INTERNAL AUDIT REPORT UN WOMEN COUNTRY OFFICE IN PAKISTAN

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INDEPENDENT EVALUATION AND AUDIT SERVICES (IEAS)
Internal Audit Service (IAS)
UN WOMEN

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TABLE OF CONTENTS

EXECUTIVE SUMMARY

Audit objective and scope

The UN Women Internal Audit Service (IAS) of the Independent Evaluation and Audit Services (IEAS) conducted an internal audit of the UN Women Country Office in Pakistan from March to July 2021 as part of a combined Country Portfolio Evaluation plus Audit (CPE+A) exercise. Due to restrictions associated with the COVID-19 pandemic, this Country Portfolio Evaluation plus Audit was conducted remotely.

The internal audit part of the exercise aimed to assess the adequacy and effectiveness of the governance arrangements, risk management practices and control processes relating to the following areas and subareas:

- **Strategic priorities, programmes and project management**: strategic positioning, priorities setting, programme and project management, management of programme partners, coordination of gender mainstreaming, advocacy and resource mobilization.
- **Governance, risk management and internal control system**: office structure and delegations of authority, control environment, risk management, data quality and implementation of recommendations from prior oversight reports.
- **Operations**: management of procurement, human resources (HR), finance and budget, information and communication technology (ICT), travel, assets, and safety and security.

The internal audit covered the state of governance, risk management and internal controls based on a sample of Country Office activities related to strategic priorities and programme from 1 January 2018 to 31 March 2021. For operations controls, the sample covered transactions from 1 January 2019 to 31 March 2021. Atlas-recorded expenditure for the Country Office totalled US$ 3.5 million, US$ 4.1 million and US$ 3.9 million in 2018, 2019 and 2020, respectively. The Country Office had an acting Country Representative for most of 2020. The current, full-time Representative and Deputy Representative were hired in September 2020; Country Representative joined the office on 5th October 2020.

IAS followed the *International Standards for the Professional Practice of Internal Auditing* in conducting this audit.

As this audit was performed remotely, IAS was not able to physically visit offices, project sites, stakeholders, partners and beneficiaries. Therefore, the audit team was not able to physically observe and assess the control environment and working culture in the Country Office. In addition, due to local pandemic-related lockdowns imposed during the fieldwork period, there were significant delays in the submission of required documents and, in some cases, documents could not be provided in full as they were not stored electronically.

Due to different but complementary objectives, the audit and evaluation reports are published separately to ensure that the results are adequately covered. IEAS ensured that the reports were complementary and aligned so the findings, recommendations and lessons learned were reported either in the audit or evaluation report and cross-referenced.

Audit opinion and overall audit rating

IAS acknowledges the numerous initiatives introduced by the relatively new senior management team, which joined the Country Office in late 2020, as good practices. These included but were not limited to: unifying communication lines within the office to break silos; recruiting for key functions that had been vacant for long periods of time; and initiating the formalization of the Country Office's vision and accompanying strategies, including communications and advocacy and resource mobilization.

Moreover, the Regional Office conducted a monitoring mission in 2019 which focused on key risks and processes, which is a good sign of management oversight efforts as a the second line of defence. At the same time, IAS encourages the Regional Office to

follow up on the issues identified and recommendations made in the monitoring mission; validate their closure based on fully supported evidence; and assist the Country Office in addressing the issues identified in this IAS report. Moreover, it was noted that the Regional Office provided limited programme design and results based management support to the Country Office. This was primarily because (as raised in the 2019 audit of the Regional Office and in the 2021 evaluation of the Regional Office contributions to Women, Peace and Security) the support from regional office thematic leads is mostly dependent on availability of non-core funds which has diverted the Regional Office's attention away from providing strategic support to countries other than those directly involved in regional programmes. The Country Office was not engaged in regional programmes during the Strategic Note period.

IAS assessed the overall state of governance, risk management and internal controls in the Country Office as **Some Improvement Needed** meaning that **"**The assessed governance arrangements, risk management practices and controls were generally established and functioning but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area**."** However, managing stakeholder expectations, coordination, procurement, and information and communication processes needed major improvements. At the same time, while the rating mainly covers the two and a half-year period (2019 until the first half of 2021) and is based on the governance, risk management and control status over that time, **IAS notes that the new leadership team has already identified these areas for improvement and taken proactive action on many of the issues raised in this report**. **This is to be commended and sustained continuation of these efforts should ensure achievement of the Entity's objectives and management of related risks.**

IAS identified the following areas for enhancement to consolidate good practices and advance the Country Office's mandate and priorities:

- **Strategic priorities, programme planning and implementation**: reconciling and managing stakeholder expectations through prioritization, strategic approach to UN-system coordination, advocacy and through a communications plan so that efforts are cost-effective, coherent and impactful; advocating for the completion of the UNCT-SWAP (system-wide Action Plan) gender equality scorecard; improving project funding pipeline management to ensure the sustainability and

continuity of the Country Office's thematic interventions; integrating and streamlining monitoring frameworks; ensuring its accountability to beneficiaries; and ensuring that data collection, validation and reporting processes are in place.

- **Governance, risk management and internal controls**: carrying out a staffing gap analysis (skill set, number of personnel and capacity) to develop a longer-term HR strategy to address capacity gaps in delivering the Country Office's Strategic Note; reinforcing the effectiveness of risk management through regular discussions; and promoting standards of conduct, fraud and corruption awareness.

- **Operations**: improving recruitment processes, especially for individual consultants; enhancing transparency, competitiveness and value for money for procurement by developing detailed procurement plans, conducting regular market surveys and minimizing micro purchasing or direct contracting; strengthening recording and custodianship of non-capital assets; improving on the compliance rate for the Field Office Information System Security and Compliance Assessment; and regularly updating and testing the business continuity plan.

IAS made 17 recommendations to address the areas for improvement, 5 of which are ranked as high priority, 12 as medium priority.

A high (Critical) priority recommendation means that *"prompt action is required to ensure that UN Women is not exposed to high risks. Failure to take action could result in major negative consequences for UN Women."* The five high priority recommendations include: i) strengthening the monitoring, data collection, validation and reporting process; ii) strengthening funding pipeline and portfolio management; iii) improving management of accountability towards beneficiaries; iv) reviewing and revising the Country Office's existing staffing and structure to ensure adequate capacity and clear accountability to deliver its strategic priorities; and v) reinforcing fraud and corruption awareness.

The 12 medium (Important) priority recommendations mean that *"action is required to ensure that UN Women is not exposed to risks. Failure to take action could result in negative consequences for UN Women".* These recommendations are focused on strengthening the processes for management of risks including those related to fraud, projects and programme partners; ensuring the sustainability of the Country Office's

staffing structure; advocating and assisting the UN Country Team (UNCT) in completion of the UNCT-SWAP gender equality scorecard; and improving operational areas such as HR, procurement, ICT and business continuity planning.

Management comments and action plan

The Country Representative accepted the above recommendations and provided action plans which are included in this report. Implementation of some of the recommendations has already begun. IAS acknowledges that implementation of some recommendations could be delayed due to the COVID-19 crisis. Management comments and additional information provided have been taken into account in this report, where appropriate.

Low priority issues are not included in this report but were discussed directly with management, and actions have been initiated to address them.

Lisa Sutton

Lisa Sutton, Director
Independent Evaluation and Audit Services

ACRONYMS AND ABBREVIATIONS

AWP	Annual Work Plan
CPE	Country Portfolio Evaluation
DRF	Development Results Framework
ERM	UN Women's corporate platform for Enterprise Risk Management
EVAW	Elimination of Violence Against Women
FTA	Fixed-term Appointment
GTG	Gender Theme Group
IAS	Internal Audit Service
ICT	Information and Communication Technology
IEAS	Independent Evaluation and Audit Services
OEEF	Organizational Efficiency and Effectiveness Framework
OP III	Pakistan One United Nations Programme III
PSEA	Protection Against Sexual Exploitation and Abuse
RMS	Results Management System
ROAP	Regional Office for Asia and the Pacific
SC	Service Contract
SSA	Special Service Agreement
ToR	Terms of Reference
UNCT	United Nations Country Team
UNCT-SWAP	United Nations Country Team system-wide Action Plan
UNIFEM	United Nations Development Fund for Women
UNSDF	United Nations Sustainable Development Framework
UNSDCF	United Nations Sustainable Development Cooperation Framework
UNV	United Nations Volunteer
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
WEE & SL	Women's Economic Empowerment and Sustainable Livelihoods

I. BACKGROUND

About the Country Office

UN Women (prior to 2012: UNIFEM) has worked in Pakistan since 2007. The Pakistan Country Office reports to the Regional Office for Asia and the Pacific (ROAP). The main office in the country is located in Islamabad, with two field sub-offices in Peshawar (Khyber Pakhtunkhwa) and Quetta (Baluchistan) and a field programme presence in Karachi.

The previous Country Representative departed at the end of 2019. The current Country Representative and Deputy Country Representative ad interim were employed in September 2020.

Aligned with Pakistan's national development plan, also known as Pakistan Vision 2025, and the United Nations Sustainable Development Framework (UNSDF) for Pakistan, also known as Pakistan One United Nations Programme III, the UN Women Pakistan Country Office mainly focused on two thematic areas: i) Women's Economic Empowerment and Sustainable Livelihoods (WEE & SL); and ii) Governance, Women's Human Rights and Elimination of Violence Against Women and Girls (EVAW).

As of 20 October 2021, according to the OneApp HR dashboard, the Country Office employed 15 personnel with fixed-term appointments (FTAs); engaged 16 individuals on service contracts (SCs); 20 consultants on Special Service Agreements (SSAs); and 5 United Nations Volunteers (UNVs).

The Country Office's budget and expenditure are summarized in Table 1.[1]

Table 1. Office target and actual budget, total expenditure and delivery rate

	2018	2019	2020	2021 (Oct)
DRF budget target, US$	4,307,899	5,742,044	3,524,930	3,223,564
DRF actual budget, US$	2,719,348	3,485,925	3,584,464	3,283,268
DRF expenditure, US$	2,710,420	3,483,109	3,291,528	2,251,440
Financial Delivery rate, %	99.7%	99.9%	91.8%	68.6 %
OEEF budget target, US$	696,572	971,937	841,287	832,385
OEEF actual budget, US$	713,106	772,269	795,455	838,238,
OEEF expenditure, US$	705,610	619,580	623,476	700,767
Financial Delivery rate, %	98.9%	80.2%	78.4%	83.6%

Source: Project Delivery Dashboard and Results Management System (RMS) data as of 4 November 2021

For the period under review (2018–2021), the country field programme comprised 19 non-core funded projects with a total budget of US$ 12.8 million,[2] funded by a range of donors, including through the Multi-Partner Trust Fund mechanism.

The Country Office's Strategic Note and Annual Work Plans (AWP) covered the period 2018–2022. The 2020 AWP included nine Outcomes under the Development Results Framework (DRF). It also included eight Outputs under the Organizational Efficiency and Effectiveness Framework (OEEF).

Atlas-recorded expenditure[3] for the Country Office totalled US$ 4.13 million in 2019 and US$ 3.92 million in 2020.

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[1] OneAPP RMS as of 4 November March 2021 (planned budget), and Project Delivery Dashboard as of 4 November 2021 for Actual Budget, actual spending and delivery rate.

[2] Total projects and total budgets for 2018-2021 extracted from Consolidated PDRs, but 2021 budget updated to 13 May 2021 from OneApp RMS.

[3] Total expenditure from the Atlas AAA report slightly differs from total expenditure from the PDR of the same period.

II. AUDIT RESULTS

A. Strategic priorities, programme planning and implementation

The Country Office's Strategic Note covers the period from 2018 to 2022 and is aligned with the UNSDF. The Country Office focused mainly on two thematic pillars. Each thematic team was headed by a portfolio manager who reported to the Deputy Country Representative. The Strategic Note included nine Outcomes under the DRF and eight Outputs under the OEEF.

UN Women's projects in Pakistan in 2020 were funded by eight different funding sources including the Multi-Partner Trust Fund Office, as well as joint programming with other UN entities.

This audit section covered the Country Office's position; advocacy; strategic priorities development and implementation; monitoring and reporting; field programme management; and individual project cycle phases based on sampled projects. The Country Office has had several challenges, including the loss of major funding (in early 2020 but gained additional major funding in the last quarter of 2020); issues around inclusive planning and transparency; and a period without permanent senior leadership. These events affected the Country Office's positioning and funding stability, leading to inter-personal tensions due to uncertainties in personnel contracting and business continuity. The current senior management team, which joined the Country Office in September 2020, has started several initiatives to improve the workplace environment and improve the visibility of the office among external stakeholders, for example:

- A unified communication line throughout the Country Office has been established to keep personnel updated and connected.
- Formalization of a resource mobilization strategy has been initiated.
- The Country Office has advocated for the finalization of the UNCT-SWAP gender equality score card.
- The Country Office was instrumental in consolidating the five gender-related working groups into one group, as well as in supporting the UN Resident Coordinator Office's gender parity work.

Based on the audit work performed, IAS assessed that UN system (and other partners) coordination in gender mainstreaming, as well as project and programme partner management needed improvements as reported below.

KEY ISSUES AND CONCLUSIONS

Issue 1: Need to manage stakeholders' divergent expectations

Stakeholders had divergent views of UN Women's role and relevance in Pakistan. Some stakeholders believed UN Women's role and relevance are in the Entity's normative and UN system coordination mandate, with little role in operational project implementation. Other stakeholders saw UN Women's role in Pakistan as a balance of normative, technical assistance and legislative operationalization. A third group believed UN Women's role in Pakistan should be as a strong programme implementation agency, supporting government capacity building and technical activities.

UN Women was seen by some external stakeholders as a focal point on gender and women's rights rather than as a leader of reforms on these issues, some stating that UN Women had not yet taken a strategic approach and had not been proactive in its advocacy and communications. The visibility of UN Women's expertise, convening power

and influencing capacity, and its policy and normative advisory role were mentioned as key factors in establishing strategic positioning and institutional credibility.

Attempting to address all stakeholder expectations with limited office capacity and resources represents an inherent risk, which may result in diluting the impact of the Country Office's work. Without finding the right balance in its normative, coordination and programme initiatives, UN Women may not be able to promote its expertise in gender equality, or strategically coordinate and build strong partnerships

Country Office leadership recognizes that it is not possible to reconcile and meet all stakeholder expectations for UN Women's role in gender equality. Therefore, the leadership team has been working on clarifying UN Women's strengths, expertise and capacity through consultations and strategic dialogue with key actors and by developing its vision for 2021–2024, which is built on three key pillars 1) enabling legislative and policy frameworks 2) gender responsive communities and economies and 3) women as leaders of change.

In implementing this new vision, the Country Office requires a **well-coordinated strategic advocacy and communications plan** to clarify UN Women's position to its stakeholders, without which, the Country Office could fail to achieve synergy and produce the expected impact. The Country Office drafted a communication strategy and an annual communications plan but these were yet to be finalized and adopted at the time of audit. This is a good start in improving UN Women's visibility in the country as the strategy also includes advocacy campaigns on several themes. The Country Portfolio Evaluation (CPE) report covers this area in more detail.

To consolidate these efforts, IEAS suggests that the strategy present relevant **performance indicators**, which need to be regularly monitored, and allocate relevant resources and accountability among staff.

The Country Office relied on short-term consultants to lead the advocacy and communications function, with the latest consultant hired in March 2021 for an initial five-month contract. In the past, the advocacy and communications officer was also diverted from their role to perform the monitoring function. This lack of continuity may impact the effectiveness of the strategy in the future. Based on a recent functional

analysis, the Country Office had already initiated a process to regularize a post for the partnership, communication and advocacy function.

Recommendation 1 (Medium):

To manage the divergent expectations of the Country Office's key stakeholders, the Country Representative to:

(a) Take stock of key stakeholders' expectations and align them with the Country Office's own vision.

(b) Finalize and roll out the advocacy and communication strategy. The strategy should identify key success/performance indicators, roles and accountability for their implementation and be regularly assessed on whether it is cost-effective or needs adjustment.

Issue 2: UN system (and other stakeholders) coordination efforts could be enhanced to ensure more strategic and impactful coordination

The Country Office significantly contributed to consolidation of the five gender-related working groups into one group, as well as supporting the UN Resident Coordinator Office's gender parity work. The new Gender Theme Group (GTG) represents the five previous gender platforms under the UN Country Team (UNCT) in Pakistan. The Country Office is directly involved in several coordination mechanisms and Gender Theme Groups, leading Outcome 8 (Gender, Equality and Dignity) under the UNSDF; the UNCT Human Rights Task Force on Gender Equality; and as a permanent co-chair of the Inter-Agency Gender and Development Group. The Country Office also leads working groups on Protection Against Sexual Exploitation and Abuse (PSEA) and Gender in Humanitarian Action.

However, some stakeholders stated that the Inter-Agency Gender and Development Group had limited its scope in recent years, i.e. the group had narrowed down certain issues to be addressed, weakening the linkage with government in the process. This could be an area for improvement – UN Women could use its leadership role to ensure a more

strategic approach in the selection and addressing of issues that more clearly resonate with various stakeholders and are more likely to be effectively championed with the government.

UN Women has the potential to influence and lead on gender equality and the empowerment of women **if the Country Office can improve the strategic coordination of gender-related interventions with other UN agencies, which are currently not always connected**. This would clarify UN Women's niche vis-à-vis other partners and is in line with the Entity's mandate and global Strategic Plan. For example, many of UN Women's key counterparts interviewed by IEAS believed that the Country Office should bring together civil society, donors and other UN agencies to speak with one voice on gender equality and the empowerment of women issues. The Country Office could do more to **convene donors working on gender** and assert its strategic role by being more **active in joint coordination meetings**; capitalizing on its well-regarded normative work; and advocating more forcefully for UN Women's mandate. Some stakeholders interviewed by IEAS appeared disappointed that the One UN platform was still not working as intended. Moreover, IEAS noted an overlap of thematic interventions implemented by other UN agencies also working on gender-based violence and child marriage, resulting in competition for funding among UN agencies and reluctance from government counterparts to support all projects. Some key programme partners were working with multiple UN agencies but not all were coordinating the various initiatives. Efforts have been made to enhance coordination in programme implementation; however, this remains a challenge according to the partners interviewed.

UN Women has to demonstrate and capitalize on its strength in policy advocacy work to produce more meaningful strategic interventions that will engage and leverage partners (including donors, government, civil society and UN agencies) to enable a broader impact in the country, backed by data and including deep analysis of gender issues. In addition, UN Women should enhance its engagement with civil society organizations, leveraging existing alliances as these have proved effective in the past in coordinating overlapping advocacy work with other UN agencies and donors due to their local networks, especially at provincial level. The Country Office should also continue advocating for, and assisting the finalization of, the UNCT-SWAP gender equality scorecard, prior to finalization of the new United Nations Sustainable Development Cooperation Framework (UNSDCF).

Recommendation 2 (Medium):

The Country Representative to:

(a) In close coordination with the UN Resident Coordinator's Office, formalize and implement a UN Women coordination strategy, aligning it with the new United Nations Sustainable Development Cooperation Framework and embedding it within its Strategic Note.

(b) Use UN Women's strategic role in the Inter-Agency Gender and Development Group and Gender Theme Group and coordinate efforts in potentially overlapping interventions and improve the platform for gender issues.

Issue 3: Resource mobilization strategy yet to be formalized

At the time of audit, the Country Office was in the process of developing new partnerships with the private sector; renewing government partnerships; and improving donor relations through a new resource mobilization strategy. It was also working on joint resource mobilization with other UN agencies under joint programmes.

However, the resource mobilization strategy was yet to be fully developed and finalized at the time of audit, i.e. the details were still a work in progress as to what (scope and objectives), who (assigned responsibility), when (timeline for implementation), and how (methodology and approaches for implementation and evaluation of results). The resource mobilization strategy will support implementation of the UN Women Pakistan Vision for 2021–2024.

Table 2 below shows the total resource requirements for the Country Office and actual budgets for the years 2018 through to 2021. Annual targets for the Development Results Framework in 2020 and 2021 were significantly reduced compared to 2018 and 2019, while actual resource mobilization was successful, which also reduced the funding gap. Organizational Efficiency and Effectiveness Framework requirements remain high compared to 2018, but the office managed to secure the actual budget. The Country Office was able to confirm funding of US$ 5.5 million from the European Commission for a Rule of Law project headed by the United Nations Development Programme which

began in January 2021. Through this funding, the Country Office is assured of business continuity for another year, including maintaining its field structure. The Country Office hired additional personnel for the Rule of Law project and charged a significant part of the operating cost of two sub-offices to the Rule of Law project. This demonstrates how important new funding is for the maintenance of sub-offices. The Country Office should continually monitor its pipeline projects to be recorded in Leads application; finalize the resource mobilization strategy; and monitor its effectiveness as it impacts the business continuity.

Table 2. Resource requirements and total budget 2018–2021

	2018	2019	2020	2021
Resource requirements (DRF)	4,307,899	5,742,044	3,524,930	3,223,564
Total budget (DRF)	2,719,348	3,485,925	3,584,464	3,283,268
Funding gap (DRF)	**1,588,551**	**2,256,119**	**(59,534)**	**(59,704)**
Resource requirements (OEEF)	696,572	971,937	841,287	832,385
Total budget (OEEF)	713,016	772,269	795,455	838,238
Funding gap (OEEF)	**(16,444)**	**199,668**	**45,832**	**(5,853)**

Source: OneApp RMS 2018-2021

Recommendation 3 (Medium):

To support the Country Office's new Strategic Note, the Country Representative to:

(a) As a part of the Country Office's advocacy vision and strategy (see Recommendation 1) finalize and implement the resource mobilization strategy with realistic targets.

(b) Regularly monitor the strategy for effectiveness, revise if necessary and address any related implications.

Issue 4: Progressing the implementation of the Country Office Strategic Note and Annual Work Plans need to be strengthened with solid data collection and validation processes

<u>Evaluability and adequacy of strategic priorities</u>

The Strategic Note is aligned with the UNSDF and the Sustainable Development Goals , and provides a basis for the Country Office's Annual Work Plans. At the same time, the CPE report highlighted the need for better linkage between the new vision for 2021–24, built on three key pillars, the Strategic Note and UN Women's Strategic Plan.

Moreover, as per the CPE report, the IEAS evaluability assessment of the Strategic Note and review of project results frameworks revealed weak results-based management. Half of the Strategic Note outcomes and most of their indicators were assessed as weak and did not describe outcome-level changes, but rather described output or activity-level changes or were too general and difficult to measure. Most outputs and their indicators were assessed as weak, non-specific and with limited qualitative aspect.

<u>Monitoring</u>

Monitoring, Evaluation and Research Plans needed to integrate key stakeholders involved in monitoring and harmonize their monitoring activities. The absence of a monitoring and evaluation officer meant that, in general, monitoring activities were not strategically structured to include independent data validation and were conducted by the Programme unit, which was directly involved in the management of projects and programme partners. Moreover, the coverage of field monitoring missions was quite limited due to the number of provinces and locations to cover and the need for a more coordinated approach between key stakeholders involved in monitoring. The Country Office recruited a short-term consultant (six months) to work on the Women's Economic Empowerment and Sustainable Livelihoods areas in the first quarter of 2021, while the monitoring and evaluation officer position under the Rule of Law programme was filled in July 2021.

Monitoring was not always focused on partners' needs with respect to capacity building, which should have followed capacity assessments at the project inception stage and at routine intervals throughout the project life cycle. Some stakeholders mentioned that

the Country Office did not always assist in capacity building activities related to monitoring and evaluation. At the provincial level, many partners conducted monitoring on their own, with little participation from the Country Office, either from the main office or provincial sub-offices.

Reporting on strategic priorities

Based on the Country Office Annual Report, the office made reasonable progress in implementing its Annual Work Plans, a situation which dramatically improved in 2019 and 2020, with the following number of indicators not showing any progress: 8 out 26 (30.8 per cent), 4 of 41 (9.8 per cent) and 5 of 48 (10.4 per cent), for 2018, 2019 and 2020, respectively.

The quarterly monitoring reports in OneApp RMS indicated that all Country Office programme activities were on track, with some even achieved or surpassed.

Concerns were raised by both UN Women personnel and external stakeholders regarding the independent validation of reported information. In addition, IEAS conducted phone interviews with a limited sample of beneficiaries who should have been involved in training, but some mentioned that they did not recall a training session (see Issue 6 on managing accountability to beneficiaries). In the **absence of a well-structured methodology**, monitoring reports did not always reflect all relevant information and validated data. For example, the reports conducted by the programme and/or finance associates focused on mission logistics and FACE forms only; while the missions conducted by the programme officer and/or portfolio managers included meetings with beneficiaries and government counterparts, but mainly focused on project issues rather than independently validating the progress reported by programme partners.

Recommendation 4 (High):

The Country Representative to finalize and institutionalize monitoring, data collection, validation and reporting processes by:

(a) Integrating a detailed and structured monitoring framework into Monitoring, Evaluation and Research Plans (e.g. by outputs from the Strategic Note which translates into individual project results frameworks) and related activities

planned by the Country Office's personnel and partners; the framework should ideally be managed by an independent country office monitoring and evaluation function in addition to project managers, where feasible.

(b) Ensuring that the monitoring function is financially sustainable.

(c) Based on the framework, devising and implementing an annual risk/needs-based workplan for field monitoring missions to project and partner sites, including independent validation of data reported by partners through post-implementation assessments, spot-checks and surveys with beneficiaries.

(d) Harmonizing, to the extent possible, the methodology for monitoring missions and monitoring and reporting templates which will assist in integrating validated data collected into corporate and donor reports.

Issue 5: Need to strengthen project portfolio management

Each project had inception documents, defined objectives, workplans linked to the Strategic Note/Annual Work Plans and a detailed budget. Review of the organizational structure and discussion with personnel and stakeholders revealed that, in general, projects had appropriate management and personnel structures based on project objectives and needs.

Table 3 below shows that the Country Office mainly focused on two thematic pillars, each managed by a portfolio manager at National Officer Grade C (NOC) level who reported directly to the Deputy Country Representative. The range of the total budget and number of projects varied over the years. Personnel were often thinly stretched between managing projects; contributing to UN coordination mechanisms; advocacy campaigns; and other related tasks (see Issue 9 on governance).

Table 3. Project portfolio by thematic pillar (number of projects and budget)

Thematic Pillar	2018		2019		2020		2021	
EVAW	5	1,243,569	3	1,864,466	4	1,660,182	3	722,959
WEE	11	1,501,861	10	1,636,459	8	1,978,451	7	1,663,794
Total no. of	**16**	**2,745,430**	**13**	**3,500,925**	**12**	**3,638,633**	**10**	**2,386,753**

projects and budget									

Source: Atlas Project Delivery Report 2018-2021

Both pillars decreased in 2021 in terms of funding, but the Ending Violence Against Women pillar had the biggest reduction. The Women's Economic Empowerment portfolio could consolidate small projects which are labour intensive for one person to manage and require a more thematic approach. The Country Office's donor base also reduced over the last three years.

IEAS' review and discussions with portfolio managers and senior management indicated that efforts to mobilize resources were in progress. Some stakeholders mentioned that the Country Office lacked a proactive approach to project portfolio and funding pipeline management in terms of bridging projects (within the same thematic priorities) that are ending with those yet to be started to ensure continuity of funding.

For global or regional projects, IEAS noted that coordination and knowledge sharing needed improvement, an observation which was also shared by stakeholders. For example, in one global project, one external stakeholder commented that the reports received did not seem to adequately reflect results and did not seem to incorporate reports from Pakistan's component of the project. In addition, the loss of one funding source was not escalated to ROAP in a timely manner, nor did the Country Office contact ROAP for support, until it was too late.

Leads management tool not fully utilized

The Leads application should be used to identify, develop and monitor new programmatic funding opportunities as they arise. Potential projects are recorded when they are developed, including their potential nature, funding and timelines. This is useful for the Country Office to understand the effectiveness of the project pipeline in terms of resource mobilization and for the Regional Office and headquarters for monitoring and support purposes. The Country Office did not fully utilize the OneApp Leads Management Tool to identify funding opportunities for potential projects, although this has improved since the new senior management team came on board.

Need to improve donor reporting

According to the OneApp Reporting Commitment Dashboard, as of 6 October 2021, the Country Office had 90 reporting commitments from 2018 to 2021: 52 were submitted on time, 18 were submitted with delay and 20 were not yet due. As per the Country Office management, all reports due for 2021 have been submitted on time. The Country Office could consider developing a reporting calendar and monitoring it to ensure that all required reports are submitted in a timely manner.

Donors stated that UN Women needs to improve capturing and reporting on the results achieved and the impact of its programmes. Concerns raised in this area could compromise the commitment of stakeholders and the sustainability of programmes. IEAS noted that the Country Office's reports to donors were more focused on advocacy and policy and normative frameworks, not always highlighting how the interventions impacted beneficiaries. Furthermore, project indicators were weak resulting in the inability to measure and therefore demonstrate the results verified or actual feedback from beneficiaries. For example, in the home-based workers programme,[4] UN Women reported on activities and outputs but not on the actual impact of the programme; while the donor expected to learn how the programme had increased income and job opportunities for beneficiaries based on a regular impact assessment with targeted beneficiaries.

Need to enhance project design

Based on its review of project documents, IEAS observed that project design in general needed improvement, and the stakeholders interviewed shared the same observation. The following are some of the weaknesses identified in project documents:

- Objectives were not specific enough to be measured, so reporting could not indicate how the project met the stated objectives.

- Planned activities were not well-conceptualized or carefully selected – various stakeholders believed that they could have been more impactful. For example, on training and knowledge creation activities, UN Women could adapt training courses for global implementation, tailoring them to local content to generate savings and

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[4] https://gate.unwomen.org/Evaluation/Details?evaluationId=11496

for better impact. UN Women developed several documents and in-depth analysis of issues around gender equality and women's empowerment in different provinces but did not include a follow-up action plan.

- Local context was not always considered, i.e. planned activities did not always include feasibility assessments related to contacts, resources and access. For example, some areas were too remote to be reached given the time frame, or had high security risks, resulting in delays and sometimes cancellation of the planned outreach.

- In some cases, a phase-out strategy was either lacking or inadequate and did not ensure sustainability. Some project documents had a section on sustainability but did not specify how to achieve or implement it, nor were this sustainability provisions regularly monitored for effectiveness and adjusted if necessary.

Recommendation 5 (High):

The Country Representative to strengthen project portfolio management, in particular:

(a) Submission of timely and accurate donor reports and obtaining donors' feedback on the reports submitted.

(b) Enhance funding pipeline and ongoing portfolio management by assigning formal accountability to portfolio and project managers, e.g. documenting accountability in their Terms of Reference or Performance Management and Development.

(c) Develop and adopt a project assurance process to ensure that project designs, including the planned activities and exit strategy, are effective and feasible to implement.

(d) Mandate that all projects include feasibility assessments considering local context, risks and challenges.

Issue 6: Management of accountability to beneficiaries should be strengthened

The Country Office did not have a solid process to ensure adequate management of its accountability to beneficiaries. IEAS identified the following areas for improvement:

Needs assessment

Prior to conceptualizing a project, the project cycle and Leave No One Behind principles require that the targeted vulnerable groups are consulted to understand their needs and plan accordingly. Community needs assessments were not always conducted because it was not required, or programme partners had to fast track project implementation due to the short-term nature of contracts. For example, as cited by a programme partner on the project completion report, and raised in the project evaluation[5], the Home-Based Worker Project did not foresee that producing goods requires viable market linkages. The beneficiaries were taught skills and were able to make products, but had no means to market them. The solution that was formulated was to launch online selling, but even this was not carefully planned as the existing technology infrastructure in some of the areas concerned could not support it. There was no follow-up to support the same home-based workers, although the lessons learned from monitoring and evaluation exercises indicated that mobile phone companies should have been involved in the project or at least budget provided for the smart/android phones required for online selling. No solution was provided for areas without internet facilities.

Selection of beneficiaries

Beneficiary selection criteria was either not included or not well defined in project documents. For example, in the Women Home-Based Workers Project, the selection process was criticized by the project evaluation for not always being clear and transparent in the identification of beneficiaries.

Monitoring and post-implementation follow up with beneficiaries was not always in place. IEAS was provided with a list of beneficiaries but was unable to reach some beneficiaries through the contact numbers provided; while some of those that were reached stated that they did not recall the training although their name was on the list.

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[5] https://gate.unwomen.org/Evaluation/Details?evaluationId=11496

Some beneficiaries complained about the lack of follow-up from UN Women or its programme partner. This indicates a potential lack of data validation of the documents submitted by programme partners, and post-implementation follow up by UN Women to gauge the impact of interventions. No grievance mechanism was in place to ensure that the beneficiaries could contact UN Women directly. This is also important to ensure awareness and protection against potential sexual exploitation and abuse.

Certain programme beneficiaries, government stakeholders, civil society organizations and programme partners consulted by IEAS (as the CPE capacity building case study identified) noted that the Country Office's efforts were relevant but lacked long-term follow-up, such as providing ongoing support to training participants; monitoring the application of knowledge and skills; and the implementation of policies.

The Country Office engaged at the community level by providing training and raising awareness about rights with the aim of increasing access to social services and empowering women. However, during its review of project documentation, IEAS noted that in implementing these activities, too many potential beneficiaries were interviewed/surveyed for inclusion in the potential interventions, which raised expectations in the communities, only for a relatively small number of beneficiaries to be selected. This could lead to disappointment in the communities as many people were registered for initial assessments but did not receive actual support through the projects.

The new Country Office vision focuses and narrows down programming to 24 districts which will help to ensure effective management and service delivery to beneficiaries.

Recommendation 6 (High):

The Country Representative to ensure that needs assessments are conducted and that selection criteria and the process for identification and selection of beneficiaries is clear, including independent validation by the Country Office of selected beneficiaries against the agreed criteria; beneficiary feedback on training and other services or inputs provided; and that post-implementation impact assessments are carried out. A grievance mechanism should also be put in place and measures taken so that beneficiaries are aware of it.

Issue 7: Project implementation needed improvement

According to Table 1, in 2020 the Country Office delivered almost US$ 3.29 million from a total DRF budget of US$ 3.58 million (91.8 per cent).

Projects were running on revised budgets and workplans due to the COVID-19 pandemic. However, IEAS noted the following issues, which were not attributable to the pandemic and also led to significant delays:

- Newly emerged requirements that should have been considered were overlooked or were not anticipated in project design.

- Relationships with government units (national and local) could have been more active which, at times, hindered implementation. These government units exercise strong controls on international aid and projects and needs to be kept in the loop on a regular basis. As per local legislation, government units can stop projects for verification if they think progress is not adequately reported or shared with them.

- Delays in selection and onboarding of programme partners. For example, in one project it took six months to contract the partner, which left a short period of time for implementation.

- Risks/issues identified during monitoring were not always captured for later follow-up (i.e. if and how they were resolved) which reduces the effectiveness of monitoring and dilutes accountability.

Recommendation 7 (Medium):

The Country Representative to set up a process to ensure that project risk assessments include measures so delays in implementation are identified in a timely manner; are properly handled; and resolutions are well documented.

Issue 8: Programme partners need to be approached holistically in

terms of capacity building, sustainability and monitoring

Controls around the Country Office's management of programme partners and use of proper contractual instruments were reasonable, but would also benefit from addressing the following issues noted during the audit

The required number of qualified proposals for partner evaluation was not always met (in three of four reviewed cases) and selected partners not properly assessed. Instead of re-advertising the request for proposals, the Country Office opted to conclude the selection with only one or two qualified proposals.

Capacity assessments should identify gaps in a partner's capabilities and should prepare Country Offices to take on such partners considering their capacity to manage and regularly monitor their work. The Country Office did not properly conduct and document its partner capacity assessments. Partner capacity assessments are also important considering the feedback received that the Country Office did not provide adequate capacity building support for some of its partners.

IEAS observed that the Country Office was reliant on the same partners repeatedly. The partners might therefore have relied on funding from UN Women without looking for additional funding streams, creating issues of capacity as well as programme partners' sustainability.

Finally, IEAS noted that the programme partners have not been trained on PSEA by UN Women.

Recommendation 8 (Medium):

The Country Representative to ensure that the Country Office adopts a holistic approach to strengthening the capacity, sustainability and monitoring of its programme partners by examining opportunities for the longer-term sustainability of the partner through:

(a) Incorporating partners' capacity/gaps and risk-profile in monitoring plans and subsequently addressing, monitoring and reporting on them during implementation.

(b) Developing specific and measurable quarterly/biannual workplans jointly with partners along with related budgets to facilitate monitoring and results management.

(c) Ensuring all partners are trained on PSEA.

B. Governance, risk management and internal controls

See Background section on key statistics on budget, delivery and personnel.

UN Women offices in Pakistan are located within UN-managed compounds with compliant security features. Each of the sub-offices is headed by a programme officer at NOB level.

IEAS reviewed the control environment, office structure, risk management, management of oversight recommendations and data management processes. The Country Office's staffing appeared reasonable given the size and nature of its project portfolio and support needs, although its structure in terms of reporting, sustainability and loss of institutional knowledge could be an issue due to the office's reliance on short-term consultants and service contractors. In general, and on the basis of audit sample testing, the Country Office complied with its Internal Control Framework, and data in the systems reflected transactions, except for a slight discrepancy between RMS and Atlas on project funding and delivery. At the time of audit, and based on remote auditing methods, IEAS found the tone-at-the-top in the Country Office to be satisfactory. Although the overall office control environment, which has reportedly had issues in the past, has improved due to changes initiated by the new management team, the recent reforms need to be consolidated and some business processes require improvement in terms of operational controls. Risk management processes also need some improvement.

KEY ISSUES AND CONCLUSIONS

Issue 9: Office structure, capacity, personnel roles and responsibilities

The Country Office is classified as medium size and has sufficient staffing. The structure of the Country Office appeared reasonable when reviewing funding allocations. As per the Country Office Staffing Report of January 2021, the Programme section had 22 positions (41 per cent of total positions); Operations had 11 positions (20 per cent of total positions); while 21 positions (39 per cent) were cross-cutting functions including management that is not exclusively dedicated to any thematic pillar. In 2021 (Table 1), 80 per cent of total funding (US$ 3.3 million) was allocated to DRF, most of which was non-core funding of projects, and the remaining 20 per cent was OEEF (US$ 0.84 million). Similarly, personnel allocation appeared reasonable given 68 per cent of planned activities were under DRF and the remaining 32 per cent of planned activities were under OEEF.

However, there was a high reliance on short-term consultants and service contractors, with the latter performing staff functions. External stakeholders believed that the Country Office was not short staffed, but rather there were some technical skills and capacity issues in some programmatic areas. In the survey conducted by IEAS with office personnel, 13 of 25 respondents (52 per cent) indicated their desire for more guidance on various programmatic areas.

Governance of the Country Office's thematic priorities needs to be revisited to clarify accountability, reporting lines and the skill set needed to implement these priorities. Two main issues were observed by IEAS:

- **Not all thematic pillars have clearly defined managers**. Table 4 below shows the personnel allocation by strategic pillar and other areas in 2020 and 2021. While the organization chart does not allocate 100 per cent of any person's time to Strategic Pillar 6 on global norms, policies and standards, these activities are shared among existing personnel across various other active strategic pillars. While portfolio managers are accountable for the themes and related sub-themes, there is a risk of

diluted accountability without clearly allocated personnel and specific expertise for sub-themes.

- **Complex governance structure, reporting lines and authority among portfolio managers and heads of sub-offices and field programme office**. There are two sub-offices and one field programme office. Currently, all field programme personnel, except the heads of sub-offices and the field programme office, report to the corresponding portfolio managers in Islamabad regardless of their assigned locations; while heads of sub-offices and the field programme offices report directly to the Deputy Country Representative. With this arrangement, there is no reporting lines between field programme personnel working in the sub-offices and programme office report and the head of their sub-office, resulting in a situation where the head of sub-office or field programme office does not have authority to hold the personnel working in their geographical area accountable for work carried out on projects that are supposed to be under their geographic purview.

While portfolio managers have overall authority over the projects under their respective thematic pillars (including budget), heads of sub-offices were also given delegation of authority as project managers, but without the same authority in terms of project budget management and/or selection of partners. The heads of sub-offices were not involved in partner selection or budget management.

Table 4. Actual budget and personnel allocated to strategic pillars as of November 2021

Impact Code	Budget ($) 2020	Budget ($) 2021	Personnel
SP1 – Women's Political Environment (WPE)	714,504	1,028,107	0
SP2 – Women's Economic Empowerment (WEE)	870,590	823,855	14
SP3 – Elimination of Violence Against Women (EVAW)	1,535,694	672,460	8
SP4 – Peace, Security & Humanitarian Actions (PSH)	454,253	733,845	0
SP5 – Planning & Budgeting (P&B)	0	0	0
SP6 – Global norms, policies & standards	9,423	25,000	

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[6] Includes personnel that are not allocated exclusively or specifically to strategic pillars such as senior management, head and office support of sub-offices, other core-funded posts.

OEEF	784,006	838,238	11
Other personnel [6]	0	0	21
TOTAL	**4,379,918**	**4,121,506**	**54**

Source: Project Delivery Dashboard as of 4 November 2021 and Office Staffing List as of January 2021

Recommendation 9 (High):

As a medium-term strategy, the Country Representative to finalize and implement the recommendations from the functional analysis of the existing office structure to ensure personnel have adequate capacity, skill sets and clear accountability to deliver the Country Office's strategic priorities within its current thematic and geographical structure, with priority given in the short term to delivery of remaining and newly funded projects, in particular:

(a) Seek Regional Office/headquarters support to identify the best business model, including staffing structure needed to implement the approved Strategic Note, considering funding availability, e.g. matrix accountability approach.

(b) Carry out a staffing and capacity gap analysis of the current and anticipated structure needed to implement the approved Strategic Note, mapping the capacity and skill sets required for its delivery, considering resource availability.

(c) Incorporate the required capacity, skill set, number of personnel needed and available resources into forthcoming projects and programmes.

(d) Establish and communicate clear roles and responsibilities and reporting lines for all personnel in line with job descriptions and organizational priorities.

(e) Reinforce single point of accountability and reporting lines. For example, portfolio managers and heads of sub-offices are responsible for their teams and report to the Representative or Deputy Representative.

Issue 10: Strengthening risk management processes

The Country Office's risk register is robust, with 23 identified risks in various areas. However, the root causes identified for each risk were not always precise, especially for internal risks. This in turn rendered mitigation actions of limited application or responsiveness, i.e. some were either reactive or passive, rather than proactive or preventive in addressing the identified risks. Only two of the five reviewed projects included a specific risk management and mitigation strategy. COVID-19/pandemic-related risks have not been incorporated in the risk register. Therefore, mitigation actions did not include emergency response or programme actions to address immediate needs during such a crisis. On project management, IEAS noted that the Country Office's risk management approach is not always specified in project documents (see Issue 7 and Recommendation 7).

A donor due diligence assessment of UN Women in 2019 reported that the Country Office did not have a clear counter fraud strategy. This remains the case – the current risk register, e.g. the controls, processes, activities and delivery framework, mostly revolve around basic compliance rather than specific local context and a risk-tailored approach.

Fraud risks identified in programme/project, finance, assets, HR and procurement were not properly described and the root causes cited were limited to lack of understanding and non-compliance with policies, whereas fraud also entails deliberate contravention of policies. These risks cannot be mitigated through orientation of partners and personnel alone; therefore, mitigation actions might be not sufficient and need to be expanded to include management monitoring and oversight. Procurement is highly inherent risk, which at the Country Office is mostly conducted through micro purchasing (89 per cent of total purchase orders were below US$ 5,000). There were also instances of direct contracting which entails high inherent risks due to vesting responsibility and authority in a few selected vendors. While direct contracting requires justification to be recorded, micro purchasing does not have to be formally justified, rendering it even more prone to potential manipulation that could occur or not be detected in a timely manner.

External party fraud risks included fraudulent practices and corruption, with mitigation actions including monitoring and spot checks. Based on the review of selected projects and partners, spot checks were not frequently carried out and overall monitoring of partners needed improvement. However, mitigation actions should also include effective, preventive measures to ensure the selection of reliable and ethical partners and that capacity assessments adequately include partners' anti-fraud programmes – usually preventive measures are most effective in preventing or minimizing fraud.

See also Issue 11 and related recommendation on the anti-fraud programme.

Recommendation 10 (Medium):

The Country Representative to:

(a) Reinforce knowledge of risk management through regular discussions in the Country Office and by requesting refresher training from ERM. The risk register needs to be developed jointly with key managers to accompany the Country Office's Annual Work Plans and should be reviewed by the management team on a regular basis for its completeness and effectiveness.

(b) Assign clear accountability for risk management to be reflected in Terms of Reference of non-staff personnel and Performance Management and Development of staff, and monitor responsibilities assigned to designated risk focal points while retaining overall risk owner accountability.

Issue 11: Standards of conduct and fraud prevention awareness

In October 2019, Country Office personnel completed a fraud and corruption awareness in-person training course. However, less than half of the Country Office's personnel had completed the individual mandatory courses on standards of conduct, and ethics and fraud prevention (mainly due to the exclusion of short-term consultants from the requirement, despite their contracts often being extended for long periods).

In November 2019, a series of operational issues arose, including reports of potential inappropriate behaviour and potential misconduct claims, which were reported to the then regional operations manager during the functional analysis and operational risk assessment mission conducted by ROAP. The issues were not reported to OIOS, and instead were reportedly resolved through discussions between the Country Office

operations manager and the personnel concerned. No further follow-up actions were documented; therefore, IEAS could not assess the adequacy of these actions.

The IEAS survey of Country Office personnel indicated that the control environment and culture in the office still needs some improvement, with some of the issues stemming from the past not yet being totally eradicated. Key survey results were as follows:

- A large majority (58–75 per cent) of personnel believe that the senior management team lead by example in complying and ensuring compliance with the standards of conduct expected of international civil servants as set out in the Staff Rules and Regulations and other related instruments and provisions. The lowest rating was on conflicts of interest (58 per cent) with comments on the need for more transparency.

- The majority of respondents (56 per cent) were not aware of regular discussions within the Country Office and sub-teams on risks related to fraud and other types of misconduct and how to manage these risks. Forty-four per cent confirmed that regular discussions were held.

- Only 44 per cent of respondents were fully aware of their obligations and how to report allegations of wrongdoing, 8 per cent were unaware of their obligations, 36 per cent were aware but did not know how to report concerns, and 12 per cent were aware but not comfortable in reporting.

- Perception of non-compliance with policies and procedures was low. In general, respondents agreed that approval of exceptions from policies and procedures/or not following rules, policies and procedures was not common.

To be more proactive in addressing potential challenges and raising the awareness of its personnel, Country Office management would benefit from regular discussion of: standards of conduct; awareness of key policies; personnel's duty to report wrongdoing; and discussion of fraud risks and how to address them.

Issues such as accountability for value for money and ethical and intended purpose of use of public funds; compliance with substance rather than form of rules and regulations; and outside activities might need to be repeatedly stressed in daily work and meetings.

Recommendation 11 (High):

The Country Representative to:

(a) Reinforce fraud and corruption awareness.

(b) Continue discussions about standards of conduct, awareness of key policies, duty to report and how to report wrongdoing, and fraud risks into existing management and general staff meetings on a regular basis. Where assistance is needed for the substance and structure of these discussions, the Country Representative to contact the Ethics Focal Point in Human Resources, Enterprise Risk Management Officer or Internal Audit Service.

(c) Ensure that any future potential issues of wrongdoing are reported through established channels.

Issue 12: Improvements needed in Internal Control Framework

The Internal Control Framework was last updated in November 2020. All key personnel were issued with appropriate Delegation of Authority.

Three personnel were designated and given Delegation of Authority as Buyer, including one service contract holder. As per the Internal Control Framework Policy, only a staff member who has completed at least Level 1 of CIPS should be assigned as Buyer. There was no justification on file why a non-staff personnel had been designated as Buyer and, considering that the Country Office predominantly used micro purchasing, this could potentially become an internal control issue.

Significant delays were noted in the processing of operational transactions without clear and documented reasons by the operational teams, which was raised by many stakeholders during meetings with IEAS.

The Country Office had yet to upload its 2020 year-end closure report, either certified or in draft, but is up to date in uploading its month-end closure reports with Finance.

Two items on the 2018 action plan from the Partner Audit of Project 12499 Drivers of Change (UNTF) were outstanding. Implementation status was not available for the other three items.

Recommendation 12 (Medium):

The Country Representative to:

(a) Reinforce awareness of the Internal Control Framework Policy, as a part of internal control, risk management, anti-fraud and anti-corruption efforts.

(b) Establish mechanisms to ensure consistent and close monitoring of agreed actions from oversight reports.

(c) Establish performance indicators or lead times for processing of transactions, clearly stating lead times for every kind of transaction.

C. Operations

As of 20 October 2021, the Country Office had 56 personnel consisting of 15 staff members with fixed-term appointments (FTAs), 16 individuals on service contracts (SCs), 20 consultants on Special Service Agreements (SSAs), and 5 United Nations Volunteers (UNVs).

The Country Office had dedicated personnel to carry out finance, procurement, HR, ICT, safety and security-related tasks and the Operations Team was well resourced with most staff on fixed-term contracts. At the time of the audit, the Operations Team included an operations manager (NOC FTA), two finance associates (GS7 FTA, SB3-3 SCs), an HR associate (GS6 FTA), admin associate for procurement and for security (2 GS6 FTA), an IT associate with other administrative roles (GS6 FTA), an administrative and finance assistant (SB3-1 SC), an administrative assistant (SB3-1 SC), three drivers (1 FTA GS3), two service contracts (SB2-2), three helpers (SB1-1 SC) .

The Country Office procurement function processed 756 purchase orders amounting to US$ 2.3 million from January 2019 to March 2021.

Based on a sample of transactions reviewed, IEAS assessed that, in general, controls needed improvement in HR management, procurement, safeguarding of assets, ICT and business continuity planning. Recent developments have included weekly operations cafés organized by the Operations Team which has helped to clarify roles and responsibilities between Operations and Programme teams and where guidance is provided on key policy issues.

KEY ISSUES AND CONCLUSIONS

Issue 13: Strengthening the Country Office's HR function and streamlining the use and recruitment of personnel

The Country Office went through considerable changes in 2019 and 2020 due to funding constraints and changes in the office's leadership. At the time of audit, the Country Office had a relatively new leadership team which had already started to bring positive changes to the culture of the office, fostering a culture of team building. The Country Office had a dedicated HR person with a full-time contract. All contracts are reviewed by the operations manager before they are issued.

IEAS' sample review noted that documentation was generally in place to support selection decisions, but the following areas for improvement were noted:

- In terms of SSA recruitment, IEAS observed that in all cases reviewed no formal vacancy announcement was made, and the requesting unit collected relevant CVs through its own channels and conducted desk reviews of those CVs. Although the SSA Policy does not require a formal vacancy announcement to be made, without a vacancy announcement, the recruitment process is less competitive, transparent and potentially less objective. Rates offered to SSA consultants were generally reasonable and according to the thresholds defined in the SSA policy.
- Five of ten files reviewed (SSA, SC) lacked evidence that reference checks had been conducted.

In the recent past, the Country Office relied significantly on the use of consultants on SSAs to conduct core staff duties, mainly due to lack of funding for long-term positions. The Country Office spent a considerable amount on SSA consultants from 2018 to the first quarter of 2021. Ninety-three purchase orders were issued in 2019 for approximately US$ 367,000 and 57 purchase orders were issued in 2020 for SSA consultants for US$ 440,000. A programme management consultant position, which was an SSA for almost 16 months (April 2018 to July 2019), was mainly performing staff duties which is not allowed as per the SSA Policy.

Other issues related to HR management include the following:

- The audit could not find evidence of a detailed capacity development plan based on Performance Management and Development (PMD), supervisor comments or

considering the results of a talent mapping survey, which was conducted by the Country Office to understand training requirements. IEAS noted that the Country Office had recently requested Regional Office training on result-based management to boost its skills.

- Mandatory training courses had not been completed by the majority of SSAs, some of which were employed for a long time with the office.

- PMD for two staff members reporting to the acting Country Representative in 2020 had not been completed.

- Sensitive data relating to Country Office personnel was updated and available on SharePoint accessible to all UN Women staff.

Recommendation 13 (Medium):

The Country Representative to ensure that:

(a) In developing a longer-term HR strategy, consideration is given, where feasible, to seeking staff positions if SSA are repeatedly needed over a long period to ensure sustainability as well as retention of valuable institutional knowledge.

(b) A learning and development plan is prepared based on office and individual staff needs, taking into account the results of the talent mapping survey.

(c) All personnel complete mandatory training. The Country Office, along with HR, to reconcile the differences in the compliance rate due to system bugs. All consultants engaged on longer-term SSAs should be encouraged to take mandatory training such as fraud and prevention of sexual abuse and exploitation, etc.

(d) A mechanism is established so that recruitment is competitive and transparent, (limiting the desk reviews based on referrals) and that reference checks are properly collected and retained.

(e) PMDs are completed for staff in a timely manner to ensure performance issues are identified and corrective actions taken, if needed, while good performance is also recognized.

(f) Access to personnel data available on SharePoint is restricted to the HR unit and the Representative, and protocols are established to ensure the safety and security of sensitive personnel information.

Issue 14: Strengthening procurement-related controls

The Country Office has a dedicated resource to manage the procurement and travel functions, reporting to the operations manager. The Country Office processed 756 purchase orders amounting to US$ 2.3 million from January 2019 to March 2021. The Country Office mainly used low-value, micro purchasing (US$ 5,000) which is allowed but is also the most relaxed solicitation method in terms of controls. While the Country Office followed the micro-purchasing guidelines and documented the process, it adds an administrative burden for operations staff in processing a huge volume of transactions. This also means the Country Office does not benefit from economies of scale.

Accumulated purchase orders for some vendors were well above US$ 5,000 which indicates the possibility of splitting purchase orders to accommodate the use of micro purchasing, or poor planning, i.e. the Country Office did not consolidate its procurement actions and conduct competitive procurement. One of the root causes of micro purchasing and lack of detailed planning was the Country Office's ad hoc, short-term funding resulting in an inability to consolidate procurement activities.

As per the updated procurement guidelines, all procurements from 1 April 2020, above US$ 5,000 (other than Long Term Agreements and direct contracting) should be conducted through e-procurement, which automated procurement-related controls and improved transparency and the audit trail. According to the Procurement Section, if procurement actions above US$ 5,000 are not conducted in the e-procurement system, this qualifies as a deviation from the procurement rules. IEAS observed that of the 35 purchase orders above US$ 5,000 processed by the Country Office since April 2020 only 13 were approved and published on the e-procurement platform.

In addition, IEAS' review of documentation showed deviations from the Procurement Policy, Procedure and Guidance (PPG) as follows:

- Generic email dedicated to procurement was not used to solicit quotations from

vendors.

- On occasions, inadequately justified direct contracting was used due to the lack of proper planning – in three cases amounting to almost US$ 70,000. According to the procurement dashboard, during 2019–2020 only US$ 789,000 of procurement actions were planned versus the US$ 2.63 million actually incurred.

- The Country Office did not have Long-Term Agreements for frequently used transactions such as catering, procurement of computer equipment etc. Reportedly, some Long-Term Agreements used by other agencies are global and have logistical complications during importing the goods, while some do not always meet office needs.

- Market surveys were not conducted at frequent intervals resulting in an insufficient number of vendors and the vendor database not being up-to-date.

- In one case, a contract was not awarded to the bidder with the highest cumulative score and second highest technical score. The contract was awarded to another bidder with just three more points in technical scoring, resulting in an additional cost of US$ 21,000.

- In the case of one purchase order (US$ 42,969) there was only one technically compliant bid and the Country Office had to contract it, which suggests that the Country Office did not have enough vendors in the database to contact for its procurement needs.

Recommendation 14 (Medium):

The Country Representative to ensure that:

(a) Detailed procurement plans (on a three or six-month rolling basis) are prepared for the Country Office and each project, and that the plans are proactively used by the procurement function to minimize the use of micro purchasing and direct contracting where possible.

(b) Procurement-related controls are followed to ensure the integrity of the process, and the achievement of, and ability to demonstrate, value-for-money.

(c) E-procurement is used for all transactions over US$ 5,000.

(d) Market surveys are conducted on a regular basis to extend the number of potential vendors.

(e) Considering the context of Pakistan's market, local Long-Term Agreements are in place for more frequently used transactions to ensure the availability of suppliers and to benefit from economies of scale.

Issue 15: Field Office ICT and Telecommunications Security and Compliance Assessment showed a need for better compliance

The Field Office ICT and Telecommunications Security and Compliance Assessment (as of 28 September 2021) found that the Country Office needed to **greatly improve** its compliance with ICT and telecommunications security rules and regulations – scoring only 36 per cent on the assessment. This was mainly due to poor performance in the areas of: inventory, storing of special accounts, office network and communications. The Country Office needs to ensure its disaster recovery plan is tested and up-to-date as a result of lessons learned during the COVID-19 pandemic.

The Country Office has a dedicated ICT personnel who manages most of the hardware and software requirements for the office; however, the office is spread across four locations including the Country Office, two sub-offices and one field programme office.

Recommendation 15 (Medium):

The Country Representative to ensure that the Info-Sec Compliance issues are fully addressed. In particular, ICT personnel should develop an action plan on how to improve compliance with minimum requirements and report to the Representative on a monthly basis. If needed, the Country Office should consult with Manager Information, Security and Compliance to ensure all requirements are adhered to and there is no loophole in the office's network.

Issue 16: Safeguarding of non-capital assets and insurance

The inventory list, which contains all assets including capital assets maintained by the Country Office, contained almost 2,000 items. In comparison, the Country Office certification report, as at 31 December 2020, showed 103 items. The inventory list included items donated to partners, capital assets, non-capitalized (low-value attractive items), disposed of and defective items. In some cases, key information such as acquisition date, cost of the item and custodian etc. was missing. It is difficult to identify the total number and cost associated with non-capitalized assets which are vulnerable and susceptible to theft/fraud. There was no separate listing with complete information of low-value attractive assets. Furthermore, the Country Office did not conduct any physical verification of assets during the audit period which may result in loss/theft of valuable items.

Vehicles owned by the Country Office are covered under the global insurance policy managed by the UN Secretariat which only covers third-party damage in case of any accident or collision. In the absence of a local insurance policy to cover any damage from accidents to Country Office vehicles, which are the most significant part of the office's asset list, there is a risk of material financial loss if a vehicle is involved in an accident. The operations manager informed IEAS that the Country Office was in the process of obtaining vehicle insurance.

Recommendation 16 (Medium):

The Country Representative to ensure that complete information on non-capital assets is compiled and that all attractive items are duly accounted for.

Issue 17: Business continuity planning

Pakistan was marked as a family duty station in 2020 due to the improving security situation; however, security incidents still occur – especially in the Khyber Pakhtunkhwa and Baluchistan provinces. Some stakeholders interviewed by IEAS highlighted the possibility that security may deteriorate close to the Pakistan–Afghan border due to the situation in Afghanistan, which had not yet been incorporated into the Country Office's ongoing interventions.

UN Women operates in three major provinces of Pakistan in addition to the Country Office in Islamabad, with two sub-offices and one field programme office. The main premises in Islamabad are co-leased by UN Women with UNODC, and four other UN agencies are part of the same compound. Thirteen unarmed guards protect the building and compound in shifts, in addition to the Government security provided for the whole diplomatic area.

The United Nations Department for Safety and Security (UNDSS) completed assessments of the main Country Office, and the Quetta and Peshawar sub-offices in 2017. No significant recommendations were made.

The business continuity plan has not been updated in light of lessons learned during the COVID-19 pandemic. IEAS was informed that the business continuity plan is in the process of revision and will be formalized after obtaining the required approvals.

Recommendation 17 (Medium):

The Country Representative to ensure that the Country Office's Business Continuity Plan is updated and formalized, taking into account the lessons learned from the COVID-19 pandemic and that it reflects all the Country Office's physical sites and includes any COVID-19 and emerging security deterioration specific guidance.

III. RECOMMENDATIONS AND MANAGEMENT ACTION PLAN

Issue	Recommendation	Process	Responsible Unit	Priority	Action Plan	Implementation date
Issue 1 : Need to manage stakeholders' divergent expectations	Recommendation 1 To manage the divergent expectations of the Country Office's key stakeholders, the Country Representative to: (a) Take stock of key stakeholders' expectations and align them with the Country Office's own vision. (b) Finalize and roll out the advocacy and communication strategy. The strategy should identify key success/performance indicators, roles and accountability for their implementation and be regularly assessed on whether it is cost-effective or needs adjustment.	Positioning, Advocacy and Communications	UN Women Pakistan	Medium	(a) Stakeholders' expectations will be aligned with AWP 2022 and SN 2023-2027 (b) The advocacy and communications strategy with key success/performance indicators, roles and accountability will be finalised within 30 October and roll out by 2 November	30 December 2021 1 January 2022
Issue 2: UN system (and other stakeholders) coordination efforts could be enhanced to ensure more strategic and impactful coordination	Recommendation 2 The Country Representative to: (a) In close coordination with the UN Resident Coordinator's Office, formalize and implement a UN Women coordination strategy, aligning it with the new United Nations Sustainable Development Cooperation Framework and embedding it within its Strategic Note. (b) Use UN Women's strategic role in the Inter-Agency Gender and Development Group and Gender Theme Group and coordinate efforts in potentially overlapping interventions and improve the platform for gender issues.	Coordination of gender mainstreaming	UN Women Pakistan	Medium	(a) UN Women in 2021 has supported the UNCT in the development of the new UNSDCF with 5 outcomes: i. Basic Social Services (health, education and well-being) ii. Governance (Peace, rule of law, institutional capacity building) iii. Climate Change and Resilience building (Urban and Rural) iv. Gender Equality v. Decent work and sustainable Inclusive economic growth (Urban and Rural context) It has been approved by the UNCT that UN Women will chair outcome IV: Gender Equality (b) In leading and facilitating the GTG, UN Women successfully convinced the GTG and then the PMT to endorse the UNCT-SWAP Scorecard to be mainstreamed into the new UNSDCF. The SWAP Scorecard process has started in October.	31 March 2022 31 March 2022
Issue 3: Resource mobilization strategy yet to be formalized	Recommendation 3 To support the Country Office's new Strategic Note, the Country Representative to: (a) As a part of the Country Office's advocacy vision and strategy (see Recommendation 1) finalize and implement the resource mobilization strategy with realistic targets. (b) Regularly monitor the strategy for effectiveness, revise if necessary and address any related implications.	Strategy and resource mobilization	UN Women	Medium	Resource mobilization strategy is part of the Vision 2021-2025 and will be improved with realistic targets upon the official formulation of the Partnerships and Communications Unit. The M&E Officer will be working closely with the Partnerships and Communications Unit for effective monitoring of the strategy.	30 June 2022
Issue 4: Progressing the implementation of the Country Office Strategic Note and Annual Work Plans need to be strengthened with solid data collection and validation processes	The Country Representative to finalize and institutionalize monitoring, data collection, validation and reporting processes by: a) Integrating a detailed and structured monitoring framework into Monitoring, Evaluation and Research Plans (e.g. by outputs from the Strategic Note which translates into individual project results frameworks) and related activities planned by the Country Office's personnel and partners; the framework should ideally be managed by an independent country office monitoring and evaluation function in addition to project managers, where feasible. b) Ensuring that the monitoring function is financially sustainable. c) Based on the framework, devising and implementing an annual risk/needs-based workplan for field monitoring missions to project and partner sites, including independent validation of data reported by partners through post-implementation assessments, spot-checks and surveys with beneficiaries. d) Harmonizing, to the extent possible, the methodology for monitoring missions and monitoring and reporting templates which will assist in integrating validated data collected into corporate and donor reports.	SN and AWP implementation	UN Women Pakistan	High	The M&E Officer is tasked to work closely with the newly recruited Programme Management Specialist to finalize and institutionalize the process of monitoring, data collection, validation and reporting process The AWP 2022 and the SN 2023-2027 are in process with support from the Regional Planning Unit.	30 June 2022
Issue 5: Need to strengthen project portfolio management	Recommendation 5 The Country Representative to strengthen project portfolio management, in particular: (a) Submission of timely and accurate donor reports and obtaining donors' feedback on the reports submitted. (b) Enhance funding pipeline and ongoing portfolio management by assigning formal accountability to portfolio and project	Programme management	UN Women Pakistan	High	The newly recruited Programme Management Specialist will be working closely with Portfolio Managers on recommended tasks with focus on result-based programming. The donor reporting timelines/deadlines will be linked to the Internal Control Framework System for effective monitoring. In 2021, all donor reports have been submitted on time.	30 September 2022

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	managers, e.g. documenting accountability in their Terms of Reference or Performance Management and Development. (c) Develop and adopt a project assurance process to ensure that project designs, including the planned activities and exit strategy, are effective and feasible to implement. (d) Mandate that all projects include feasibility assessments considering local context, risks and challenges.					
Issue 6 : Management of accountability to beneficiaries should be strengthened	Recommendation 6 The Country Representative to ensure that needs assessments are conducted and that selection criteria and the process for identification and selection of beneficiaries is clear, including independent validation by the Country Office of selected beneficiaries against the agreed criteria; beneficiary feedback on training and other services or inputs provided; and that post-implementation impact assessments are carried out. A grievance mechanism should also be put in place and measures taken so that beneficiaries are aware of it.	Project implementation	UN Women Pakistan	High	This will be done as part of the M&E plan for an individual project. The district-based approach has been introduced in 2021 to ensure sustainable and impact of beneficiaries.	30 June 2022
Issue 7: Project implementation needed improvement	Recommendation 7 The Country Representative to set up a process to ensure that project risk assessments include measures so delays in implementation are identified in a timely manner; are properly handled; and resolutions are well documented.	Project implementation	UN Women Pakistan	Medium	Risk assessments and measures including COVID-19 have been incorporated in newly developed projects. And captured in the corporate online ERM system. This will further be enhanced in the AWP 2022	30 June 2022
Issue 8: Programme partners need to be approached holistically in terms of capacity building, sustainability and monitoring	Recommendation 8 The Country Representative to ensure that the Country Office adopts a holistic approach to strengthening the capacity, sustainability and monitoring of its implementing partners by examining opportunities for the longer-term sustainability of the partner through: (a) Incorporating partners' capacity/gaps and risk-profile in monitoring plans and subsequently addressing, monitoring and reporting on them during implementation. (b) Developing specific and measurable quarterly/biannual workplans jointly with partners along with related budgets to facilitate monitoring and results management. (c) Ensuring all partners are trained on PSEA.	Implementing partner management	UN Women Pakistan	Medium	This will be done as part of the M&E Strategy and work plan which will be aligned with the AWP 2022.	30 June 2022
Issue 9: Office structure, capacity, personnel roles and responsibilities	Recommendation 9 As a medium-term strategy, the Country Representative to finalize and implement the recommendations from the functional analysis of the existing office structure to ensure personnel have adequate capacity, skill sets and clear accountability to deliver the Country Office's strategic priorities within its current thematic and geographical structure, with priority given in the short term to delivery of remaining and newly funded projects, in particular: (a) Seek Regional Office/headquarters support to identify the best business model, including staffing structure needed to implement the approved Strategic Note, considering funding availability, e.g. matrix accountability approach. (b) Carry out a staffing and capacity gap analysis of the current and anticipated structure needed to implement the approved Strategic Note, mapping the capacity and skill sets required for its delivery, considering resource availability. (c) Incorporate the required capacity, skill set, number of personnel needed and available resources into forthcoming projects and programmes. (d) Establish and communicate clear roles and responsibilities and reporting lines for all personnel in line with job descriptions and organizational priorities. (e) Reinforce single point of accountability and reporting lines. For example, portfolio managers and heads of sub-offices are responsible for their teams and report to the Representative or Deputy Representative.	Organizational structure, authority, capacity and reporting lines	UN Women Pakistan	High	The recommendations will be incorporated into the Human Resources Capacity Building which is an on-going process. An international Human Resource capacity Building consultant with the support of the HR Unit of the Regional Officer has been on board since June 2021. A new organogram has been developed and will be used for the AWP 2022.	31 March 2022
Issue 10: Strengthening risk management processes	Recommendation 10 The Country Representative to: (a) Reinforce knowledge of risk management through regular discussions in the Country Office and by requesting refresher training from ERM. The risk register needs to be developed jointly with key managers to accompany the Country Office's Annual Work Plans	Risk management	UN Women Pakistan	Medium	These will be reflected in the OEEF of the AWP 2022	30 June 2022

Issue	Recommendation	Process	Responsible Unit	Priority	Action Plan	Implementation date
	and should be reviewed by the management team on a regular basis for its completeness and effectiveness. (b) Assign clear accountability to be reflected in Terms of Reference of non-staff personnel and Performance Management and Development of staff and monitor responsibilities to designated risk focal points while retaining overall risk owner accountability.					
Issue 11: Standards of conduct and fraud prevention awareness	Recommendation 11 (a) Reinforce fraud and corruption awareness. (b) Continue discussions about standards of conduct, awareness of key policies, duty to report and how to report wrongdoing, and fraud risks into existing management and general staff meetings on a regular basis. Where assistance is needed for the substance and structure of these discussions, the Country Representative to contact the Ethics Focal Point in Human Resources, Enterprise Risk Management Officer or Internal Audit Service. **(c)** Ensure that any future potential issues of wrongdoing are reported through established channels.	Control environment, workplace ethics and integrity	UN Women Pakistan	High	Fraud and corruption related issues are taken seriously by the Senior Management and extensive knowledge sharing and trainings will be done 2022.	30 June 2022
Issue 12: Improvements needed in Internal Control Framework	Recommendation 12 The Country Representative to: (a) Reinforce awareness of the Internal Control Framework Policy, as a part of internal control, risk management, anti-fraud and anti-corruption efforts. (b) Establish mechanisms to ensure consistent and close monitoring of agreed actions from oversight reports. (c) Establish performance indicators or lead times for processing of transactions, clearly stating lead times for every kind of transaction.	Internal control framework	UN Women Pakistan	Medium	The online platform to compliment the Internal Control Framework in process by the Operations Unit and will be rolled out by December 2021.	31 March 2022
Issue 13: Strengthening HR function and streamlining the use/ recruitment of personnel	Recommendation 13 The Country Representative to ensure that: (a) In developing a longer-term HR strategy, consideration is given, where feasible, to seeking staff positions if SSA are repeatedly needed over a long period to ensure sustainability as well as retention of valuable institutional knowledge. (b) A learning and development plan is prepared based on office and individual staff needs, taking into account the results of the talent mapping survey. (c) All personnel complete mandatory training. The Country Office, along with HR, to reconcile the differences in the compliance rate due to system bugs. All consultants engaged on longer-term SSAs should be encouraged to take mandatory training such as fraud and prevention of sexual abuse and exploitation, etc. (d) A mechanism is established so that recruitment is competitive and transparent, (limiting the desk reviews based on referrals) and that reference checks are properly collected and retained. (e) PMDs are completed for staff in a timely manner to ensure performance issues are identified and corrective actions taken, if needed, while good performance is also recognized. (f) Access to personnel data available on SharePoint is restricted to the HR unit and the Representative, and protocols are established to ensure the safety and security of sensitive personnel information.	Human resources management	UN Women Pakistan	Medium	Linking with the Human Resources Capacity Development process, the effective HR strategy incorporated the recommendations will be finalized and rolled out in 2022.	30 June 2022
Issue 14: Strengthening procurement related controls	The Country Representative to ensure that: (a) Detailed procurement plans (on a three or six-month rolling basis) are prepared for the Country Office and each project, and that the plans are proactively used by the procurement function to minimize the use of micro purchasing and direct contracting where possible. (b) Procurement-related controls are followed to ensure the integrity of the process, and the achievement of, and ability to demonstrate, value-for-money. (c) E-procurement is used for all transactions over US$ 5,000. (d) Market surveys are conducted on a regular basis to extend the number of potential vendors.	Procurement management	UN Women Pakistan	Medium	The effective procurement related controls will be in place linking with the Internal Control Framework. An online platform is being developed to streamline requests. PCO will introduce the gender-responsive budgeting process internally and for the UNCT through the OMT that it has co-chaired.	31 March 2022

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	(e) Considering the context of Pakistan's market, local Long-Term Agreements are in place for more frequently used transactions to ensure the availability of suppliers and to benefit from economies of scale.					
Issue 15: Field Office ICT and Telecommunications Security and Compliance Assessment showed a need for better compliance	Recommendation 15 The Country Representative to ensure that the Info-Sec Compliance issues are fully addressed. In particular, ICT personnel should develop an action plan on how to improve compliance with minimum requirements and report to the Representative on a monthly basis. If needed, the Country Office should consult with Manager Information, Security and Compliance to ensure all requirements are adhered to and there is no loophole in the office's network.	ICT	UN Women Pakistan	Medium	The recommendations have been noted and a plan for continuous monitoring of various parameters of INFOSEC compliance will be rolled out in 2022.	31 March 2022
Issue 16: Safeguarding of non-capital assets and insurance	Recommendation 16 The Country Representative to ensure that complete information on non-capital assets is compiled and that all attractive items are duly accounted for.	Asset management	UN Women Pakistan	Medium	The recommendations have been addressed and will be rolled out in 2022.	1 January 2022
Issue 17: Business continuity planning	Recommendation 17 The Country Representative to ensure that the Country Office's Business Continuity Plan is updated and formalized, taking into account the lessons learned from the COVID-19 pandemic and that it reflects all the Country Office's physical sites and includes any COVID-19 and emerging security deterioration specific guidance.	Safety and security management	UN Women Pakistan	Medium	The recommendations have been taken into account and new BCP is in the process of being updated to be rolled out in 2022.	31 March 2022

Annex 1: DEFINITIONS OF AUDIT TERMS, RATINGS AND PRIORITIES

A. AUDIT RATINGS

Satisfactory	The assessed governance arrangements, risk management practices and controls were adequately established and functioning well. Issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area.
Some Improvement Needed	The assessed governance arrangements, risk management practices and controls were generally established and functioning but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area.
Major Improvement Needed	The assessed governance arrangements, risk management practices and controls were established and functioning, but need major improvement. Issues identified by the audit could significantly affect the achievement of the objectives of the audited entity/area.
Unsatisfactory	The assessed governance arrangements, risk management practices and controls were either not adequately established or not functioning well. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity/area.

B. PRIORITIES OF AUDIT RECOMMENDATIONS

High (Critical)	Prompt action is required to ensure that UN Women is not exposed to high risks. Failure to take action could result in major negative consequences for UN Women.
Medium (Important)	Action is required to ensure that UN Women is not exposed to risks. Failure to take action could result in negative consequences for UN Women.
Low	Action is desirable and should result in enhanced control or better value for money. Low priority recommendations, if any, are dealt with by the audit team directly with the office management, either during the exit meeting or through a separate memo subsequent to the fieldwork. Therefore, low priority recommendations are not included in this report.

UN WOMEN IS THE UN ORGANIZATION DEDICATED TO GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN.
A GLOBAL CHAMPION FOR WOMEN AND GIRLS, UN WOMEN WAS ESTABLISHED TO ACCELERATE PROGRESS ON MEETING THEIR NEEDS WORLDWIDE.

UN Women supports UN Member States as they set global standards for achieving gender equality, and works with governments and civil society to design laws, policies, programmes and services needed to ensure that the standards are effectively implemented and truly benefit women and girls worldwide. It works globally to make the vision of the Sustainable Development Goals is a reality for women and girls and stands behind women's equal participation in all aspects of life, focusing on four strategic priorities: Women lead, participate in and benefit equally from governance systems; Women have income security, decent work and economic autonomy; All women and girls live a life free from all forms of violence; Women and girls contribute to and have greater influence in building sustainable peace and resilience, and benefit equally from the prevention of natural disasters and conflicts and humanitarian action. UN Women also coordinates and promotes the UN system's work in advancing gender equality.

UN WOMEN

GENERATION EQUALITY