

MULTI-COUNTRY OFFICE AUDIT

INTERNAL AUDIT REPORT
UN WOMEN MULTI-COUNTRY OFFICE
IN FIJI



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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 Fiji Multi-Country Office from March to April 2022. A field mission to the UN Women office in Suva, Fiji was conducted, but due to restrictions associated with the COVID-19 pandemic, other countries in the Multi-Country Office were reviewed remotely.

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

- **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 controls:** office structure and delegation of authority, control environment, risk management, data quality and implementation of prior audit recommendations.
- **Operations:** management of procurement, human resources, 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 Multi-Country Office activities from 1 January 2020 to 28 February 2022. According to the OneApp Project Delivery Dashboard, the Multi-Country Office's expenditure was US\$ 11.35 million in 2020 and US\$ 12.35 million in 2021.

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

As this was a partially remote audit, IAS was not able to physically visit all offices, project sites, stakeholders, partners and beneficiaries. Moreover, the audit team was not able to observe the control environment and culture in the sub-offices in-person and sometimes had to rely on scanned or electronic files provided by management.

Audit opinion and overall audit rating

IAS assessed the overall state of governance, risk management and internal controls in the Multi-Country Office as **Satisfactory**, meaning "issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area." Several audit areas such as coordination of gender mainstreaming, project management, programme partner management and human resources management were, in general, found to be satisfactory.

IAS noted good practices and achievements throughout the audit period in coordination of gender mainstreaming, resource mobilization and partner results, and financial tracking. In addition, the Multi-Country Office performed a substantial mapping and capacity assessment of civil society organizations across the Pacific. IAS commends the Multi-Country Office's performance management and mandatory training completion rates, as well as its ICT compliance levels. The Multi-Country Office also developed useful "How-To" guides for common business processes.

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

- **Strategic priorities, programme planning and implementation:** Strengthening communications and stakeholder management; coordinating implementation of UN Country Team-SWAP recommendations; updating the resource mobilization strategy; improving planning of field monitoring; and improving competitiveness in programme partner selection.

- **Governance, risk management and internal controls:** Addressing bottlenecks through tracking of business process workflows; and incorporating discussions about standards of conduct, awareness of key policies, duty to report and how to report concerns about potential fraud or other misconduct, and bringing discussion of fraud risks into management and all-hands meetings on a regular basis.
- **Operations:** Enhancing the office's procurement strategy and function to ensure that procurement principles of transparent and competitive processes are fully supported; devising a plan to improve use of the e-procurement system for all procurements above US\$ 5,000; and refraining from engaging in inter-project fund transfers not expressly approved by donors.

Overall, IAS made 14 recommendations to address the areas for improvement, all of which were ranked as medium priority.

The 14 Medium (Important) priority recommendations mean "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: addressing UN Country Team-SWAP recommendations; updating the resource mobilization strategy and improving use of the LEADS system; revising the field monitoring plan given access constraints; improving aspects of annual and donor reporting; improving the competitiveness of programme partner selection; addressing process bottlenecks through tracking of workflows; considering how to include other countries under the Multi-Country Office in its risk assessment; incorporating discussions about standards of conduct, awareness of key policies, duty to report and how to report fraud and other misconduct, and fraud risks into management and all-hands meetings on a regular basis; enhancing the office's procurement strategy and function to ensure; devising a plan to improve use of the e-procurement system; and refraining from engaging in inter-project fund transfers not expressly approved by donors.

IAS also made three recommendations at the corporate level: developing policy and process outlining if, when and how to conduct infrastructure work at UN Women; including Multi-Country Offices as an office type in the Presence Governance Policy, with the necessary guidance on minimal expectations, structure and resourcing as appropriate for the nature and intent of the policy; and exploring the functionality in

the new Enterprise Resource Planning (ERP) system, or developing an adequate workaround in the reporting module, to allow Multi-Country Offices to run or combine data sets more easily, reducing manual work.

Management comments and action plan

IAS requested comments from management on the detailed audit findings. The comments and additional information provided have been taken into account in this report, as appropriate.

The Representative of the UN Women Fiji Multi-Country Office generally accepted the above recommendations with a few clarifications. The Representative is already in the process of implementing the recommendations and provided the Multi-Country Office's action plan as contained in this report. The corporate recommendations were also accepted by the responsible departments and are in the process of being implemented.

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

DMA	Division of Management and Administration
DRF	Development Results Framework
ERP	Enterprise Resource Planning
IAS	Internal Audit Service
ICT	Information and Communication Technology
IEAS	Independent Evaluation and Audit Services
OEEF	Organizational Efficiency and Effectiveness Framework
OMT	Operations Management Team
PPG	Policy, Procedure and Guidance
PPID	Policy, Programme and Intergovernmental Division
RMS	Results Management System
SWAP	System-Wide Action Plan
UNFPA	United Nations Population Fund
UNIFEM	United Nations Development Fund for Women
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
US\$	United States dollar

I. BACKGROUND

About the Multi-Country Office

UN Women has operated in the Pacific since 2012, and prior to that as part of the United Nations Development Fund for Women (UNIFEM). The UN Women Fiji Multi-Country Office services 14 countries in the Pacific, including Fiji, Solomon Islands, The Republic of Marshall Islands, Palau, Kiribati, Samoa, Tuvalu, Tonga, Vanuatu, Federated States of Micronesia, Nauru, Tokelau, Niue and Cook Islands. The Multi-Country Office is headquartered in Suva, Fiji.

Aligned with the United Nations' Pacific Strategy 2018–2022, the Multi-Country Office focuses on four interlinked programmatic areas including women's political empowerment and leadership, women's economic empowerment, ending violence against women and girls, and gender and protection in humanitarian action and disaster risk reduction. The Multi-Country Office's Strategic Note included 10 outcomes under the Development Results Framework (DRF). The office's annual workplans from 2018 to 2022 also included four Outputs under the Organizational Efficiency and Effectiveness Framework (OEEF). The related 2021 annual workplan focused on women's economic empowerment; elimination of violence against women; gender and protection in humanitarian action and disaster risk reduction; and global norms, policies and standards.

As noted in the Human Resources Personnel Report, as of September 2022, the Multi-Country Office employed 27 personnel with Fixed-Term Appointments and engaged 32 individuals on Service Contracts, 12 consultants on Special Service Agreements, 1 expert on mission and 2 United Nations Volunteers.

The Multi-Country Office's budget and expenditure is summarized in Table 1.

Table 1: Fiji Multi-Country Office budget and expenditure, US\$

	2018	2019	2020	2021	June, 2022
DRF budget target	12,938,281	13,791,586	12,081,609	12,510,287	14,684,543
DRF actual budget	9,769,843	10,386,007	9,846,059	11,976,325	13,016,179
Resource mobilization rate	76%	75%	81%	96%	89%
DRF expenditure	8,129,659	9,659,824	9,543,894	10,498,881	2,577,369
Financial implementation rate	83%	93%	97%	88%	20%
OEEF budget target	1,954,631	1,779,537	2,100,551	2,272,276	2,052,728
OEEF actual budget	1,926,513	1,679,791	1,893,576	2,095,473	2,097,882
Resource mobilization rate	99%	94%	90%	92%	102%
OEEF expenditure	1,696,150	1,594,694	1,808,872	1,854,860	710,585
Financial implementation rate	88%	95%	96%	89%	34%

Source: OneApp Project Delivery Dashboard (30 June 2022) and Results Management System Dashboard

Annual financial implementation rate from 2018 to 2021 was between 83 and 97 per cent. As of 31 December 2021, the country field programme comprised 21 non-core funded projects with a total budget in 2021 of US\$ 11.03 million, funded by a range of donors, including joint programmes. For 2021, Institutional Budget funding amounted to US\$ 970,154, core funding to US\$ 1.7 million and extrabudgetary funding to US\$ 370,059.

According to the OneApp Project Delivery Dashboard, the Multi-Country Office's expenditure totalled US\$ 11.3 million in 2019, US\$ 11.4 million in 2020 and US\$ 12.4 million in 2021. In 2021, this consisted of staff costs (27 per cent); other personnel costs (26 per cent); learning and recruitment costs (10 per cent); services (9 per cent); maintenance, utilities and common services (8 per cent); support cost charges (7 per cent); communication costs (5 per cent); travel (5 per cent); and other administrative costs (3 per cent).

II. AUDIT RESULTS

A. Strategic priorities, programme planning and implementation

See Background section on the Multi-Country Office's strategic priorities and field programme. The Multi-Country Office's Strategic Note covers the period 2018–2022. This is aligned with the United Nations Pacific Strategy, which also covers the period 2018–2022. Based on the audit work performed, the Internal Audit Service (IAS) assessed the Multi-Country Office's coordination of gender mainstreaming and project and programme partner management to be satisfactory. Good results were noted in resource mobilization, with a need to consolidate these achievements and ensure the office's sustainability. The need for some improvement was noted in communications, advocacy and stakeholder management, project portfolio pipeline management and the competitiveness of programme partner selection.

KEY OBSERVATIONS AND CONCLUSIONS

Observation 1: Strengthening communications and stakeholder management

The audit team met with key external stakeholders including donors and partners, as well as government and UN counterparts. Stakeholders gave broadly positive feedback about UN Women, citing the strong working relationships built with the Multi-Country Office and good communications. When there were challenges, which are to some extent inevitable, UN Women is considered communicative, available and flexible with solutions.

Partners experienced a range of challenges during the COVID-19 crisis and found UN Women to be flexible in devising new modalities and delivery approaches. UN counterparts were generally positive about UN Women's contributions in the Pacific, recognizing UN Women as a key player in the sub-region in advocating for gender equality and the empowerment of women.

Some stakeholders reiterated the continued need to demonstrate good value for money and strong cooperation within the UN Country Team to ensure effective and efficient approaches. This could be supported through project design with a strong results

framework that allows for meaningful monitoring and evaluation, and evidence-based reporting.

In an IAS survey of Multi-Country Office personnel, all agreed that the office's work was either somewhat aligned or aligned to a great extent with the needs of the Pacific. Areas for enhancement raised in the survey included (i) expanding women's economic empowerment from the Markets for Change project and the potential risk of losing UN Women's positioning to other UN agencies which have started working in this space; (ii) enhancing and unifying communications and advocacy efforts (see below); (iii) disability inclusion in the Business Operations Strategy and related workplans; and (iv) gender budgeting and financing.

As an advisory note in preparation for the new Strategic Note and to manage the divergent expectations of the Multi-Country Office's key stakeholders, the office could take stock of key stakeholders' expectations and align them with the Multi-Country Office's own vision.

In addition, UN Women actively communicates its programmes and interventions. For example, the Markets for Change interim project report for July to December 2020 mentions 47 media items released in Fiji, 20 in Solomon Islands and 23 in Vanuatu; from January to June 2021 there were 31 for Fiji, 17 for Solomon Islands and 21 for Vanuatu. There are many other examples of communications activities and products within the Multi-Country Office.

In 2017, management developed the “Regional Fiji Multi-Country Office Communications & Public Advocacy Strategy 2017–2022” and “Multi-Country Office (MCO) Communications Manual – Planning and Processes”. These are good practices that could be shared with other offices. A cohesive UN Women Pacific communications and advocacy strategy would align communication approaches across the sub-region and different projects, identifying opportunities for synergy between project-related communications and increased efficiency in using limited resources dedicated to communications by pooling funding.

Observation 2: Coordination of gender mainstreaming

The Multi-Country Office covers a wide geographic sub-region with limited presence in some locations. The office is responsible for the entire Pacific region (14 countries), which is divided into three UN Country Teams each with one Regional Coordinator (Fiji, Samoa and Micronesia). The Multi-Country Office leads the OMT in Fiji and is also co-chair (with UNFPA) of Outcome Group 2 in the UN Country Team. The Multi-Country Office’s annual report discussed reporting for frameworks and platforms for action on human rights such as in the Beijing Platform for Action 25+ year review reporting, Convention on the Elimination of All Forms of Discrimination Against Women, and through support to the Governments of Solomon Islands and Samoa in their Voluntary National Reviews.

Despite the very large area of coverage, the office appears able to leverage its existing physical presences via Country Programme Coordinators in six sub-offices. One Gender Group Coordinator (NOC) is assigned to Inter-governmental and Gender Coordination in the organization chart.

There is no corporate guidance for Multi-Country Offices relating to the structure and resources they should employ to conduct effective coordination of gender mainstreaming in a multi-country, multi-UN Country Team environment (considered UN Women’s primary mandate) and it is difficult to mobilize non-core resources to fund coordination activities.

Regional Coordinator’s Offices and other UN counterparts mentioned UN Women’s strong coordination role in the UN Country Teams. Some Regional Coordinator’s Offices mentioned that they would like UN Women to collocate a gender specialist within their

offices to enhance coordination support (e.g. there is a need for a Coordination Specialist/Gender Adviser for FSM and Samoa, but currently no funding.) At the time of the audit, there were no UN Women gender experts embedded in the Regional Coordinator’s Offices on a full-time basis. It was noted that UN Women could improve coordination with the Regional Coordinator’s Offices on visibility and representation matters. Sometimes, Regional Coordinator’s Offices were unaware of key events led by UN Women that could be attended by, led by, or co-led by the Regional Coordinator. However, it was acknowledged that UN Women has a difficult task, covering 14 countries with small presences in six–seven of them. Regional Coordinators recognized the difficulties in recruiting personnel for such presences. In addition, the UN Women Multi-Country Office is located in the same building as the Regional Coordinator’s Office in Fiji and Samoa.

A UN Country Team System-Wide Action Plan (SWAP) Scorecard was completed for the entire UN Pacific (14 countries) in 2020, covering Regional Coordinator’s Offices in Fiji and Samoa. Since then, the Pacific has been divided into three separate UN Country Teams/Regional Coordinator’s Offices. There were no recommendations addressed specifically to Outcome Group 2 or UN Women; however, three recommendations were made to OMT of which UN Women is chair and 10 recommendations required some level of input, oversight or technical capacity from Outcome Group 2, of which UN Women is co-chair with UNFPA. The lessons and recommendations can still be applied under the new structure; however, additional follow-up from UN Women is required to ensure each UN Country Team, including those newly created, understands the effectiveness and challenges in the new structures and the additional efforts needed by UN Women to coordinate UN Country Team-SWAP implementation, as well as how committed the three UN Country Teams are to implementing the recommendations.

Responsibility for addressing UN Country Team-SWAP scorecard recommendations is shared across the UN system. UN Country Team members have not yet addressed the recommendations, partly due to the reorganization of the Pacific into three separate UN Country Teams and the political will to address them. Despite this, the UN Country Team-SWAP Annual Progress Assessment Report and Action Plan for 2021 shows the UN Country Team is tracking and reporting progress towards completion of the recommendations. While notable action has been taken, performance indicator levels

remain the same. There remains a risk that the UN Country Team-SWAP recommendations may not be addressed in a timely manner.

Recommendation 1 (Medium):

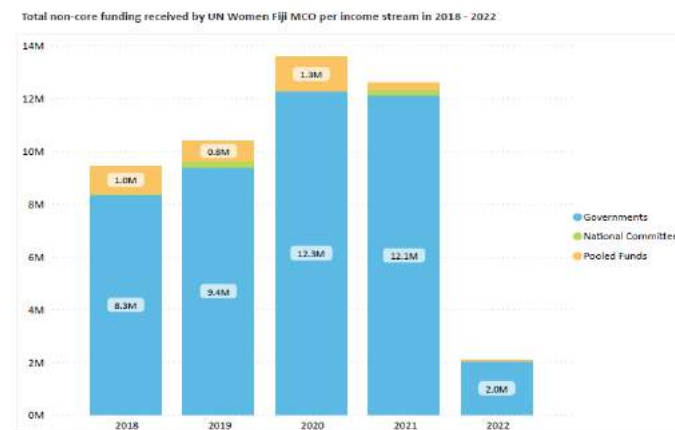
The Representative, Fiji Multi-Country Office to:

- Identify the key success factors of effective coordination for the Multi-Country Office, based on UN Country Team-SWAP scorecards, related recommendations and other requirements for effective coordination such as effective Gender Theme Groups, gender-mainstreaming of the UN Sustainable Development Cooperation Framework and the increased number of joint programmes.
- Develop a coordination approach for the countries covered by the Multi-Country Office including contributing to addressing UN Country Team-SWAP scorecard recommendations for all three UN Country Teams.

Observation 3: Resource mobilization

The Multi-Country Office has a Resource Mobilization Plan covering 2021 and 2022, informed by its Strategic Note 2018–2022 and updated as of October 2021. The office has noted success in resource mobilization, including the ability to develop programmes into new phases. As of April 2022, the office provides 16 per cent of the region's non-core revenue, as reported by the Regional Office for Asia and the Pacific (ROAP). Thus far, the Multi-Country Office has mobilized US\$ 28.1 million for 2021–2025, with US\$ 12.6 million mobilized for 2021 (US\$ 12 million of which has already been received) and US\$ 3.7 million for 2022, with the remaining amount spread between 2023 and 2025. Analysis of the resource mobilization trend (see Background Section), while indicating past success, also shows the potential for challenges in 2022. As of April 2022, this may be part of the annual funding cycle, in which success in resource mobilization is more frequently achieved later in the year, but also indicates the need for the Multi-Country Office to ensure the effectiveness of its resource mobilization strategy in 2022.

Figure 1 – Resource mobilization by funding source¹



Analysis of LEADs system data shows that the Multi-Country Office may not be fully utilizing the system to track and manage potential opportunities and project leads. Of the 14 countries under the Multi-Country Office's responsibility, leads are only listed in three countries. There are 32 leads under the Fiji Multi-Country Office, 31 of which relate to the period 2016–2020. In 2021, there is only one lead in each of the Fiji, Samoa and Solomon Islands offices. As of 23 March, no leads had been created in 2022. Despite this, the analysis above shows that the Multi-Country Office has been quite successful in mobilizing resources.

The Multi-Country Office notes that regional programmes are entered into the Results Management System (RMS) under Fiji. Entries reflect the bulk of UN Women's funding, with major contracts signed for the Women's Resilience to Disasters and Markets for Change Phase II programmes. The prevalence of large regional programmes may help to explain the lack of leads in the system.

The Multi-Country Office needs to update its resource mobilization strategy. Despite strong results thus far, the lack of an up-to-date strategy addressing all countries may cause the office to miss key opportunities, or sectors of work or need. This would

¹ UN Women Fiji MCO Non-Core Funding Overview_1Apr2022

negatively impact the office's ability to achieve its objectives and operate sustainably in a large multi-country environment. The Multi-Country Office notes that a strategic decision was made to operate regionally, without a presence in all countries. IAS also advises the office to make better use of the LEADs system as a mechanism for tracking and reporting on programme pipeline developments.

Recommendation 2 (Medium):

The Representative, Fiji Multi-Country Office to:

- a) Update the resource mobilization strategy for 2023 onwards, in line with development of the office's new Strategic Note.
- b) Devise a mechanism for regular use of the LEADs system.

Observation 4: Enhancing the programme cycle

The Multi-Country Office is making reasonable progress in implementing its Strategic Note and related workplans, monitoring their status and reporting results against plans. However, there is some room for improvement, as discussed in this and the observations below. Quarterly and annual reporting was complete, and showed progress, but needed some improvement. Monitoring plans improved from 2020 to 2021 following corporate guidance in this area.

Despite the many challenges faced by the Multi-Country Office (COVID-19 pandemic and cyclones), the donors and other external stakeholders interviewed by IAS were satisfied with the Multi-Country Office's performance. Feedback focused on the need to further expand existing strengths and successes.

Project design

In reviewing a sample of the Multi-Country Office's field programme, IAS noted that projects had project documents which included the background and justification; the logical framework for the project and its budget; and addressed other matters such as monitoring and evaluation, sustainability and partnerships. However, most logical

frameworks in the project documents were incomplete, and were mostly missing baselines and targets.

Implementation

Most projects reviewed by IAS experienced delays in implementation of their workplans and had lower financial implementation rates than expected due to cyclones and COVID-19. A general delivery risk was covered in the Multi-Country Office's risk management register, but given the widespread nature of the delays in delivery, this risk could have been specifically included. However, most projects show progress against their targeted results indicator. Sampled projects were within their budget parameters and mostly underspent, especially in 2020 as projects had to reorganize activities due to the COVID-19 crisis. Programme personnel held discussions with donors on how to adapt interventions within the existing budget frameworks. This mainly resulted in many project activities being conducted remotely including meetings, training and workshops. Project management structures appeared reasonable based on the size and scope of the projects.

Monitoring

The office performed a mid-term review of the Strategic Note for 2018–2022, involving reported consultations with 152 stakeholders across the Pacific. The review found Strategic Note implementation was on track, with recommendations to be addressed as part of developing the next Strategic Note. The office also completed mid-term evaluations for key programmes including Pacific Partnership to End Violence Against Women and Girls in 2021 and WILS in 2021. A mid-term review and final evaluation of the Market for Change project was completed in 2022 (currently under issuance).

For such a large office, conducting a mid-term review and Country Portfolio Evaluation of its Strategic Note are highly advised to measure whether its planned changes are achieved, to demonstrate results, and to promote learning.

The 2021 Monitoring, Evaluation and Research Plan was a two-page document with a list of generic activities to be performed during the year, linked to programming at the strategic, not impact level (e.g. women's economic empowerment, end violence against

women, etc.). Overall, the document was too general in formulation to provide a strong basis on which to conduct monitoring for results achievement. IAS also understands from wide-ranging internal and external interviews that limited physical monitoring took place during 2021, largely due to the significant COVID-19 challenges faced in the Pacific. The 2021 Monitoring, Evaluation and Research Plan was created in compliance with corporate guidance at the time.

Since then, corporate guidance has been revised and the 2022 Monitoring, Evaluation and Research Plan represents a significant improvement: it is organized at the activity level and linked not only to Strategic Note impacts but also includes output and key performance indicators. This provides a stronger basis for organizing monitoring activities.

Recommendation 3 (Medium):

The Representative, Fiji Multi-Country Office to incorporate the issues highlighted in the different reports and evaluations in the office's workplans, and develop and implement a physical monitoring plan or remote alternative solution. The plan needs to cover the Multi-Country Office's locations in the Pacific where its programmes and initiatives are implemented, as well as key partners and programme/project sites.

Observation 5: Strengthening reporting

Donor reporting

Reporting to donors is an important communication and oversight tool; it can also support strong implementation in that issues are raised and can be addressed in a timely manner.

Feedback from external stakeholders during the audit was generally positive on reporting, but indicated the need for stronger links between the monitoring and evaluation frameworks and reporting to improve focus on outcomes achieved rather than activities conducted. Donor reports were often well written and complete, showing the activities, results, challenges, lessons learned and feedback on partnerships, among other things. However, reporting could be improved in terms of presenting the results

and evidence of results. Financial reports, which report spending against the project budget, could better link spending to the actual results achieved.

In addition, delays were noted in tracked reporting data. In 2020, 26 per cent of reports were submitted with delay. In 2021, this reduced to 13 per cent, which is commendable; however, so far in 2022, 23 per cent of reports are delayed. This indicates some need for improvement. The Multi-Country Office noted that reporting delays were caused by issues in loading information into the system, but that reports were actually provided to donors on time.

The Multi-Country Office has a large team of dedicated professionals. However, only one person is assigned to monitoring, reporting and evaluation, although they have the support of large programme teams, including their own dedicated monitoring and evaluation personnel.

Annual reporting

Annual reporting is an important internal process encouraging communication and oversight of key activities and results achieved during the year.

The Multi-Country Office was rated as "Fair" in 2020 for its annual and quarterly reporting process by a quality assurance review conducted by the Regional Office for Asia and the Pacific. IAS reviewed this assessment and noted that the feedback also appeared valid for 2021.

Annual reporting appears very focused on Fiji, and less on the other countries under the management of the Multi-Country Office. Reporting on planned results is limited, which does not allow for an assessment of planned versus achieved results. Even when the reports refer to contributions made by UN Women's implementing partners, such as national governments and UN agencies, the reports are typically not sufficiently detailed.

Reporting should also include disaggregated data by vulnerable groups, at least when reporting on results that specifically targeted such groups.

The annual report does not address work related to monitoring and evaluation in sufficient detail and no reference is made to the initial M&E plan. Furthermore, the report could have discussed in more detail the ways in which lessons learned have informed programming during the reporting year.

The Multi-Country Office has paid increasing attention to reporting over the last few years and developed its staff capacity in this area, which is ongoing. Proper and timely reporting, in line with UN Women standards, is important evidence of the office's progress in achieving its objectives.

Recommendation 4 (Medium):

The Representative, Fiji Multi-Country Office to implement the recommendations of the annual reporting peer review and enhance the data collection and validation process, embedding these processes in its programme implementation and monitoring and evaluation workplan, including:

- a) Revising DRF result elements using SMART principles.
- b) Consistently uploading evidence documents.
- c) Including disaggregated data in all applicable indicators by vulnerable group in alignment with leave no one behind principles.
- d) Including discussion of resources mobilized and spent by the Multi-Country Office during the reporting year.
- e) Ensuring proper coverage of other countries under the Multi-Country Office.

Recommendation 5 (Medium):

The Representative, Fiji Multi-Country Office to develop a mechanism for the timely submission of reports to donors, including uploading to the donor reporting system.

Observation 6: Infrastructure project management

As part of the Markets for Change project, donors together with input from UN Women, civil society organizations and local women, selected market sites for rehabilitation and enhancement in line with the needs of local women. These enhancements often addressed safety, accessibility and security concerns. For example, the Nausori market

development project involved construction of a new accommodation facility for women who had to travel long distances to market and did not have a safe place to stay.

As part of the project, UN Women and donors developed an infrastructure checklist to help manage the infrastructure procurement process. In the absence of corporate policy or guidance in the area of construction and rehabilitation, this helped management to mitigate some risks. The second phase of the Markets for Change project has opted not to include infrastructure components.

UN Women was not responsible for tendering the construction companies needed to complete the works: the project documents assigned this responsibility to local government bodies. UN Women was instead responsible for monitoring the construction process, and hired an Infrastructure Projects Technical Support Consultant to manage the process. However, the terms of reference for the position could have been more specific in their requirement for demonstrated infrastructure and construction expertise.

The Terms of Reference mention the need for "monitoring construction and quality control methods to certify that quality of works conforms to approved project specifications and drawings" and to "conduct site inspections at all stages of the construction". Typically, such a role would be performed by a civil engineer. However, the education requirements in the Terms of Reference mention the person must have tertiary education "in relevant technical area preferably design technology, project management or other related discipline" without specific mention of engineering. As a result, the consultant hired did not have an engineering background.

The first phase of the Markets for Change project started in 2014 and was initially expected to run for six years. Phase two has been approved and will commence in 2022. Phase one of the project targeted 16 markets, including 11 in Fiji, 2 in Solomon Islands and 3 in Vanuatu. The total budget was US\$ 22.3 million.

There is a lack of corporate policy, procedure and guidance (PPG) on conducting infrastructure projects and associated implementation modalities. The procurement manual covers some aspects of this, such as the type of contractual documents to use, when UN Women is performing the procurement. However, in many cases, construction processes are delegated to programme partners and embedded into partner agreements

which does not provide specific construction management procedures and provisions as it would be in a dedicated construction contractual arrangement.

UN Women offices involved in such projects do not always establish adequate risk mitigation processes, or have the capacity to ensure that infrastructure projects are completed as per planned design, agreed quality and cost. With no PPG in place for infrastructure, the approach, results and outcomes of infrastructure work undertaken by UN Women could vary wildly. As such, the organization is left exposed to high inherent risks of overcharging, wrongdoing and/or fraud (or poor construction which could affect the safety, of constructed objects) which are often present in construction processes. A material example of such a case was reported in another UN Women country office several years ago. IAS has already raised the issue of lack of policy and process in this area in several of its reports as detailed below.

In its audit report on Implementing Partner Management Process (IEAS/IAS/2019/006) at UN Women, IAS advised the Programme Support and Management Unit (PSMU) and Division of Management and Administration (DMA) to address the infrastructure policy issues discussed above, in particular to embed the following requirement into the UN Women policy framework: “If an office is proposing, as part of its AWP or a stand-alone project, to engage in design, build or construction activities, the proposal must be submitted by the relevant L/R/PACs to the PPGU in the Programme Division for review” and ensure its compliance.

IAS raised an observation on infrastructure projects in the Internal Audit of Liberia Country Office (IEAS/IAS/2019/13) noting similar issues on past infrastructure projects. For future infrastructure projects, IAS advised “For any future projects with infrastructure components, IAS encourages the CO to perform a cost–benefit analysis and risk assessment, and to consult with headquarters in timely manner and diligently monitor implementation of construction, if it is not possible to outsource this to other specialized agencies.”

Lastly, the Internal Audit of Policy Cycle Management at UN Women (IEAS/IAS/2020/010) also found a lack of infrastructure policy framework, recommending management “coordinate a stocktake of key areas of activity, business processes and risks to map them

to PPG and identify those areas with no governing policy and regularly brief Business Review Committee (BRC) on any outstanding gaps.”

IAS is aware of several ongoing and incoming infrastructure projects in other UN Women country offices. There is an urgent need to address this gap in policy and ensure that the organization has mitigated the relevant risks.

Recommendation 6 (Medium):

The Directors, PPID and DMA to develop a policy and process outlining if, when and how to conduct infrastructure work at UN Women.

Observation 7: Programme partner selection

UN Women’s Selection of Programme Partners Procedure states that “UN Women plays an important role in building the capacity of international and local CSOs. At the same time, it must always ensure it is achieving value for money for its Donors. To perform these roles properly, UN Women must refrain from using the same CSO Partner repeatedly (even though this option may feel expedient in a rush to start delivery) and must use the competitive process to give CSOs the incentive to keep improving and aligning their capacities with UN Women’s goals.”

Since 2018, the Multi-Country Office has entered into 65 partner agreements. The total value of these agreements was US\$ 10.7, with US\$ 8.1 million (75 per cent) of the total awarded via direct selection.²

Of the sample of nine partners reviewed by IAS, six were directly selected by the Multi-Country Office without a competitive selection process, for a total value of US\$ 2.4 million. The remaining three in the sample were governmental in nature and not subject to normal selection processes. These direct selections were carried out in the proper manner, following the procedures. Management also noted other examples in which

² OneApp Partner and Grant Agreement Management System, June 2022.

competitive selection processes were used; however, the data is suggestive of a trend towards direct selections in partner selection.

One reason provided for this limited competition was the limited availability of relevant partners across a wide, diverse and sometimes remote geographic area. The Multi-Country Office conducted a “Mapping and Capacity Assessment of Civil Society Organizations undertaking gender work in the Pacific”, which ended in March 2020, as part of an effort to identify current and emerging partners in the Pacific. This is a good practice, which could be further leveraged to improve the competitiveness of partner selection.

There may be a tendency to continually engage the same partners due to familiarity with their work, strong prior results and their standing within the local communities. In some cases, this may be warranted or even ideal. Nonetheless, it is important to foster competition even among civil society proposal applications to provide emerging civil societies with a chance to engage with UN Women during the proposal process, learning and developing their capacity. Should they be successful, they would then have additional opportunities to develop. In turn, UN Women would further strengthen the civil society and partner landscape in the country. Engaging with limited partners on a repeat basis may limit the overall effectiveness of UN Women’s interventions.

Recommendation 7 (Medium):

The Representative, Fiji Multi-Country Office to increase the number of partners selected through the call for proposal process and track these statistics. In areas where it is difficult to foster competition, consider the reasons for this and whether there is anything UN Women can do to support civil society in this area.

B. Governance, risk management and internal controls

The Multi-Country Office's overall budget was US\$ 11.74 million in 2020 and US\$ 14.07 million in 2021. The increase was the result of resource mobilization efforts for the strategic pillar elimination of violence against women. The budgeted Institutional Budget, core funding and extrabudgetary funding was US\$ 2.64 million in 2020 and US\$ 3.04 million in 2021.

See Background section for key statistics on office personnel. The latest organization chart provided to IAS contained 86 positions, of which 27 appeared to be vacant. The Multi-Country Office was in the process of recruiting to fill these positions, which related to the next phase of a large ongoing programme and commencement of a new programme. The Representative (P5) position has been vacant since July 2022. The Operations Manager (P3) has been in position since August 2020. In total, there are 9 international professional staff including one P5 (Technical Adviser), three P4s (Programme Adviser and two Technical Specialists) and five P3s (Operations Manager, Programme Management Specialist and three Technical Specialists).

The Multi-Country Office headquarters is in Suva, Fiji. It has five field offices in Kiribati, Samoa, Solomon Islands and Vanuatu. The Multi-Country Office is currently recruiting for a position in Federated States of Micronesia. All offices are within UN-managed compounds with security features managed by the United Nations Department of Safety and Security. The most senior personnel based at the field offices are Country Programme Coordinators (National Officer at C Level). They report to the Representative or Deputy Representative, based in Suva, via a matrix reporting structure.

IAS reviewed the Multi-Country Office's control environment, office structure, risk management, management of oversight recommendations and data management processes. The office structure appeared reasonable given the size and nature of the office's project portfolio and support needs; however, there was a lack of guidance at the corporate level on how to structure and fund a Multi-Country Office. The Multi-Country Office was set up in a way that in general complied with its internal control framework. Data in the systems reflected transactions, except for data accuracy in LEADs and annual reports (see sections above). There was also a need for corporate improvement of data management in the Enterprise Resource Planning (ERP) system to increase the efficiency of data analysis. Risk management processes needed some improvement. IAS also recommends that the Multi-Country Office conduct more regular discussions about standards of conduct and fraud awareness.

KEY OBSERVATIONS AND CONCLUSIONS

Observation 8: Multi-Country Office structure, capacity, personnel roles and responsibilities

Office management appears to have an appropriate structure, resources and authority to fulfil the Multi-Country Office's mandate. Management has a clear concept of the current and potential staffing and technical support requirements, including funding considerations, which is documented in a long-term HR strategy. Sub-offices are well-

integrated into the structure, and there are ongoing recruitment efforts to ensure sub-offices have the necessary personnel.

However, no corporate PPG is in place that specifically discusses the typology, expectations and structure of a Multi-Country Office. The Presence Governance Policy provides a framework and principles for setting up an office, but does not make mention of Multi-Country Offices.

The Fiji Multi-Country Office Representative worked together with the Representative of the Caribbean Multi-Country Office to develop their own organizational structures to service multi-country environments.

Several offices are listed as Multi-Country Offices in the UN Women global typology including Fiji, the Caribbean and South Africa. IAS has audited the Fiji and South Africa Multi-Country Offices in 2022 and consulted with the Caribbean Multi-Country Office. Proper guidance is required to support such offices in setting appropriate minimal expectations, organizational structure and funding. There is also inconsistency in senior leadership levels across these Multi-Country Offices. Without appropriate guidance, Multi-Country Offices may not be set up to support achievement of key objectives.

Through meetings and a personnel survey, IAS noticed that the Fiji office personnel commonly experienced bottlenecks across the main areas of their work, but particularly in relation to recruitment, approvals, procurement and project implementation. Personnel also noted limited interaction between programme and operations personnel. Some programmes and projects have associates/assistants who can be a key link between operations and programmes in terms of implementation of activities.

Further, some personnel highlighted the need for additional capacity building due to lack of knowledge and expertise in some processes. The office needs to work on streamlining these processes to ensure that bottlenecks raised by personnel are addressed through better planning, increased Delegation of Authority where possible, clear workflows (“who does what, when and how”) and use of a request tracking system to analyse turnaround times and delays. One approach could be to merge all individual programmes and project associates and assistants involved in supporting operations into one Shared Service Unit with focal points assigned to projects and dual reporting to project managers and the Operations Manager.

As a good practice, the Multi-Country Office developed a “How-To” series in which key processes such as procurement are presented in easy-to-follow steps that all personnel regardless of area of expertise can follow. Process times could be tracked on this basis to improve bottlenecks. Improvements in corporate guidance on how to set up Multi-Country Offices may also address these challenges.

Recommendation 8 (Medium):

Business Transformation to clarify, for the existing three Multi-Country Offices (Fiji, Caribbean and South Africa), the relationship to office types in the Presence Governance Policy, including necessary guidance on minimal expectations, structure

and functions as is appropriate for the nature and intent of the policy. This could also include discussion of appropriate level of key personnel.

Recommendation 9 (Medium):

The Representative, Fiji Multi-Country Office to address bottlenecks through tracking of established workflows (under the “How-To” series) to improve the timeliness of operational transactions, including request tracking and considering the option of a Shared Service Unit.

Observation 9: Strengthening risk management

Compared with other offices audited by IAS, the Multi-Country Office’s risk register seemed more detailed and specific. It included 25 different risks and some detailed mitigation activities.

The Multi-Country Office is a very large office covering 14 countries with six physical presences. Risks are developed at the Multi-Country Office level, rather than for each country in the Pacific. While IAS is not necessarily recommending that the office develop a 25-risk register for each of the countries under its responsibility, several additional risks could be added to address the multi-country nature of the office, recognizing the additional complexity and challenging nature of its work, e.g. multi-country and multi-Regional Coordinator’s Office coverage, and issues with sustainable funding for its field offices and senior coordinators. In addition, the natural disaster and climate change risk scored 12 of 25 on the impact and likelihood matrix, which could be seen as too low given the acute danger posed by natural disasters in the Pacific (including recent cyclones and tsunamis).

Additional risks such as cybersecurity and data protection appear not to have been fully considered or separated. Additional risks covering cash advance handling and management are not separately identified. Observation 4 above discusses the need for more effective management of risks relating to programmatic delays.

As noted in Observation 8, the audit survey results also mentioned that bottlenecks were experienced particularly in recruitment, internal and external approvals, procurement

and project implementation. Bottlenecks are a risk that could be addressed in the risk register.

Recommendation 10 (Medium):

The Representative, Fiji Multi-Country Office to consider how to include other countries under the Multi-Country Office in the office's risk assessment and register.

Observation 10: Working environment

IAS conducted its regular personnel survey to better understand the Multi-Country Office's working environment, including communications and attitudes towards anti-fraud, ethics and integrity. The survey had a 25 per cent response rate.

The results of the survey were mostly positive. Key observations from the survey are as follows.

- On the question as to whether colleagues were aware of their obligation to report allegations of wrongdoing, most were aware and knew how to report, few were aware but did not know how to report or were aware but were not comfortable reporting. This indicates some need for improvement. Periodic reminders to all personnel in staff meetings or specific workshops with Ethics or HR offices could support this.
- Personnel most commonly sought support within the Office in the areas of procurement, finance, human resources and recruitment (see Observation 8). Personnel also expressed some frustration with UN Women systems, particularly RMS, Atlas and the project set-up budget.
- Personnel were generally quite satisfied with the level of support received from the Regional Office and the Multi-Country Office.
- Most respondents felt at least sometimes overloaded with their work, with some feeling frequently overloaded. This was mostly related to the fact that the office operates across 14 countries, with three Regional Coordinator's Offices/UN Country Teams. Respondents also asked for more and better planning on procurement and travel bookings.

- Most personnel either strongly or somewhat agreed that all personnel are treated with dignity and respect; internal communications are sufficient; and the Multi-Country Office provides a safe/supportive/inclusive environment. Moreover, flexibility for hybrid working enabled and empowered its personnel. However, several respondents disagreed with each of those areas, suggesting some need for potential improvement in terms of sensitivity in communications, including that related to the local culture and environment.
- A significant number of respondents suggested they did not feel empowered within their team; they did not have opportunities for leadership; or needed more opportunities for learning.

To be more proactive in enhancing its working environment; addressing potential challenges; and raising personnel awareness of key policy, procedures and expectations, the Multi-Country Office would benefit from regular discussion of working relationships, standards of conduct, key policies, duty to report fraud, fraud risks and how to address them.

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

Recommendation 11 (Medium):

The Representative, Fiji Multi-Country Office to incorporate discussions about standards of conduct, awareness of key policies, duty to report and how to report fraud, and fraud risks into existing management and all-hands meetings on a regular basis. Where assistance is needed for the substance and structure of these discussions, the Representative could contact the Ethics focal point in HR, HRBP in the Regional Office, the ERM Officer or IAS.

Observation 11: Corporate data management

The Multi-Country Office is responsible for 14 different countries in the Pacific region, with presences in six countries (Fiji, Vanuatu, Samoa, Tonga, Kiribati and Solomon Islands). Each country has its own business unit code in the ERP system. In countries with

activities, but no business unit code, the details are recorded under the Fiji Multi-Country Office code. This means that, because of how the current ERP system is configured, to perform meaningful analysis, reporting and monitoring, the office has to run six or more sets of reports (e.g. PDR, PO, AAA, etc.). The office has raised this issue before, and it was also mentioned as a key challenge in the personnel survey.

There is currently no expectation that this issue will be resolved in the development of UN Women's new ERP system. For a Multi-Country Office such as Fiji, this situation results in at least six times the manual administrative workload. The Caribbean Multi-Country Office has also experienced this issue.

In 2020, IAS performed a meta-synthesis of IAS' internal audit results for 14 UN Women field offices audited between October 2018 and June 2020. The meta-synthesis observed a range of non-integrated information systems in UN Women. This creates additional workload for users, whereby they must repeatedly input and then extract potentially incompatible data (for example, in Atlas, the Donor Agreement Management System, Partner and Grant Agreement Management System, RMS and many other add-on applications).

For most OneApp applications, users had access to the visible data fields, but not to wider data fields in the underlying data warehouse that could permit more customized data selections, reports by exception and less manual workarounds.

Recommendation 12 (Medium):

The ERP Project Manager to consider exploring functionality in the new ERP system, or develop an adequate workaround in the reporting module, to allow Multi-Country Offices to run or combine data sets more easily, reducing manual work.

Observation 12: Other oversight reports

The Multi-Country Office facilitates numerous financial audits of programme partners each year. An external audit firm provides an audit opinion on the project expenditure of various partners and may raise recommendations for improvement.

From 2018 to 2021, 24 of the Multi-Country Office's programme partners were audited. Twelve of those partners were audited two years in a row. An additional three partners were audited three years in a row. Of these 15 partners, 12 never received a qualified audit, having only unmodified audit opinions.

Programme partner audits are a significant undertaking for the partner, and for the office. Given that partner audits are increasing over time, there is a question as to whether repeat audits with unmodified opinions are necessary. Recommendations from those audits could still be tracked and worked on without a follow-up audit.

Without raising a new recommendation, IAS would like to reiterate Recommendation 5 in the IAS report on the audit of the UN Women Implementing Partner Management Process (IEAS/IAS2019/006), which asked headquarters: "PSMU, in consultation with DMA, to absorb responsibility for the supervision, coordination and completion of IP audits, revising the audit planning process in line with a risk-based approach. The BPO to consider developing a hybrid approach to IP audits, whereby financial audits are carried out, but are reduced in number and financial scope. On a risk basis, dual scope (financial and programme) audits could be commissioned for high-risk IPs."

C. Operations

At the time of the audit, the Operations team included an Operations Manager, a Finance Associate, an Administrative Assistant for Procurement, a Driver and a Receptionist, funded by Institutional Budget and an Operations Associate, an ICT Associate, a Programme Finance Associate, a Human Resources Associate, an Administrative Associate and an Administrative Assistant for Human Resources funded by extrabudgetary resources.

According to Atlas purchase order reports, the Multi-Country Office mainly conducts micro-purchasing (amounts less than US\$ 5,000). In 2020, it raised 295 purchase orders (of which 150 were micro-purchasing, excluding purchase orders raised under long-term agreements), with a total value of US\$ 3,524,000. In 2021, it raised 293 purchase orders (of which 99 were micro-purchasing, excluding purchase orders raised under long-term agreements), with a total value of US\$ 3,429,000. From January 2020 to February 2022, 78 purchase orders related to the engagement of consultancy services were raised by the Multi-Country Office.

Based on the sample of transactions reviewed, the audit assessed that the Multi-Country Office operational processes and corresponding controls appeared satisfactory, with some need for improvement in procurement and project financial management. Office management established control processes for travel, assets, budgeting, accounting and financial management in accordance with relevant UN Women regulations and rules, policies and procedures. IAS reviewed the Business Operations Strategy website and key documents. The Business Operations Strategy is managed at the entire Pacific level, and is almost complete, but not yet marked as such in the system.

Office management has established controls over human resources management including recruitment and separation. All personnel had completed mandatory training activities, and there was evidence of other training taking place. Management of staff performance is on track with 100 per cent performance management and development process compliance for all staff as of March 2022. There was also evidence of non-staff personnel having performance evaluations. Other good practices noted include good use of supplier performance evaluations and high levels of ICT compliance.

KEY OBSERVATIONS AND CONCLUSIONS

Observation 13: Strengthening procurement management

The Multi-Country Office did not have a clear procurement strategy to meet its programme needs and in particular it did not have sufficient capacity in the procurement function. From the OneApp data, it appeared that procurement amounts significantly exceed the procurement plans for the different locations. Lack of timely procurement planning by requestors might result in bottlenecks during the procurement process, as reported by several personnel.

IAS observed that a significant portion of procurement (249 purchase orders or 42 per cent of all purchase orders) is micro-purchasing (procurements under US\$ 5,000), excluding those raised under long-term agreements. This may indicate the need for better planning. For example, individual micro-purchasing events could be grouped together to reduce internal processes and potentially improve prices. The micro-purchasing process has fewer controls than other procurement processes, so it needs to be monitored for potential fraud and other related risks.

For procurements above US\$ 5,000, of 10 procurement cases only 3 had responses from more than three bidders. The office explained this as some markets in their sub-region suffer from a low number of available suppliers. Lack of effective competition in

procurement could result in sub-optimal pricing and outcomes for UN Women programmes and increase the risk of fraudulent activities.

One vendor won a contract under a procurement process in March 2020. Of the seven bids received, six were rejected during preliminary assessment. The analysis supporting rejection of the six bids appears reasonable. However, in some instances it seems points were deducted on the basis that the bidder did not provide a particular document or submission. The office could have followed up with the vendors, allowing them the opportunity to provide the necessary information. This extra time could have been afforded to all bidders, for fairness. Therefore, despite receiving seven bids, this was not a good example of a competitive procurement process. The procurement process would have been more competitive and better value for money if the office had at least three technically compliant bids to compare.

IAS observed that the Multi-Country Office does not conduct formal market research, although colleagues appear to have local knowledge of available potential suppliers. To further strengthen procurement maturity, the office needs to conduct market research on a regular basis to widen the scope of potential bidders.

The Multi-Country Office makes use of several long-term agreements for various goods and services, which is a good practice. Many of the long-term agreements are shared by other UN entities. The office provided a list of 22 long-term agreements it has used, of which 17 had expired. The responsibility for extending these agreements does not rest solely with UN Women; however, the office could help establish or renew some of its own long-term agreements for recurring expenses.

IAS also found that the Multi-Country Office was not using the eProcurement system for all procurement. UN Women's eProcurement system was launched in 2019 to streamline and automate business processes during key stages of the procurement cycle, including publishing of tender notices, bid solicitation, evaluation and review, and contract award. Use of the eProcurement system in the Fiji Multi-Country Office was commissioned in 2020 after training that took place during April and May of that year. The system was to be used for all procurement above US\$ 5,000. The office noted that some suppliers operating in remote environments did not have sufficient familiarity or confidence in the system or, in some cases, reliable internet access to operate the system.

Recommendation 13 (Medium):

The Representative, Fiji Multi-Country Office to:

- a) Enhance its procurement strategy and function to ensure that the procurement principles of a transparent and competitive process are fully supported including:
i) endeavouring to engage new vendors, when possible; ii) conducting formal market research to better understand the nature of procurement markets in the countries under the Multi-Country Office; iii) improving the number of compliant bids; iv) consolidating micro-purchasing for tenders or long-term agreements; and v) strengthening procurement planning by agreeing and holding programme management accountable for the timely forecasting of as many procurements as possible.
- b) Devise a plan to improve use of the eProcurement system for all procurement above US\$ 5,000, including training and support for vendors claiming difficulties in using the system.

Observation 14: Project funding

IAS observed general ledger journal entries involving expenditure reversals and transfers, and budget revisions between projects and donors. One key reason for this was the uncertain receipt and timing of funding. IAS understands that some transfers took place under a multi-donor programme.

Funding for one project or purpose should not be used for another project or purpose. In instances when it does take place, express written approval should be obtained from the funding source.

The Multi-Country Office notes that this is not its usual practice. Such instances arose in situations of obstructed cash flows in which resources needed to be used temporarily to ensure project implementation.

Recommendation 14 (Medium):

The Representative, Fiji Multi-Country Office to refrain from engaging in inter-project fund transfers that are not expressly approved by donors. This could be achieved through improved cash flow planning and budget tracking, including all commitments both fiscal and legal (i.e. full period salaries or full amounts of programme partner agreements).

III. RECOMMENDATIONS AND MANAGEMENT ACTION PLAN

Issue	Recommendation	Responsible Unit	Priority	Action Plan	Implementation Date
Observation 2: Coordination of gender mainstreaming	1. The Representative, Fiji Multi-Country Office to: a) Identify the key success factors of effective coordination for the Multi-Country Office, based on UN Country Team-SWAP scorecards, related recommendations and other requirements for effective coordination such as effective Gender Theme Groups, gender-mainstreaming of the UN Sustainable Development Cooperation Framework and the increased number of joint programmes. b) Develop a coordination approach for the countries covered by the Multi-Country Office including contributing to addressing UN Country Team-SWAP scorecard recommendations for all three UN Country Teams.	UN Women Fiji Multi-Country Office	Medium	1a) The Fiji Multi-Country Office recognises the importance of identifying success factors and sharing good practice in relation to coordination. To this end, the Fiji Multi-Country Office has recently presented on good practice in coordination: - Presented to global webinar for UN Women Community of Practice - Network of Coordination Focal Points on 5 April 2022 – on Fiji Multi-Country Office experience with a twin-track approach to gender mainstreaming in the UNDAF - Case study included in June 2022 CoP - Network of Coordination Focal Points newsletter - Presenting to Asia-Pacific regional training on UN system accountability frameworks to advance gender equality and women's empowerment (13-15 September 2022, Bangkok, Thailand) on “Gender Scorecard indicator 5.1 - Gender Coordination Mechanism is empowered to influence the UN Country Team” as an example of good practice. The office will continue to look for these opportunities. Coordination, including a focus on effective strategies, will be included in the new Strategic Note, which is being developed in 2022, to commence in 2023. 1b) We note that UN Women can provide technical support, but responsibility for Scorecard recommendations is shared across the UN system. Fiji Multi-Country Office will continue to provide technical support for implementation of the UN Country Team-SWAP Gender Scorecard recommendations. In relation to developing a coordination strategy, Fiji Multi-Country Office proposes to align the recommendation completion with the finalization of the corporate UN Coordination strategy. This will ensure that our Multi-Country Office strategy is aligned with the corporate coordination strategy and its requirements.	December 2024 Ongoing Subject to release of corporate coordination strategy.
Observation 3: Strengthening resource mobilization	2. The Representative, Fiji Multi-Country Office to: a) Update the resource mobilization strategy for 2023 onwards, in line with development of the office's new Strategic Note. b) Devise a mechanism for regular use of the LEADS system.	UN Women Fiji Multi-Country Office	Medium	a) The resource mobilization strategy for 2023 will be updated, as required for development of the 2023 AWP b) Fiji Multi-Country Office will review and update LEADS on an annual basis with major resource mobilization opportunities. The Fiji MCO focus on large, multi-year programmes with multi-year funding from donors means that the office tends to have a smaller number of large value LEADS entries. This also reflects the small number of active donors in the Pacific.	End of Q1, 2023 Ongoing
Observation 4: Enhancing the programme cycle	3. The Representative, Fiji Multi-Country Office to incorporate the issues highlighted in the different reports and evaluations in the office's workplans, and develop and implement a physical monitoring plan or remote alternative solution. The plan needs to cover the Multi-Country Office's locations in the Pacific where its programmes and initiatives are implemented, as well as key partners and programme/project sites.	UN Women Fiji Multi-Country Office	Medium	Fiji Multi-Country Office has a Monitoring, Evaluation and Research Plan, developed annually as part of the AWP process. In line with corporate guidance, this lays out the plans for when we will do monitoring and evaluation, for which programmes and for how much. Each programme area has its own monitoring plan as part of programme implementation. Ongoing monitoring has been undertaken by staff in-country in 2020 and 2021 during COVID international travel restrictions. With the easing of these restrictions, regional staff will undertake additional monitoring trips across the Pacific as borders open. The issues/recommendations from monitoring reports are taken on board by programme areas through various means e.g. at work planning (annual, operational etc) and through programme governance mechanisms. There are avenues where these things are discussed such as the Results and Learning Sessions and Budget Meetings where teams have the opportunities to be engaged in the feedback loop that is the programme cycle and incorporate recommendations into their work. Issues / recommendations from evaluations have Management Responses and are tracked in the GATE system.	End of Q1, 2023 Ongoing
Observation 5: Strengthening reporting	4. The Representative, Fiji Multi-Country Office to implement the recommendations of the annual reporting peer review and enhance the data collection and validation process, embedding these processes in its programme implementation and monitoring and evaluation workplan, including: a) Revising DRF result elements using SMART principles. b) Consistently uploading evidence documents. c) Including disaggregated data in all applicable indicators by vulnerable group in alignment with leave no one behind principles. d) Including discussion of resources mobilized and spent by the Multi-Country Office during the reporting year. e) Ensuring proper coverage of other countries under the Multi-Country Office.	UN Women Fiji Multi-Country Office	Medium	The Fiji Multi-Country Office is committed to building capacity for improved reporting. A capacity building session on reporting will be included in the 2022 staff retreat where annual work planning and development of the next Strategic Note will take place. The session will include the: a) examination of DRF result elements to ensure SMART principles; b) the identification of evidence; c) use of disaggregated data; d) discussion around resources mobilized; and e) ensuring strengthened reporting across the other countries covered under the Multi-Country Office.	December 2022
	5. The Representative, Fiji Multi-Country Office to develop a mechanism for the timely submission of reports to donors, including uploading to the donor reporting system.	UN Women Fiji Multi-Country Office	Medium	Reports are usually submitted early or on-time to donors. The issue of late submission is often because of late or difficulty in uploading reports in the donor reporting system. Fiji Multi-Country Office will: 1. Ensure the reporting is tracked properly via DAMS and donor reporting in the MCO RMS reporting 2. Hold a training session for staff on uploading documents to DAMS, and will seek the assistance of ROAP for this training.	Implemented Implemented Q2 2023
Observation 6: Infrastructure	6. The Directors, PPID and DMA to develop a policy and process outlining if,	PPID and DMA	Medium	PPID and DMA take note of the recommendation and will explore the possibility of further developing policy, guidance and processes to apply	March 2024

Issue	Recommendation	Responsible Unit	Priority	Action Plan	Implementation Date
project management	when and how to conduct infrastructure work at UN Women.			to the conduct of infrastructure work by UN Women. Subject to the availability of resources, PPID and DMA Directors are keen to undertake a corporate assessment regarding infrastructure work in UN Women. The assessment will determine the need and scope for putting in place relevant policies, procedures, processes, and guidance, including proposals for internal mechanisms and capacity requirements for supporting and overseeing the infrastructure work by UNW. As an interim measure, the respective Divisions will put in place a checklist that will serve as a reference guide. 1. Checklists for conducting infrastructure work to be put in place in the interim. 2. Policy, and processes for conducting infrastructure work in UN Women.	
Observation 7: Programme partner selection	7. The Representative, Fiji Multi-Country Office to increase the number of partners selected through the call for proposal process and track these statistics. In areas where it is difficult to foster competition, consider the reasons for this and whether there is anything UN Women can do to support civil society in this area.	UN Women Fiji Multi-Country Office	Medium	Fiji Multi-Country Office undertook a major CSO partner mapping exercise in 2019-2020, that confirmed the limited number of CSOs operating in the region with adequate capacity to partner with UN Women. Fiji Multi-Country Office continues to monitor and engage with CSOs across the region to identify potential partners. The WRD programme will undertake a competitive process to select its CSO partners in 2022. The design of M4C is such that it primarily works with local government and Market Vendor Associations as its partners. PPEVAWG is entering its final year of operation in 2023, and is not expected to enter into additional partnerships during this period.	Implemented
Observation 8: Multi-Country Office structure, capacity, personnel roles and responsibilities	8. Business Transformation to clarify, for the existing three Multi-Country Offices (Fiji, Caribbean and South Africa), the relationship to office types in the Presence Governance Policy, including necessary guidance on minimal expectations, structure and functions as is appropriate for the nature and intent of the policy. This could also include discussion of appropriate level of key personnel.	Business Transformation	Medium	Amend guidance to clarify the relationship of Multi-Country Offices to office types in the Presence Governance Framework.	Q1, 2023
	9. The Representative, Fiji Multi-Country Office to address bottlenecks through tracking of established workflows (under the “How-To” series) to improve the timeliness of operational transactions, including request tracking and considering the option of a Shared Service Unit.	UN Women Fiji Multi-Country Office	Medium	The Fiji Multi-Country Office has developed the “How to Series” that sets out workflows, responsible officers and timelines for a range of operational transactions. The Fiji Multi-Country Office will continue to look for opportunities to address bottlenecks and clarify work processes.	Q4, 2023
Observation 9: Strengthening risk management	10. The Representative, Fiji Multi-Country Office to consider how to include other countries under the Multi-Country Office in the office’s risk assessment and register.	UN Women Fiji Multi-Country Office	Medium	The Risk Register covers the breadth of Fiji Multi-Country Office operations. The risks included in the Risk Register are those that have been corporately identified. Fiji Multi-Country Office actively monitors risks to its operations, noting in particular the risks relating to natural disasters and political changes in specific countries in the Pacific. These are reported on by Country Programme Coordinators (CPCs) on a fortnightly basis at the All Staff Meeting and the CPC Monthly Meeting; and on an ad hoc basis to the Representative and Deputy Representative as they occur. CPCs are consulted in the development of the risk register, and their specific areas of responsibility are documented in an internal excel version of the risk register. In recognition of the risks relating to natural disasters, each country office has a country specific Business Continuity Plan, a phone tree for staff, a satellite phone, and are part of training conducted at the start of each cyclone season for all Fiji MCO staff. CPCs have a role specified in the online business continuity and crisis management system and have received training from ROAP on how to use the system.	Implemented
Observation 10: Working environment	11. The Representative, Fiji Multi-Country Office to incorporate discussions about standards of conduct, awareness of key policies, duty to report and how to report fraud, and fraud risks into existing management and all-hands meetings on a regular basis. Where assistance is needed for the substance and structure of these discussions, the Representative could contact the Ethics focal point in HR, HRBP in the Regional Office, the ERM Officer or IAS.	UN Women Fiji Multi-Country Office	Medium	These topics will be added to the Fiji Multi-Country Office schedule of Thursday learning sessions. On 12 May 2022 the Ombudsman’s Office provided training for all staff on “Intercultural interactions”.	Ongoing
Observation 11: Corporate data management	12. The ERP Project Manager to consider exploring functionality in the new ERP system, or develop an adequate workaround in the reporting module, to allow Multi-Country Offices to run or combine data sets more easily, reducing manual work.	ERP Project Manager	Medium	Validate MCO data segregation and reporting needs, jointly with HQ Budget and Finance Teams, to create clear system requirements. Review the Reporting Capacity in Quantum and the Data Warehouse to ensure (at a minimum) reports can be generated to cover all MCO countries in a single report and cover the immediate needs of MCOs, either on go-live or shortly thereafter. Modify, if needed, the current Operating Unit (OU), Business Unit (BU) or Cost Center (Dept) hierarchy in Quantum. Post go-live, so as to not disrupt the ongoing data conversion exercise and after the stabilization period. Refine Reports to better support MCOs, based on their experience and any modifications or enhancements to Quantum.	Q4 2022 Q1 2023 Q2 2023 Q3 2023
Observation 13: Strengthening procurement management	13. The Representative, Fiji Multi-Country Office to: a) Enhance its procurement strategy and function to ensure that the procurement principles of a transparent and competitive process are fully supported including: i) endeavouring to engage new vendors, when possible; ii) conducting formal market research to better understand the nature of procurement markets in the countries under the Multi-Country Office; iii) improving the number of compliant bids; iv) consolidating micro-purchasing	UN Women Fiji Multi-Country Office	Medium	Fiji Multi-Country Office will continue to ensure procurement policies and procedures are adhered to. As part of new ERP System (Quantum) release – Fiji Multi-Country Office with support from HQ/ROAP will organize dedicated trainings/learning sessions with all staff on Procurement. As part of OMT Action Plan – UN Women Fiji Multi-Country Office jointly with other UN Agencies will work to establish LTAs (or PLAs) for common commodities and services that were primarily done through micro-purchase (catering services, transportation services, venues for events, travel). As a strong advocate for engaging Women led businesses – UN Women Fiji Multi-Country Office will work with UN OMT in Pacific to devise a	Q4, 2022 – Q1, 2023 End Q4,2022 End Q3,2023

Issue	Recommendation	Responsible Unit	Priority	Action Plan	Implementation Date
	for tenders or long-term agreements; and v) strengthening procurement planning by agreeing and holding programme management accountable for the timely forecasting of as many procurements as possible. b) Devise a plan to improve use of the eProcurement system for all procurement above US\$ 5,000, including training and support for vendors claiming difficulties in using the system.			list of women owned businesses in Pacific to be further trained and engaged in working with UN in Pacific Fiji Multi-Country Office will continue to ensure proper procurement planning as part of annual work plan development as well as quarterly updates of plans to ensure timely forecasting and improving number of compliant bids while considering the local context and peculiarities.	Ongoing
Observation 14: Project funding	14. The Representative, Fiji Multi-Country Office to refrain from engaging in inter-project fund transfers that are not expressly approved by donors. This could be achieved through improved cash flow planning and budget tracking, including all commitments both fiscal and legal (i.e. full period salaries or full amounts of programme partner agreements).	UN Women Fiji Multi-Country Office	Medium	UN Women Fiji Multi Country Office will continue to utilize the existing tools for monitoring programme commitments and spending and take following actions: <ul style="list-style-type: none"> - Ensure programme/project budgets are set in Atlas timely to avoid such situations in the future at the beginning of each year (or projects start date). - Organize training with support from HQ/ROAP on the new ERP System (Quantum) to ensure new budget management tools is knows and used properly - All programme/projects' budgets are aligned to valid donor agreements and Project Documents and duly reflected in the RMS and ERP 	Q2, 2023

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 Country Office management, either during the exit meeting or through a separate memorandum 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 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.



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