



Management Response to Annual Report on Internal Audit and Investigations Activities

For the year ended 31 December 2021

Anna-Karin Jatfors, Director
Strategy, Planning, Resources and Effectiveness Division



Content

1. Updates on Management Actions to four Overarching areas for improvement
2. Positive impacts from implementing audit recommendations
3. Internal Audit Opinion and UN-Women Achievements for 2021
4. Positive Progress on Long-outstanding Recommendations
5. Response to Executive Board Decisions
6. Investigations Activities

Updates on Management Actions to Four Overarching Areas for Improvement

Enhanced Second Line of Defense

- Within the overall structure of the second line of defense, UN-Women has prioritized available resources to achieve continuous improvements in **internal governance, risk management and compliance**
- Effective **oversight committees (BRC/TMG) and Quarterly Business Review**

Development of Statement of Internal Controls

- Planning for organization-wide **annual Statement of Internal Controls** to commence following new ERP system



Increased management absorption capacity

- **SP 2022-2025 and Strategic Notes** incorporate needed operational improvements and lessons learned from audits and evaluations
- Uptake mechanism supports increased accountability for implementation of **audit and assessment recommendations**
- **Ongoing prioritization** of available resources to implement oversight recommendations considering increased volume of recommendations

Effective pivot to the field

- Presence typology framework supports recalibration of UN-Women's global footprint to ensure it is equipped to effectively deliver on **triple mandate**
- Targeted business transformation support to Offices to **drive results at country level**

Positive Impacts from Implementing Audit Recommendations



Principled Performance

- SP 2022-2025 and SN performance indicators support **increased accountability** for Strategy implementation
- **Enhanced beneficiary-oriented interventions** at country level
- Operationalization of Joint Comprehensive Cost Recovery Policy promotes **harmonized cost category classification** and **updated preferential rates**
- Streamlined risk escalation protocol for **timely visibility** of significant and emerging risks
- HQ and RO **oversight function clarified**



Products, Services and Processes

- Online platform for **enhanced tracking** of donor reports
- **Professionalized procurement function** through certification programme and community of practice at HQ and field
- Automated procurement platform to **streamline all processes** and **support procurement needs**
- HQ and RO networked knowledge-based design completed for **reinforced policy and programme technical support** to the field



Advancing Partnerships and Resourcing

- Resource mobilization plans embedded within Strategic Notes to support **achievement of mandate**
- Crisis communication policy developed for **strategic approach to external communications**
- **Enhanced focus** on UN coordination mandate in SP 2022-2025



Business Transformation

- Strategic Notes guidance and results frameworks at country level **aligned with UNSDCF**s
- Presence Governance Policy guides **transparent resource allocation** for fit-for-purpose global footprint
- Country typologies define functional setup, funding principles and strategy options, aligning organizational design behind **transformative results**



Empowered People

- Organization-wide **ethics and integrity culture strengthened**
- Field Office HR strategy developed for **appropriate staffing level** for the **delivery of objectives**
- Support for **enhanced fraud risk awareness** at RO and CO level
- BPO **responsibility clarified** to coordinate overall anti-fraud programme

Internal Audit Opinion and UN-Women Achievements for 2021

IAS's 2021 Overall Opinion:

“UN-Women’s governance, risk management and control processes were generally established and functioning but needed some improvement”

94%

Prior Year Recs Implementation Rate

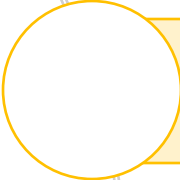
Above corporate target of **80%** for
consecutive **7** years

Positive Progress on Long-outstanding Recommendations

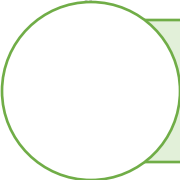
As of April 2022



Guidance Note on Managing Direct Funding to Strategic Notes soon to be issued



Programme Partner Management Policy and Procedures soon to be issued



Global policy and programme architecture with enhanced accountability structure for more focused, impact-oriented support to the field to be finalized in the context of UN-Women's signature interventions



Review of the required capacity for the travel function considering post COVID-19 environment ongoing



SWOT analysis and structured office organigram completed to support delivery of results

Response to Executive Board Decisions

Decision 2021/4

The Executive Board “Encourages UN-Women management to continue strengthening its second line of defense and its work on the establishment of a Statement of Internal Controls”

- ☐ Initiate planning for relevant organization-wide process to prepare an annual Statement of Internal Controls upon completed migration to new ERP system

Decision 2020/5

The Executive Board “Requests UN-Women to address areas of recurring issues and the high number of audit recommendations related to managing implementing partners, project/programme management, travel management, risk management, structure and capacity, and procurement, including by ensuring the availability of high-competent staff and relevant control mechanisms in order to manage these areas of recurring concern”

- ☐ All recurring issues except for one procurement issue are addressed; developing a matrix of criteria to determine appropriate delegation of procurement authority level

Investigations Activities

UN-Women remains committed throughout 2021 to ensure all misconduct are effectively reported.

UN-Women nurtures a diverse and empowered workforce and advances an inclusive culture, as explained in its 2022-2025 Strategic Plan, as well as addresses workplace concerns holistically.

UN-Women maintained transparency with the 2021 Disciplinary Report; prompt and appropriate actions taken to implement the zero-tolerance policy towards misconduct, fraud and corruption substantiated investigation cases.

Investigations Activities



2021 Key initiatives

Designed leadership journeys to strengthen capacity of senior managers and teams

“Conversations on Living our Values” series for a safe space to reflect on the organizational values and competencies framework facilitated

Continued collaboration with the Office of the Ombudsman for UN Funds and Programme on the **Respectful Workplace Facilitators** and **Conversations with the Mediator** programme

Under the aegis of the UN Ethics Office, the organization wide roll-out of the 2021 UN Leadership Dialogue on “Accountability Systems in the UN” completed



THANK YOU!