of recommendations from prior periods considered not fully implemented

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implement ation	Target date set	No target date
Finance Group	6	–	–	6	6	–
Information and Communications Technology Unit	2	–	–	2	2	–
Infrastructure and Project Management Group	6	–	–	6	6	–
Shared Service Centre	2	–	1	1	1	–
Total	**16**	**–**	**1**	**15**	**15**	**–**

Report of the Board for the year ended 31 December 2016[51]

1341. **In paragraph 87 of its report, the Board recommended that UNOPS establish and adopt a sustainability screening tool to screen projects against sustainability standards at the design stage, fixing sustainability targets and deliverables to facilitate the monitoring of progress during the life of project.**

Department responsible:	Infrastructure and Project Management Group
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

1342. UNOPS delivers project outputs that contribute to the outcomes identified and owned by its partners, focusing on on-time delivery, cost and quality. UNOPS partners determine how the project outputs are aligned within their sustainability targets and how they contribute to the Sustainable Development Goals. As such, the role of UNOPS is to ensure that at the project level, sustainability is embedded in the delivery processes and in how UNOPS manages projects.

1343. As part of its strategy to continuously enhance project management, UNOPS released and made mandatory in 2019 an Enterprise Portfolio and Project Management system (oneUNOPS Projects), which incorporates the new project management policy requirements and the screening requirements for social, environmental and gender mainstreaming. The mandatory use of sustainability screenings (social, environmental and gender) enables UNOPS to screen and monitor projects against sustainability standards throughout the project life cycle. Assurance with regard to such sustainability elements will be accomplished through a quarterly assurance process, the requirements of which have been revised and embedded in oneUNOPS Projects and will be rolled out in October 2020.While this is contingent on the availability of ICT resources, UNOPS is committed to continuously improving its screenings (and has already proceeded with several revisions) on the basis of data collected from the quarterly assurance process and the examination of trends.

1344. In addition, UNOPS has developed guidance and tools to support both its own projects and those of its partners. For infrastructure projects, for example, UNOPS has shown how its partners can advance the attainment of the Sustainable Development Goals. These include several reports, including "Infrastructure: Underpinning Sustainable Development" and the complementary tool "sustainABLE", which can be used by project developers to identify activities to include in projects that will enhance their ability to influence the achievement of the Goals. UNOPS notes that the Board wishes to assess the effectiveness of the aforementioned elements by reviewing the results of the new quarterly assurance process (the first report will be available in early 2021). UNOPS has ensured that its project activities and outputs are now systematically screened against sustainability aspects, and that guidance and tools are available.

1345. **In paragraph 95 of its report, the Board recommended that UNOPS incorporate sustainability targets and deliverables into project initiation documents, for mandatory screening and monitoring, measurement and reporting of sustainability contributions at all stages of the project life cycle, from engagement acceptance, quarterly assurance and project progress reports to project closure reports.**

_____

[51] A/72/5/Add.11, chap. II.

Department responsible:	Infrastructure and Project Management Group
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

1346. In alignment with the comments provided in response to the recommendation contained in paragraph 87 of the Board's report (see paras. 1342 to 1344 above), it should be noted that UNOPS delivers project outputs that contribute to the outcomes identified and owned by its partners, focusing on on-time delivery, cost and quality. UNOPS partners determine how the project outputs are aligned within their sustainability targets and how they contribute to the Sustainable Development Goals. As such, the role of UNOPS is to ensure that at the project level, sustainability is embedded in the delivery processes and in how UNOPS manages projects.

1347. UNOPS notes with appreciation that the Board acknowledged that it had incorporated sustainability considerations into project initiation documents embedded in oneUNOPS Projects, and that the Board wishes to assess the effectiveness of the system by assessing the results of the new quarterly assurance process. The requirements of such a quarterly assurance process have been revised and embedded in oneUNOPS Projects and will be rolled out in October 2020. The first report will be available in early 2021.

1348. **In paragraph 102 of its report, the Board recommended that UNOPS establish a standard procedure for sustainability results reporting at the output and outcome levels by capturing data through the business process, to be measured against predefined sustainability standard indicators, targets and deliverables, and having the results validated through a verification mechanism.**

Department responsible:	Infrastructure and Project Management Group
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

1349. In alignment with the comments provided in response to the recommendations contained in paragraphs 87 and 95 of the Board's report (see paras. 1342 to 1344 and paras. 1346 and 1347, respectively, above), it should be noted that UNOPS delivers project outputs that contribute to the outcomes identified and owned by its partners, focusing on on-time delivery, cost and quality. UNOPS partners determine how the project outputs are aligned within their sustainability targets and how they contribute to the Sustainable Development Goals. As such, the role of UNOPS is to ensure that at the project level, sustainability is embedded in the delivery processes and in how UNOPS manages projects.

1350. As part of its strategy to continuously enhance project management, UNOPS released and made mandatory in 2019 oneUNOPS Projects, which incorporates the new project management policy requirements. The system functionality requires that all project outputs are defined in line with the UNOPS operations and mandate in the "engagement acceptance" process and are approved by the "engagement authority". The mandatory use of sustainability screenings (social, environmental and gender) enables UNOPS to screen and monitor projects against sustainability standards throughout the project life cycle.

1351. Assurance with regard to such sustainability elements will be accomplished through a quarterly assurance process, the requirements of which have been revised and embedded in oneUNOPS Projects and will be rolled out in October 2020, with the first report available in early 2021. The revised quarterly assurance process will also include aspects related to the Global Reporting Initiative in order to strengthen the quality of the data collection (moving from annual to quarterly collection). UNOPS has ensured that its project activities and outputs are now systematically screened and monitored against sustainability aspects and, in addition, that guidance material and tools are available to support both its own projects and its partners. Furthermore, oneUNOPS Projects now includes an output-based reporting feature covering all project management areas, which is linked to the engagement acceptance process as well as to the project benefits.

1352. **In paragraph 156 of its report, the Board recommended that UNOPS review its existing standard operating procedures related to vendor database management to ensure that it has a strong system of checks with defined formats for data, data validation and alerts regarding duplicates in the oneUNOPS system, in order to enhance the quality of data sets.**

Department responsible:	Information and Communications Technology Unit
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1353. UNOPS will review the data in question to assess if more clean-up is possible. It is, however, important to recognize that the United Nations Global Marketplace data is not owned by UNOPS and that the UNOPS enterprise resource planning system holds the data of all UNOPS personnel in its supplier module but, as they are not vendors, UNOPS personnel are not registered in the Global Marketplace database.

1354. **In paragraph 180 of its report, the Board recommended that UNOPS ensure the implementation of its policy regarding the booking of tickets at least seven days in advance of the travel date. Systems should be enabled to capture the data related to booking, to allow for better monitoring.**

Department responsible:	Shared Service Centre
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1355. UNOPS acknowledges the conclusion made by the Board with regard to the closure of the recommendation. UNOPS highlights that its operations are mostly of an emergency nature and are in volatile locations. Its position remains that travellers should aim for the booking of tickets seven days in advance of departure when possible, but that is a strongly recommended practice and not a requirement. Given the nature of its operations, UNOPS cannot make it a requirement because situations arise in which personnel need to book their tickets urgently, and therefore cannot adhere to the requirement that they book seven days in advance of travel. However, UNOPS keeps the recommendation to book seven days in advance of travel in the Process and Quality Management System in order to continue encouraging personnel

to do so. Therefore, UNOPS is actually in compliance with the respective policy. Based on this, 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 2017[52]

1356. **In paragraph 42 of its report, the Board recommended that UNOPS expedite the implementation and operationalization of the Enterprise Portfolio and Project Management system and the enterprise risk management system as planned.**

Department responsible:	Infrastructure and Project Management Group
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

1357. The risk management functionality in the Enterprise Portfolio and Project Management system (oneUNOPS Projects), which has been used across the organization since 2019, has been further enhanced to increase its usability. The enhanced version has been available since April 2020. It provides a familiar user interface for incorporating risks while leveraging the additional capabilities that Google G Suite offers, thus improving the use of the risk management feature. The functional requirements for the integration of recommendations by the Engagement Acceptance Committee and the ability to follow up on them were drafted in 2019, but system development needs to be prioritized.

1358. **In paragraph 48 of its report, the Board recommended that UNOPS initiate the process of the financial closure of projects soon after they have been operationally closed, so as to complete the process within the stipulated period.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1359. UNOPS achieved a 94 per cent on-time closure rate for the second quarter of 2020. The organization has further reduced its backlog to only 68 projects (4 per cent of the 1,640 active projects). Therefore, UNOPS progress with regard to timely project closure is tangible and will be shared with the Board again during the audit of the 2020 financial statements.

1360. **In paragraph 73 of its report, the Board recommended that (a) UNOPS strengthen its reporting and monitoring mechanism with respect to the mainstreaming of gender into projects, by ensuring that the documentation of gender mainstreaming becomes, as far as feasible, an intrinsic part of the project management process. UNOPS should also ensure the preparation of gender action plans by all gender focal points; and (b) the role of gender focal points be strengthened by providing necessary resources, such as time and a budget, for the effective implementation of their roles and responsibilities.**

---

[52] A/73/5/Add.11, chap. II.

Department responsible:	Infrastructure and Project Management Group
Status:	Under implementation
Priority:	High
Target date:	First quarter of 2021

1361. With regard to part (a) of the recommendation, in order to strengthen its reporting and monitoring mechanism on gender mainstreaming in projects and ensure the preparation of gender action plans by all gender focal points, in 2019 UNOPS released guidelines on gender mainstreaming in projects (in English, French and Spanish) in order to help UNOPS project personnel mainstream gender considerations into the projects that UNOPS delivers. These guidelines are to be used in conjunction with the UNOPS Gender Mainstreaming Strategy and Gender Parity Strategy and their associated action plans and policies. Embedded in oneUNOPS Projects are gender mainstreaming considerations, including the requirement that a project must develop and implement a gender action plan if it does not meet gender mainstreaming criteria. Oversight of the milestones of the gender action plan is accomplished through the quarterly assurance process, the improved version of which has been embedded in oneUNOPS Projects and will be rolled out in October 2020, with the first report ready in early 2021. Part (b) of the recommendation was closed by the Board in 2018.

Report of the Board for the year ended 31 December 2018[53]

1362. **In paragraph 22 of its report, the Board recommended that UNOPS ensure that the review of project classification by the Integrated Practice Advice and Support unit or the Finance Group is captured in oneUNOPS to leave an appropriate audit trail.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

1363. UNOPS has taken the decision to embed the process of project classification within the Enterprise Portfolio and Project Management system (oneUNOPS Projects). The interface for project classification will require explicit confirmation of the review of all project classifications, providing an appropriate audit trail. This interface is currently under development by the Information and Communications Technology Unit.

1364. **In paragraph 23 of its report, the Board recommended that UNOPS take steps to generate the financial statements from the oneUNOPS enterprise resource planning system so as to minimize the need for manual adjustments and interventions.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	High
Target date:	Second quarter of 2021

_____

[53] A/74/5/Add.11, chap. II.

1365. The Information and Communications Technology Unit had previously developed reports in the enterprise resource planning system whose outputs were the key corporate financial statements tables. The Finance Group is now working further with the Unit to ascertain whether it is feasible for the outputs of these reports to be incorporated into the enterprise resource planning system itself.

1366. **In paragraph 50 of its report, the Board recommended that UNOPS subject the property, plant and equipment to a systematic annual review to confirm the remaining useful life in line with IPSAS requirements.**

Department responsible:	Shared Service Centre
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1367. UNOPS initiated a separate annual exercise to reassess the assigned useful economic life of asset groups. The process involved several steps. The gathering of initial data was conducted in December 2019. On the basis of the feedback obtained, a recommendation was forwarded to the policy owners. Subsequent to the review by the policy owners, the Integrated Practice Advice and Support unit was requested to propose revisions to the assigned useful life for the four asset groups. As these asset groups were all related to ICT, the Information and Communications Technology Unit was contacted to validate the proposed revision. Once confirmation is obtained from the Unit, the proposed revision will be implemented subsequent to approval by the policy owners. The review process of the asset groups will begin in the third quarter of 2020.

1368. **In paragraph 83 of its report, the Board recommended that UNOPS properly document the cases of waiver of administrative fees.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1369. UNOPS has begun a substantive review of its advance financing management process, as this is governed fully by internal procedures. During the review, UNOPS will also evaluate the efficiency and effectiveness of the financial management aspects of the process and adjust the administration fee process accordingly.

1370. **In paragraph 84 of its report, the Board recommended that UNOPS modify the interest distribution tool to correctly allocate the interest on advance financing cases.**

Department responsible:	Finance Group
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1371. UNOPS has started a substantive review of its advance financing management process, as this is governed fully by internal procedures. During the review, UNOPS will also evaluate the efficiency and effectiveness of the financial management aspects of the process and adjust the interest recovery process accordingly.

1372. **In paragraph 136 of its report, the Board recommended that UNOPS comprehensively review the pending change requests, classify them on the basis of priority and bring them before the ICT governance bodies for consideration so that the pending requests can be addressed comprehensively and within a definite time frame.**

Department responsible:	Information and Communications Technology Unit
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1373. UNOPS has implemented a process for the prioritization of change requests and will review the process for change requests in order to assess the possibility of setting a definite time period.

1374. **In paragraph 170 of its report, the Board recommended that UNOPS incorporate the requirements of Prince2 methodology in oneUNOPS to enable UNOPS to manage its projects in terms of the requirements of its Project Management Manual.**

Department responsible:	Infrastructure and Project Management Group
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2021

1375. The development of oneUNOPS Projects has substantially progressed since October 2019. The focus in the first quarter of 2020 has been towards enhancing the usability of different functionalities within the system, such as risk management. The following steps are being taken: (a) while the functional requirements for online project initiation documentation have been completed, oneUNOPS Projects is currently integrating different Google G Suite functionalities into the system, and once the integration of G Suite into the system has been tested by users, the integration of an online project initiation document, as a Google Doc, will be prioritized for the future; (b) the development of functional requirements for the inclusion of tolerances (time, cost and scope) in the opportunity and engagement acceptance process began in the second quarter of 2019 and will be prioritized for development in the system in the future; (c) the integration of the new expenditure forecasting process is scheduled for release in August 2020, while the new quarterly assurance process (which captures the "manage by stages" principle in Prince2) will be released in October 2020 so it can be used for the third quarter 2020 quarterly assurance process; and (d) the functional requirements for a global lessons library have been completed and a first draft is ready for content quality assessment, and the project is tentatively scheduled for development in the fourth quarter of 2020.

1376. **In paragraph 174 of its report, the Board recommended that UNOPS automate the preparation of financial statements to ensure the credibility of**

financial information. UNOPS should also prioritize the implementation of treasury management and inventory valuation and management in one UNOPS.

Department responsible:	Finance Group
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

1377. Regarding the automation of financial statements, the Information and Communications Technology Unit had previously developed reports in the enterprise resource planning system whose outputs were the key corporate financial statements tables. The Finance Group is now working further with the Unit to ascertain whether it is feasible for the outputs of these reports to be incorporated into the enterprise resource planning system itself. With regard to treasury management, in July 2019 UNOPS signed an agreement with Kyriba, which will provide the software for its new treasury management system. The roll-out of the system will use a three-phase approach starting in August 2020, and be finalized by the fourth quarter of 2020. The inventory valuation part of the recommendation was addressed and closed during the 2019 audit.

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 2019[54]

1378. Table 38 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

Table 38
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Fiji multi-country office	3	–	3	–	–	–
Office of the Deputy Executive Director for Resource Management, Sustainability and Partnerships	1	–	1	–	–	–
Total	**4**	**–**	**4**	**–**	**–**	**–**

1379. Table 39 summarizes the status of implementation of all recommendations of the Board as of August 2020.

_____

[54] A/75/5/Add.12, chap. II.

Table 39
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Division of Management and Administration	3	–	3	–	–	–
Fiji multi-country office	5	–	5	–	–	–
Office of the Deputy Executive Director for Resource Management, Sustainability and Partnerships	1	–	1	–	–	–
Office of Human Resources	1	–	–	1	1	–
Turkey country office	1	–	1	–	–	–
Total	**11**	**–**	**10**	**1**	**1**	**–**

1380. **In paragraph 22 of its report, the Board recommended that UN-Women formalize the categorization of its offices, establishing the definition of the functional setup of each presence type, including minimum functions, positions and resources for both resident and non-resident modalities, as well as the various types of services to be provided. Furthermore, an accurate and updated registry of all offices should be maintained.**

Department responsible:	Office of the Deputy Executive Director for Resource Management, Sustainability and Partnerships
Status:	Closure requested
Priority:	High
Target date:	Not applicable

1381. A "UN-Women presence governance framework", which formalizes the categorization of offices and establishes the functional setup of each presence type, has been promulgated to guide the Entity's ongoing work. The framework underwent extensive consultations and rigorous reviews aimed at earning a final sign-off by the UN-Women executive leadership team. A single, up-to-date database for the registry of standard information regarding field presences is diligently maintained. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1382. **In paragraph 30 of its report, the Board recommended that UN-Women strengthen oversight of the service performed and the execution of the review, in accordance with the applicable standard on ICT access control and user account management (ITS-009), to ensure that all user accounts that remain dormant for 180 consecutive days are deactivated regularly and in a timely manner.**

Department responsible:	Division of Management and Administration
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1383. UN-Women has strengthened its monitoring oversight of UNDP to ensure that it diligently performs regular Atlas user account clean-up by instituting a regular review by UN-Women and UNDP user account management focal points. This ensures that all user accounts that remain dormant for 180 consecutive days are deactivated in a timely manner and mitigates any unnecessary information security risks for UN-Women. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1384. **In paragraph 40 of its report, the Board recommended that UN-Women review and update its internal control policy in order to reflect that periodic manual monitoring of critical profile use has been replaced by a suitable configuration of automatic controls in the Atlas system.**

Department responsible:	Division of Management and Administration
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1385. UN-Women has updated the internal control framework to reflect the newly instituted system controls whereby the same staff member cannot approve both the purchase requisition and the purchase order for the same transaction. This replaced the periodic manual monitoring of critical profile use in Atlas. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1386. **In paragraph 45 of its report, the Board recommended that the UN-Women multi-country office in Fiji ensure that duly signed funding authorization and certificate of expenditure forms from responsible parties are accepted and processed in a timely manner, in compliance with the policy on cash advances and other cash transfers to partners by the corresponding responsible staff.**

Department responsible:	Fiji multi-country office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1387. The Fiji multi-country office has initiated a standardized process to validate and confirm that all funding authorization and certificate of expenditure forms are duly approved and signed in line with the updated corporate policy on cash advances and other cash transfers to partners. To institutionalize the process, the following actions were taken: (a) a checklist was designed for use with various payments, including advance liquidations, to validate expenses in line with applicable corporate policies; (b) a table to track advances was developed, which has been in use since November 2019, to facilitate the monitoring of partner advances; and (c) project

managers and project associates were trained on the management of funding authorization and certificate of expenditure forms in November 2019 and February 2020. In addition, continual staff training is periodically planned to calibrate, as necessary, the above process and reinforce understanding of the delineation of timelines, roles and the scope of responsibilities in the overall processing of funding authorization and certificate of expenditure forms. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1388. **In paragraph 50 of its report, the Board recommended that the UN-Women multi-country office in Fiji ensure the proper recording of project expenditures through the timely preparation and posting of the corresponding accounts payable journal vouchers, in accordance with the provisions of the UN-Women policy on cash advances and other cash transfers to partners in a reasonable and timely manner after the Project Manager has approved the funding authorization and certificate of expenditure forms.**

Department responsible:	Fiji multi-country office
Status:	Closure requested
Priority:	High
Target date:	Not applicable

1389. The Fiji multi-country office has ensured the timely preparation of accounts payable journal vouchers to properly record project expenditures reported through the funding authorization and certificate of expenditure forms received from partners. The prompt submission of the forms is closely monitored and immediately followed up on by partners when there is any noted delay. The policy on cash advances and other cash transfers to partners was amended in December 2019 to increase the time period allowed to adequately process the funding authorization and certificate of expenditure forms and prepare the accounts payable journal entry, enabling consistent adherence to the updated policy. This is reinforced by the continual training of any new staff on the requirements of the updated policy on cash advances and other cash transfers to partners. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1390. **In paragraph 51 of its report, the Board recommended that the UN-Women multi-country office in Fiji ensure that duly authorized officials first sign the reviewed project expenditures and requests for advances to partners, which leads to the approval of the funding authorization and certificate of expenditure forms. Finally, the expenditure must be recorded appropriately in the accounting system.**

Department responsible:	Fiji multi-country office
Status:	Closure requested
Priority:	High
Target date:	Not applicable

1391. The Fiji multi-county office ensures that only after it receives the duly approved and signed funding authorization and certificate of expenditure forms are the corresponding accounts payable journal voucher prepared and approved for proper accounting. To institutionalize the process, the following actions were taken: (a) a checklist was designed for use with various payments, including advance liquidations, to validate expenses in line with applicable corporate policies; (b) a table to track

advances was developed, which has been in use since November 2019, to facilitate the monitoring of partner advances; and (c) project managers and project associates were trained on the management of funding authorization and certificate of expenditure forms in November 2019 and February 2020. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1392. **In paragraph 58 of its report, the Board recommended that the UN-Women multi-country office in Fiji monitor the implementing partners or responsible parties closely so that funding authorization and certificate expenditure forms are received on time, project expenditures are recorded appropriately and the monitoring role in their activities is fulfilled.**

Department responsible:	Fiji multi-country office
Status:	Closure requested
Priority:	High
Target date:	Not applicable

1393. The Fiji multi-country office has established a process that facilitates the close monitoring of implementing partners or responsible parties. In addition to the development of the table to track advances that has been in use since November 2019 to facilitate the monitoring of partner advances, project managers and partners are reminded that: (a) only upon the liquidation of at least 80 per cent of a prior advance will a further and future advance be issued and paid; and (b) partners' strict adherence to the mandatory requirement to submit a funding authorization and certificate of expenditure form at the end of each quarter will be observed and closely monitored. Furthermore, project managers and staff associates have been trained on the proper monitoring and tracking of partners' advances and expenses to ensure the consistency of data and compliance with the corporate policies.

1394. The Fiji multi-country office continually carries out orientation and learning sessions for any new implementing partner or responsible party on the reporting (both narrative and financial) requirements and time frames prescribed by UN-Women. The capacities of existing partners are regularly assessed during project monitoring and, where necessary, the strengthening of partners' capacities for project sustainability towards national ownership are included in programme activities. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1395. **In paragraph 69 of its report, the Board recommended that the UN-Women multi-country office in Fiji ensure that, in the process of reviewing supporting documentation for projects in execution, proper authorization and reliable information regarding the supporting receipts for the liquidation of an advance are obtained in a timely manner.**

Department responsible:	Fiji multi-country office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1396. The Fiji multi-country office ensures that documents and receipts to support the liquidation of partner advances are properly authorized, reliable and submitted in a timely manner. Project managers and project associates have been trained to complete the standardized letter of confirmation for the certification of expenditures reviewed and to document the percentage of total expenditures sampled.

They are also required to submit a list in Excel of all documents supporting the liquidation of the funding authorization and certificate of expenditure forms in line with the recent updates to the policy on cash advances and other cash transfers to partners. Programme managers will continue to assess the quality and completeness of supporting documentation and discuss with a partner whenever any document is inadequate. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1397. **In paragraph 75 of its report, the Board recommended that UN-Women ensure that the risk factor of implementing partners is reflected in the process of reviewing a sample of expenditures through the funding authorization and certificate of expenditure forms.**

Department responsible:	Division of Management and Administration
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1398. On 31 December 2019, UN-Women promulgated a revised policy on cash advances and other cash transfers to partners by adding two annexes, which included a letter of confirmation for certification of expenditure. The new certification requires that each programme manager for each liquidation of an advance report on the level of risk assessed at the time of the review and sampling of the supporting documents, demonstrate the percentage of total expenses sampled and specify whether there are any risk mitigation actions to be taken. Training was provided, region by region, for all programme and operations staff in early 2020 by the Financial Management Section. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1399. **In paragraph 83 of its report, the Board recommended that, in accordance with the policy on overtime compensation, UN-Women ensure that the overtime request form or any other means reflects accurately and reliably that all overtime work has been authorized in advance and, in the case of use of funds, that their availability has been certified.**

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

1400. UN-Women continues to closely monitor the submission of forms to ensure that pre-approval of overtime requests is obtained and funding is certified before the forms are submitted for payment. Simultaneously, UN-Women is currently reviewing the process steps and the design of the overtime form to streamline and reduce the transactional burden while preserving the controls and accountability intended by the policy. Management actions to implement this recommendation are in progress.

1401. **In paragraph 93 of its report, the Board recommended that the Turkey country office implement a mechanism to avoid the late submission of travel expense claims and comply with the controls stated in the policy.**

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

1402. The Turkey country office put in place, in January 2020, an updated travel tracking tool that has facilitated the diligent monitoring of the timely submission of duly completed travel expense claim forms that include supporting post-travel documents. In addition, an update to the standard operating procedure has been disseminated among personnel indicating that future travel advances will not be processed if personnel have any pending travel expense claim forms, and that a notification will be issued if the travel expense claim form is not submitted within 30 days after travel has been completed. The travel management improvements have resulted in an effective compliance rate of 100 per cent by the Turkey country office with regard to the timely submission by staff of travel expense claim forms during the first half of 2020. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

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

1403. In the annex to its report for the year ended 31 December 2019 (A/75/5/Add.12, chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the six recommendations that have been determined by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

1404. Table 40 summarizes the overall situation as of August 2020.

Table 40
Status of implementation of recommendations from prior periods considered not fully implemented
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Office of the Deputy Executive Director for Resource Management, Sustainability and Partnerships	1	–	1	–	–	–
Policy, Programme and Intergovernmental Division	1	–	–	1	1	–
Americas and the Caribbean Regional Office	1	–	1	–	–	–
Strategy, Planning, Resources and Development Effectiveness Division	2	–	–	2	2	–
Multiple offices	1	–	–	1	1	–
Total	**6**	**–**	**2**	**4**	**4**	**–**

Report of the Board for the year ended 31 December 2016[55]

1405. **In paragraph 58 of its report, the Board recommended that UN-Women: (a) expedite the development of policy and guidelines that clearly define the rationale for the establishment of programme presences and the management of programme and field presences; and (b) develop business cases for the already established programme and field presences so as to suit the current needs and situation.**

Department responsible:	Office of the Deputy Executive Director for Resource Management, Sustainability and Partnerships
Status:	Closure requested
Priority:	High
Target date:	Not applicable

1406. A "UN-Women presence governance framework", which formalizes the categorization of offices and establishes the functional setup of each presence type, has been promulgated to guide the Entity's ongoing work. The framework underwent extensive consultations and rigorous reviews aimed at earning a final sign-off by the UN-Women executive leadership team. A single, up-to-date database for the registry of standard information regarding field presences is diligently maintained. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

1407. **In paragraph 81 of the Board's report, UN-Women agreed with the Board's recommendation that it: (a) consider the use of the implementing agent code in the chart of accounts for Atlas to enhance efficiency and effectiveness; (b) work closely with the global auditors to review the audit process to ensure that project audit reports are submitted in a timely manner; and (c) enhance the capacity of the Audit Coordination Unit to ensure that it supports effectively the oversight function in the organization.**

Department responsible:	Strategy, Planning, Resources and Development Effectiveness Division
Status:	Under implementation
Priority:	Medium
Target date:	Second quarter of 2021

1408. The Strategy, Planning, Resources and Development Effectiveness Division is a new division established at headquarters as part of the UN-Women change management initiative. The Audit Coordination Unit was relocated there during the fourth quarter of 2019. The Division was created to strengthen the assurance and oversight functions of the second line of defence (internal risk controls and compliance oversight) of UN-Women. The roles and responsibilities of the Audit Coordination Unit will be further assessed not in isolation but in an overall review and assessment of the capacity of all sections and units within the newly established division under the leadership of the Director of the Division.

---

[55] A/72/5/Add.12, chap. II.

1409. The operationalization of the newly established Division and the full identification of work streams and commensurate workforce levels will be completed as a holistic exercise at the divisional level. Due to the urgency of the required COVID-19 responses, this work was placed temporarily on hold to allow the Division to pivot towards the response efforts, thereby creating a delay in implementation.

Report of the Board for the year ended 31 December 2017[56]

1410. **In paragraph 27 of its report, UN-Women agreed with the Board recommendation to improve the link between the Results Management System tool and Atlas so that the information in the Results Management System is up-to-date in order to facilitate timely and accurate decision-making.**

Department responsible:	Strategy, Planning, Resources and Development Effectiveness Division
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2021

1411. UN-Women is presently analysing its options within available resources for its enterprise resource planning system following the recent decision of its main Atlas partner agencies to move to a new enterprise resource planning system. The implications for ongoing systems work will have to be considered, including further system enhancement to improve the interface between the Results Management System and Atlas. The system development work on an enhanced Atlas grants module and a project gateway was initiated in 2019; however, their testing, piloting and roll-out, planned for 2020, have been delayed owing to COVID-19. UN-Women needs to reassess and determine its best course of action to mitigate any risks and seize any opportunity to redirect the Entity's limited resources to a more viable and improved enterprise resource planning system. All of these factors are causing a delay in completing the implementation of this recommendation, which may potentially be considered as having been overtaken by events.

1412. **In paragraph 44 of its report, the Board recommended that UN-Women: (a) ensure that conclusive assessments of the prior year's qualified audit report financial findings are conducted to determine the causes and prevent recurrence of the weaknesses identified; and (b) consider introducing policies that address weaknesses in project management that lead to ineligible expenditure and that guide the administration on proper accounting for ineligible expenditure in prior years to avoid potential misstatements in the financial statements.**

Departments responsible:	Division of Management and Administration and Policy, Programme and Intergovernmental Division
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

---

[56] A/73/5/Add.12, chap. II.

1413. UN-Women had discussed the proposed procedures and guidelines for the resolution of audit recommendations arising from project partner audits with the Advisory Committee on Oversight. The recommendations from the Internal Audit Service's recently concluded audit on implementing partner management also had to be considered. This included the identification of the Programme Support and Management Unit in the Policy, Programme and Intergovernmental Division as the business process owner for partner management in UN-Women. Hence, the management of the project partner audits was transferred from the Division of Management and Administration to the Programme Support and Management Unit, which contributed to the further delay in the finalization of holistic procedures and guidelines.

Report of the Board for the year ended 31 December 2018[57]

1414. **In paragraph 21 of its report, the Board recommended that UN-Women consider establishing, at the programme formulation stage, obligatory reporting on the procurement plans of projects that are executed under programmes.**

Department responsible:	Policy, Programme and Intergovernmental Division
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1415. UN-Women has successfully incorporated the project procurement plan into the project document template and the Project Appraisal Committee checklist. However, further refinement of the budget template had to be integrated as well to reflect the requirements of the cost recovery policy. The revised budget template is near completion after extensive consultations with headquarters and regional offices. The updated project document template, together with the Project Appraisal Committee checklist, will be promulgated immediately upon finalization of the revised budget template.

1416. **In paragraph 29 of its report, the Board recommended that the Americas and the Caribbean Regional Office comply with timely Atlas purchase order clean-up processes as established in the finance manual and standard operating procedures.**

Department responsible:	Americas and the Caribbean Regional Office
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1417. The Americas and the Caribbean Regional Office instituted, at the beginning of 2020, a dedicated community of practice to enhance internal controls and ensure that month-end certification-related activities, including Atlas purchase order clean-up processes, were closely monitored and completed in a timely manner. During the first half of 2020, this initiative resulted in an effective compliance rate of 100 per cent by the Office with regard to the timely completion of Atlas purchase order clean-

---

[57] A/74/5/Add.12, chap. II.

up processes, as established in the finance manual and the standard operating procedures. UN-Women considers this recommendation to have been implemented and requests its closure by the Board.

XVI. International Residual Mechanism for Criminal Tribunals

A. Implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2019[58]

1418. Table 41 summarizes the status of implementation of the main recommendations of the Board as of August 2020.

Table 41
Status of implementation of the main recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Registry	9	–	2	7	7	–
Total	**9**	**–**	**2**	**7**	**7**	**–**

1419. Table 42 summarizes the status of implementation of all recommendations of the Board as of August 2020.

Table 42
Status of implementation of all recommendations
(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Registry	20	–	3	17	17	–
Total	**20**	**–**	**3**	**17**	**17**	**–**

1420. **In paragraph 21 of its report, the Board recommended that the Mechanism coordinate with the Secretariat to assess and start the management of the portfolio of real estate infrastructure in the respective Umoja module.**

> *Department responsible*: Registry
>
> *Status*: Under implementation
>
> *Priority*: Medium
>
> *Target date*: Second quarter of 2021

1421. At the moment, training for this module is not available to the staff at large. However, a recently recruited and experienced staff member in the General Service category will begin working on this project in the third quarter of 2020.

_____

[58] A/75/5/Add.15, chap. II.

1422. **In paragraph 30 of its report, the Board recommended that the Mechanism update the information on capitalized assets in Umoja, including the assignment of their respective users at the Mechanism and proper functional location, in the real estate management module in Umoja.**

Department responsible:	Registry
Status:	Under implementation
Priority:	High
Target date:	Third quarter of 2021

1423. The assignment of functional locations will follow the implementation of the previous recommendation. The user information will be updated during the 2020 physical verification exercise.

1424. **In paragraph 31 of its report, the Board recommended that the Mechanism review and update the master data in Umoja for non-capitalized property, in order to update the users who are no longer working at the Mechanism.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1425. The user information will be updated during the 2020 physical verification exercise.

1426. **In paragraph 45 of its report, the Board recommended that the Mechanism improve its procedures of physical verification for the inventory of all capitalized assets, adjusting this information in the Umoja records, to ensure the integrity of the data maintained in the system.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1427. Capitalized asset data will be updated during the 2020 physical verification exercise.

1428. **In paragraph 46 of its report, the Board recommended that the Mechanism identify all its assets with their respective tag number and proper description, keeping this information updated in Umoja.**

Department responsible:	Registry
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1429. Tag numbers and descriptions will be updated during the 2020 physical verification exercise.

1430. **In paragraph 56 of its report, the Board recommended that the Mechanism perform a verification of the actual use of assets, in order to evaluate residual values and useful lives of property, plant and equipment items, where applicable.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1431. An assessment of the actual use of assets will be conducted during the 2020 physical verification exercise.

1432. **In paragraph 68 of its report, the Board recommended that the Mechanism strengthen the review and supervision of the entire process of issuing purchase orders in order to guarantee their timely issuance.**

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

1433. The Mechanism's Procurement Section has implemented a shared workload spreadsheet that allows supervisors to monitor expected purchase orders and ensure their timely issuance. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

1434. **In paragraph 69 of its report, the Board recommended that the Mechanism implement a control of the commitments in order to ensure that the expenses are recorded in the correct accounting period.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1435. The Mechanism's Procurement Section will run a monthly check of open shopping carts and purchase orders in Umoja to ensure they are completed in their respective fiscal years. In addition, requisitioners will review a list of unliquidated obligations on a quarterly, rather than yearly, basis, to ensure purchase orders no longer required are liquidated in a timely manner.

1436. **In paragraph 70 of its report, the Board recommended that the Mechanism examine and evaluate the purchase order reports used by the Mechanism, notifying iNeed of the differences detected, aimed at ensuring that the information is appropriately registered in Umoja.**

Department responsible:	Registry
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1437. The Mechanism notes that this recommendation pertains to Umoja-generated reports rather than the accuracy of the underlying data, and undertakes to notify iNeed in the event errors are detected in the reports.

1438. **In paragraph 83 of its report, the Board recommended that the Mechanism improve and strengthen the control mechanisms concerning annual and home leave, for both the staff members and their supervisors, in order to improve compliance with the correspondent regulation.**

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

1439. Improved and strengthened control mechanisms concerning annual leave and home leave have been implemented through Umoja implementation and related job aids. Management notes that annual leave is a leave entitlement managed through the Umoja employee self-service module, while home leave is a travel entitlement managed through the Umoja travel module. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

1440. **In paragraph 84 of its report, the Board recommended that the Mechanism reinforce its policy regarding the importance of requesting and approving annual and home leave in Umoja prior to the use of these entitlements, communicating such matters to its staff.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1441. Management is drafting a standard operating procedure regarding annual and other leave that will take into consideration modifications to existing policies in the light of the COVID-19 pandemic. This procedure will be communicated regularly to staff to ensure they are aware of their obligations when exercising these entitlements.

1442. **In paragraph 94 of its report, the Board recommended that the Mechanism improve and strengthen the control mechanisms concerning the request and approval procedures for overtime, in order to comply with the corresponding regulation.**

Department responsible:	Registry
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1443. The Mechanism will review and revise the standard operating procedure on overtime, which will take into account the Board's observations. The procedure will clarify those situations where exceptions to the limit of 40 hours of overtime per month may occur.

1444. **In paragraph 104 of its report, the Board recommended that the Mechanism improve its procedures for the planning of training to be conducted for staff, aimed at the proper execution of a training plan and its relevant budget, by drafting a document that identifies the corresponding staff in charge, dates, training topics, units, number of staff to be trained, and budget planned and expended per activity, among other possible issues.**

Department responsible:	Registry
Status:	Closure requested
Priority:	Medium
Target date:	Not applicable

1445. The Mechanism has implemented an annual training plan that prioritizes training needs in accordance with the implementation of the mandate and on the basis of reports on the impact of those training sessions on the competencies, strengths and knowledge of staff in relation to their posts. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

1446. **In paragraph 109 of its report, the Board recommended that the Mechanism take action leading to registering in Umoja all the absences corresponding to the travel days.**

Department responsible:	Registry
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1447. As noted above, management is drafting a standard operating procedure regarding annual and other leave, including travel days, that will take into consideration modifications to existing policies in the light of the COVID-19 pandemic. This procedure will be communicated regularly to the staff to ensure they are aware of their obligations when exercising these entitlements.

1448. **In paragraph 120 of its report, the Board recommended that the Mechanism conduct a periodic analysis of the general database of the justifications for the due anticipation for travel requests required pursuant to the Umoja survival guide and ST/IC/2019/16, in order to detect the main reasons for the delays and take measures to reduce them.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1449. Management will conduct a periodic analysis of the justifications for not purchasing tickets 16 days in advance of travel.

1450. **In paragraph 121 of its report, the Board recommended that the Mechanism take action to improve its final travel arrangements, aimed at carrying them out with the anticipation required pursuant to ST/IC/2019/16 and providing the suitable justifications in the case of exceptions.**

Department responsible:	Registry
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1451. Management will conduct a periodic analysis of the justifications for not finalizing travel arrangement 16 days in advance of travel, noting that many categories of travel (for example that of witnesses and trial monitors) are often affected by factors entirely beyond the Mechanism's control.

1452. **In paragraph 122 of its report, the Board recommended that the Mechanism have supporting documentation regarding the selection of the most economical offer, in order to ensure that this requirement is met at the time of purchasing the tickets.**

Department responsible:	Registry
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1453. Management will collect supporting documentation, on a randomized basis, in order to ensure that it can demonstrate that the Mechanism is purchasing the most economical tickets.

1454. **In paragraph 131 of its report, the Board recommended that the Mechanism take action to ensure that the travel expense reports are submitted within the time frame outlined in the Umoja survival guide and that all the documentation needed for effective control in travel matters, as required pursuant to the relevant normative, is included in Umoja.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1455. Management will undertake to strengthen its actions to ensure staff complete their expense reports within the time frame outlined in the Umoja survival guide.

1456. **In paragraph 138 of its report, the Board recommended that the Mechanism perform and keep a record of the disaster recovery exercise at least annually, incorporating the disaster recovery planning document and the lessons learned after the testing, and ensuring that this exercise includes the key employees involved in the recovery process, as established in the information and communications technical procedure on disaster recovery planning (SEC.08. PROC).**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	First quarter of 2021

1457. The Mechanism has updated its disaster recovery planning document, and will conduct a disaster recovery exercise once the new system has been installed, which is expected by the end of 2020 .

1458. **In paragraph 146 of its report, the Board recommended that the Mechanism formalize the approval of the risk register of the projects in order to maintain a formal and updated risk register for the audiovisual preservation and access project, in accordance with the provisions of the project initiation document (R01 D05).**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1459. The risk register for the audiovisual preservation and access project is under review, and will be finalized by the end of the fourth quarter of 2020.

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

1460. In the annex to its report for the year ended 31 December 2019 (A/75/5/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 nine recommendations that have been determined by the Board to be under implementation. The information is set out below in the order in which the recommendations are presented in the annex.

1461. Table 43 summarizes the overall situation as of August 2020.

Table 43

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

(Number of recommendations)

Department responsible	Total	Not accepted	Closure requested	Under implementation	Target date set	No target date
Registry	9	–	2	7	7	–
Total	**9**	**–**	**2**	**7**	**7**	**–**

Report of the Board for the year ended 31 December 2017[59]

1462. **In paragraph 20 of the Board's report, the Mechanism agreed with the Board's recommendation to supervise the architectural firm tasked with reviewing the control system for air quality, temperature and relative humidity of the archive repositories in the Lakilaki facility and modifying the system to ensure that it meets standard requirements.**

> *Department responsible*: Registry
>
> *Status*: Under implementation
>
> *Priority*: High
>
> *Target date*: Second quarter of 2021

1463. The duration of this project has been longer than anticipated owing to the need for extensive review of design specifications, redesigns and the resultant procurement process, which is ongoing. Finalization of that process, followed by the installation and commissioning of the air quality control system, is expected to be completed by mid-2021.

1464. **In paragraph 24 of the Board's report, the Mechanism agreed with the Board's recommendation to present the three variation orders to the local committee on contracts and, subsequently, to the Procurement Division for their ex post facto review and approval.**

> *Department responsible*: Registry
>
> *Status*: Closure requested
>
> *Priority*: High
>
> *Target date*: Not applicable

1465. The three variation orders have been presented to the Procurement Division for ex post facto review. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

1466. **In paragraph 28 of the Board's report, the Mechanism agreed with the Board's recommendation to ensure that unused assets and other assets that are out of order are physically disposed of in a timely manner.**

---

[59] A/73/5/Add.15, chap. II.

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1467.   The commercial sale of written-off items took place in the first quarter of 2020 at the Kigali field office, and will take place in the fourth quarter of 2020 in Arusha.

1468.   **In paragraph 49 of the Board's report, the Mechanism agreed with the Board's recommendation: (a) to repair or to replace the defective uninterruptible power supply so that it might provide steady power in times of fluctuations; and (b) to follow up closely with the contractor to ensure completion of the modification to the water pipes that run across the ceiling of the data centre.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1469.   As noted by the Board, the uninterruptible power supply units have been purchased, received and placed in their proper location. Installation remains pending owing to the need for installation by a vendor not based in the duty station and whose travel remains prevented by border closings due to COVID-19. The Mechanism is actively engaged with this vendor to ensure immediate action as soon as the pandemic situation allows.

1470.   **In paragraph 60 of the Board's report, the Mechanism agreed with the Board's recommendation to develop a new ICT strategy aligned with the Mechanism's overall strategy and the overall ICT strategic initiatives of the United Nations.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1471.   The Mechanism's ICT strategy is currently under review by management, and will be presented to the Information and Communications Technology Committee in the third quarter of 2020.

Report of the Board for the year ended 31 December 2018[60]

1472.   **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.**

---

[60] A/74/5/Add.15, chap. II.

Department responsible:	Registry
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1473. In line with the Secretariat's new internal control exercise, the Mechanism will conduct a systematic fraud risk assessment in the third quarter of 2020.

1474. **In paragraph 35 of its report, the Board recommended that the Mechanism negotiate and conclude, as soon as possible, a new lease agreement with the Netherlands Central Government Real Estate Agency (RVB), appropriate to its current requirements, in order to maximize efficiency in its assets and budget administration and to comply with paragraph 7 of Security Council resolution 1966 (2010).**

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

1475. The new lease agreement was concluded with the Netherlands Central Government Real Estate Agency and was approved by the Headquarters Committee on Contracts in the second quarter of 2020. The Mechanism considers this recommendation to have been implemented and requests its closure by the Board.

1476. **In paragraph 45 of its report, the Board recommended that the Mechanism update the enterprise risk management document, in accordance with the internal memorandum (MICT/A/IOR/2016/855) and the framework of the Committee of Sponsoring Organizations of the Treadway Commission.**

Department responsible:	Registry
Status:	Under implementation
Priority:	High
Target date:	Fourth quarter of 2020

1477. As with the systematic fraud risk assessment, the Mechanism will update the enterprise risk assessment in the third quarter of 2020, in line with the Secretariat's new internal control exercise.

1478. **In paragraph 79 of its report, the Board recommended that the Mechanism improve its data centre management, in order to establish: a contingency plan for possible emergencies; a matrix of access levels and approval requirements for different groups of visitors; a quarterly review of access; and a security system, in accordance with the guidelines in United Nations Secretariat ICT Technical Procedure INF.04. PROC.**

Department responsible:	Registry
Status:	Under implementation
Priority:	Medium
Target date:	Fourth quarter of 2020

1479. The disaster recovery document has been updated, and the disaster recovery exercise will take place as soon as the new system is in place. Work is ongoing at The Hague branch, and will commence at the Arusha branch once travel conditions allow. In addition, an access review report will be generated and reviewed quarterly.

———————————