

REGIONAL OFFICE AUDIT

INTERNAL AUDIT REPORT  
UN WOMEN REGIONAL OFFICE FOR  
THE ARAB STATES



INTERNAL AUDIT REPORT

# UN WOMEN REGIONAL OFFICE FOR THE ARAB STATES



**INDEPENDENT EVALUATION AND AUDIT SERVICES (IEAS)**

Internal Audit Service (IAS)

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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 Regional Office for the Arab States (the Regional Office) from May to August 2022.

UN Women management is responsible for adequately designing and effectively maintaining governance, risk management and control processes to ensure that UN Women's objectives are achieved. IAS is responsible for independently assessing the adequacy and effectiveness of these systems and processes.

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, coordination of gender mainstreaming, advocacy and resource mobilization, programme and project management, management of programme partners.
- **Governance, risk management and internal control system:** office structure and delegation of authority, control environment, risk management, data quality, implementation of recommendations from prior oversight reports and support to field offices and countries where UN Women is a non-resident agency in the region.
- **Operations:** management of procurement, human resources (HR), finance and budget, information and communication technology (ICT), travel, assets, safety and security, and participation in the regional UN Business Operations Strategy.

The audit covered the state of governance, risk management and internal controls based on a sample of Regional Office activities related to strategic priorities and programme from 1 January 2018 to 31 May 2022. For operations controls, the sample covered transactions from 1 January 2020 to 28 February 2022. Atlas-recorded

expenditure for the Regional Office totalled US\$ 7.1 million in 2020, and US\$ 8.3 million in 2021.

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

IAS conducted an anonymous survey on the working environment in the Regional Office, with a response rate of 47 per cent. Country Office Representatives in the region were also surveyed, with a response rate of 86 per cent. The results of both surveys have been incorporated into the observations throughout the report.

## Audit opinion and overall audit rating

IAS acknowledges several achievements and good practices, for example:

- In the area of advocacy, the agenda for gender equality and the empowerment of women has political support. UN Women is highly appreciated by governments in the region, making UN Women the “partner of choice” for gender equality and the empowerment of women initiatives. The Regional Office has worked with national women's machineries and helped to build their capacity. The Women Empowerment Principles have also assisted companies to mainstream gender into their human resource practices.
- In the area of strategic priorities and programmes, the Regional Office has supported implementation of the leave no one behind principle through evidence-based initiatives and projects implemented through joint work with other UN organizations and individual Regional Office interventions.
- In the area of UN-system coordination, the Regional Office has effectively used the United Nations Country Team (UNCT) system-wide action plan (SWAP) to advocate for gender parity within UN organizations. The Regional Office has provided technical, policy and logistical support to the design of Common Country Assessments, UN Sustainable Development Cooperation Frameworks and attends UNCTs in countries where UN Women is a non-resident agency.
- The Regional Office has established a structure for internal forums/committees; set up an effective and operational internal control framework; and implemented

agreed actions from previous oversight/assurance reports.

- An Operational Risk Management Strategy was established in 2021 and reviewed in 2022. The Regional Office has established satisfactory controls over human resources management, travel, asset management, ICT, budgeting, accounting and financial management.
- The Regional Office has also established regional communities of practice/networks to advance internal communications and knowledge exchange with Country Offices.

IAS assessed the overall state of governance, risk management and internal controls in the Regional Office as **Satisfactory** meaning that “the assessed governance arrangements, risk management practices and controls were adequately established and functioning well. Issues identified by the audit, are unlikely to affect the achievement of the objectives of the audited entity.” However, the following issues needed some improvement to even further advance the achievements of the Office:

- **Strategic priorities, programme planning and implementation:** strategic partnerships, coordination and communications can be improved including for the purposes of resource mobilization; at the time of the audit the Regional Office was yet to finalize the results indicators of the new Strategic Note 2022-2025 and to enhance its monitoring process for tracking results.
- **Management of projects and programme partners:** regional project portfolio management should to be enhanced; and the Syria programme should be comprehensively evaluated. The design of partner agreements should consistently embed value for money principles; partner selection and management processes should promote broader competition, coordination among different agreements, and accountability for work done by partners.
- **Governance, risk management and internal controls:** The Regional Office’s structure might not be sustainable in the long-term as it is highly dependent on non-core funding; and the relationship between the Regional Office and the Liaison Office in the United Arab Emirates could be strengthened.

IAS made 12 medium priority recommendations to address the areas for improvement.

The medium (Important) priority recommendations mean that “*action is required to ensure that UN Women is not exposed to risks. Failure to take action could result in negative consequences for UN Women*”. These recommendations focus on finalization of an advocacy and communications strategy; taking stock of regional platforms to update the coordination strategy; streamlining workflows for regional and country office planning; aligning and consolidating resource mobilization efforts in the region; rolling out the new monitoring methodology; enhancing the data collection and validation workflows; strengthening the management of the regional project portfolio, sustainability and exit strategies; commissioning an evaluation of the UN Women Syria programme; establishing an integrated strategic partnerships and capacity building approach, accountability in managing partners and value for money principles in partner agreements; assessing capacity needed to implement the new Strategy Note; strengthening of procurement and contract management support for country offices.

## Management comments and action plan

The Regional Director accepted the above recommendations and provided an action plan which is included in this report. Implementation of some of the recommendations has already begun. Management comments and additional information provided have been taken into account in this report, where appropriate.

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

*Lisa Sutton*

Lisa Sutton, Director  
**Independent Evaluation and Audit Services**

## **ACRONYMS AND ABBREVIATIONS**

<b>AWP</b>	Annual Work Plan
<b>CSO</b>	Civil Society Organization
<b>DRF</b>	Development Results Framework
<b>GATE</b>	Global Accountability and Tracking of Evaluation Use
<b>IAS</b>	Internal Audit Service
<b>ICT</b>	Information and Communication Technology
<b>IEAS</b>	Independent Evaluation and Audit Services
<b>OEEF</b>	Organizational Efficiency and Effectiveness Framework
<b>RMS</b>	Results Management System
<b>UNCT</b>	United Nations Country Team
<b>UNDP</b>	United Nations Development Programme
<b>UN Women</b>	United Nations Entity for Gender Equality and the Empowerment of Women

## I. BACKGROUND

The UN Women Regional Office for Arab States was established in Cairo, Egypt in 2012 and is in a different area from the UN Women Egypt Country Office. It covers 17 countries across the Arab States region,<sup>1</sup> including low, medium and high-income countries and several countries currently experiencing serious crises impacting overall human development. The Country Offices in the purview of the regional office are located in Egypt, Jordan, Lebanon, Morocco and Occupied Palestinian Territory and Cluster Offices in Iraq-Yemen and Tunisia-Libya. The Regional Office also participates as a non-resident agency in Bahrain, Kuwait, Saudi Arabia and Syria.

The Regional Office mainly focused on four thematic areas: Women's Political Participation and Leadership; Women's Economic Empowerment; Elimination of Violence against Women; and Women, Peace and Security. The Regional Office's Strategic Note and Annual Work Plans covered the period 2018–2021. The 2021 Annual Work Plan included 19 Outcomes under the Development Results Framework (DRF) and 19 Outputs under the Organizational Efficiency and Effectiveness Framework (OEEF). Since the beginning of the 2018–2021 Strategic Note period, the Regional Office has adapted its outcomes and outputs to the evolution of its programmes. Therefore, 2021 was taken as the latest version of the outcomes and outputs.

As of September 2022, according to the OneApp HR dashboard, the Regional Office employed 59 personnel: 21 on fixed-term appointments; 12 on service contracts; 20 consultants on Special Service Agreements; 2 individuals on temporary appointments; and 4 United Nations Volunteers. Twenty-five were international personnel including the Regional Director, Deputy Regional Director and Operations Manager, and 34 were national personnel.

The Regional Office's budget and expenditure are summarized in Table 1.

<sup>1</sup> <https://arabstates.unwomen.org/en/about-us/regional-office>

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

	2018	2019	2020	2021	2022 (Sept)
DRF budget target, US\$	2,142,416	2,028,634	2,176,156	4,788,507	8,821,287
DRF actual budget, US\$	3,869,356	3,798,837	2,147,603	2,858,439	7,171,169
Resource mobilization targets, %	181%	187%	99%	60%	81%
DRF expenditure, US\$	3,698,159	3,681,504	2,174,856	2,744,113	2,260,631
Financial expenditure rate, %	96%	97%	101%	96%	32%
OEEF budget target, US\$	6,283,392	6,595,641	5,802,041	7,093,714	5,681,535
OEEF actual budget, US\$	5,537,456	5,189,274	5,154,860	5,915,412	5,227,300
Resource mobilization targets, %	88%	79%	89%	83%	92%
OEEF expenditure, US\$	5,005,083	4,785,576	4,842,253	5,406,866	2,433,057
Financial expenditure rate, %	90%	92%	94%	91%	47%

Source: Project Delivery Dashboard and Results Management System (RMS) data as of 7 Sept. 2022

For the period under review (2020–2022), the Regional Office field programme comprised 24 non-core funded projects with a total budget of US\$ 18.7 million, funded by a range of donors, including:

- joint programme funding for four projects amounting to US\$ 2 million;
- donor funding for 20 different projects amounting to US\$ 16.5 million; and
- other funding for two projects amounting to US\$ 141,554.

**NB:** Two of the joint programme funded projects were also partially funded by bilateral donors therefore appear on both classifications.

Atlas-recorded expenditure for the Regional Office totalled US\$ 7.1 million in 2020 and US\$ 8.3 million in 2021. This consisted of: staff costs (49 per cent); other personnel costs (22 per cent); goods and services (10 per cent); maintenance, utilities and common services (5 per cent); personnel travel (3 per cent); training and hospitality (2 per cent); and support costs (8 per cent). Ten per cent of expenditure was incurred through liquidation of advances or reimbursements to programme partners.

## II. AUDIT RESULTS

### A. Strategic priorities, programme planning and implementation

See Background section for key statistics on strategic priorities and programmes. During the period 2020–February 2022, the Regional Office worked with 11 programme partners. During the same period, the partner agreement management system recorded nine agreements beginning January 2020 with a total value of US\$ 3.7 million. The Regional Office was present at various regional platforms, including seven Issue-Based Coalitions and is a co-convenor together with other UN organizations. The Regional Office is also a co-convenor of the Gender in Humanitarian Action working group, which works to elevate gender aspects in humanitarian contexts.

IAS reviewed the Regional Office's strategic positioning, priorities setting, coordination of gender mainstreaming, advocacy and resource mobilization, programme and project management, and management of programme partners. The Regional Office understands its role in the Arab States region. Key achievements and best practices include:

- In the area of advocacy, the agenda for gender equality and the empowerment of women has political support. UN Women is highly appreciated by stakeholders interviewed by IAS making UN Women the “partner of choice” for gender equality and empowerment of women initiatives in the region. Some governments have ministries and pillars for women's empowerment embedded within national priorities. The Regional Office has worked with and built capacity in national women's machineries. The Women Empowerment Principles have also assisted companies in mainstreaming gender into their human resource practices.
- In the area of strategic priorities and programmes, the Regional Office supports implementation of the leave no one behind principle through evidence-based initiatives and projects. These have been supported by flagship knowledge products and publications from work with other UN organizations and the Regional Office's individual interventions.
- In the area of UN-system coordination, the Regional Office has effectively used the United Nations Country Team (UNCT) system-wide action plan (SWAP) to advocate for gender parity within UN organizations. The Regional Office has provided technical, policy and logistical support to the design of Common Country Assessments, UN Sustainable Development Cooperation Frameworks and attends the UNCTs in Arab State countries where UN Women is a non-resident agency. The Regional Office has organized training to meet the needs of different stakeholders, which is a practice that should be sustained.

Based on the audit work performed, IAS assessed the following areas as satisfactory: UN coordination for gender mainstreaming, design of the Strategic Note, support to Country Offices' strategic planning, design of projects, delivery of projects within workplans and budgets; and some improvement needed in the areas of communications, monitoring implementation of the Strategic Note and workplans, and management of the project portfolio and programme partners. Detailed observations are outlined below.

## KEY OBSERVATIONS AND CONCLUSIONS

### Observation 1: Strategic partnerships and communications can be further improved

**Partnerships:** The Regional Office has established partnerships with some well-respected media houses in the Arab States region, technology companies, government counterparts, private sector companies and foundations. The Regional Office has mainly established relationships with entities that have mandates and priorities that align with

the thematic areas under the Regional Office's Strategic Note. The Regional Office has also established partnerships with United Nations Economic and Social Commission for West Asia, United Nations Development Coordination Office, League of Arab States and the Arab Women Organization as key regional bodies.

The Regional Office does not have a dedicated resource mobilization function. Due to funding limitations and funding allocations to the Arab States region, the Regional Office has been unable to hire a partnerships and resource mobilization specialist. Regional Office management has found an alternative solution in assigning key functional leads to embed partnerships and resource mobilization within thematic areas as of part of their



broader job descriptions rather than hiring a dedicated specialist. This means partnerships are more closely linked with programmatic results. *The effectiveness of these arrangements should be monitored and revisited if found to lack ownership, clarity of roles and accountability.*

The Regional Office has yet to develop and roll out its partnership strategy based on its strategic vision and new Strategic Note for 2022–2025. *Some successful new partnerships could be analysed for key success factors to become part of the partnership strategy.*

Fifty-nine per cent (59%) stakeholders surveyed by IAS commented that UN Women is very effective or somewhat effective in building the capacity of the UN system and national governments but 26% indicated that UN Women is ineffective or somewhat ineffective in managing partnerships with international financial institutions. The collaboration with the international financial institutions is a new area of work for UN Women as a whole and an organization-wide guidance is under development. *It is expected that the Regional Office will align to the corporate guidance once finalized.*

**Communications and advocacy:** The Regional Office has a Communications unit with communications and graphic designer personnel. The unit supports communications in the Arab States region website in both English and Arabic (the headquarters global portal does not have a website for Arabic users). The unit also supported Country Offices in its region in building their capacity in communications and by providing technical support. Currently, Country Offices are supported based on their demands and the Regional Office Communications unit also focuses on implementing its own priorities.

Defining common communications and advocacy policies was listed as one of the key elements in the theory of change for the new Strategic Note. The recognition of communications and advocacy as success factors of the Strategic Note is one of the good practices that should be sustained in the future. As a commendable move to further bolster advocacy and communications and leverage/expand good practices, management has prioritized core resources to hire a communications and advocacy staff member at P3 level in 2022 and moved the reporting line directly to the Regional Director in recognition of this further growth and the importance of the communications function.

IAS identified the following areas that require further enhancement and elaboration to ensure the communications and advocacy function and efforts optimally support Regional Office Senior Management in implementation of its vision:

- There is no communications strategy separate from the Strategic Note. The Communication unit is not formally responsible for the advocacy function which is extremely important for the Regional Office' Strategic Note. *The Regional Office would benefit from having a communications and advocacy strategy with success indicators, workplan, qualified personnel dedicated to the strategy, and training and awareness raising among all Regional Office personnel about their contribution to the communications and advocacy strategy.*
- Currently the communications function is fragmented among the Regional Office communications unit and project teams. Seven personnel have communications and design job titles, including one vacant post for P-3 as the new head of the Communications unit; however, only three personnel are within the Regional Office Communications unit while the remainder are placed with thematic teams. Some Regional Office personnel surveyed by IAS commented that capacity in the Communications unit could be improved by providing proactive support and advice to the thematic teams. Further, the Communications unit could consider employing an Arabic speaking expert to improve the quality of the Arabic content. *Ideally the Communications unit should be consolidated with matrix accountability to programmes.* This would allow for pooling of funds, integrated planning and coordination of communications and advocacy activities, consistent and coherent messaging, integrating programme communications into public advocacy and resource mobilization efforts. The Regional Office management affirmed that all communication personnel in the office will report to the new P-3 once the position has been filled to capitalize on personnel capacity; common, focused messaging; and UN Women and the Regional Office's thematic areas.
- While knowledge management was quite good in terms of producing knowledge products, these products had not been seen by all relevant stakeholders interviewed; therefore, *dissemination of knowledge products through regular means of communication could use improvement.*

Without an integrated communications strategy, plan and structure, the Regional Office might focus on non-strategic or non-impactful communication initiatives, overload or confuse its audience, and/or lose focus and not achieve value for money with its limited funding. Moreover, the Regional Office's branding and messaging might be lost if communications materials are not coherent, of good quality and consistent.

### **Recommendation 1 (Medium):**

The Regional Director to:

- (a) Finalize and roll out the advocacy and communication strategy. This might include consolidating fragmented communications personnel under one team with matrix reporting lines to Programme Managers.
- (b) Train the communications team and ensure that workflows are clear, so communications and advocacy efforts are integrated, coordinated and coherent.
- (c) Ensure that a communications plan is developed and that regular updates are provided to existing and potential stakeholders about the work of the Regional Office, other UN Women Regional Offices and UN Women global interventions where feasible (digital newsletters, online platforms etc.).

### **Observation 2: Coordination role on gender mainstreaming needs to be given more prominence**

The Regional Office for the Arab States executes a coordination mandate to mainstream gender equality and the empowerment of women among the UN system and other partners, and also supports the Country Offices under its purview. Several good practices were identified that should be sustained and leveraged in the future. The Regional Office has the main elements to execute its coordination efforts, however, the coordination strategy was yet to be updated to align fully to the vision in the new Strategic Note, which embeds UN Coordination across its thematic areas at output level. The Regional Office actively supports gender mainstreaming through a coordination role in regional platforms; quality assuring gender equality and the empowerment of women in Common Country Assessments and UN Sustainable Development Cooperation Frameworks;

overseeing and supporting UNCT-SWAP Gender Equality Scorecards; joint programmes; and policy support to national governments and civil society. IAS commends the Regional Office on these efforts and achievements, accomplished with limited dedicated resources to this function. Notwithstanding the above, IAS identified opportunities for improvement to further position gender equality and the empowerment of women in the Arab States region.

**Regional coordination platforms:** The regional coordination structure is complex, potentially overlapping and in most cases outside of the full control of UN Women. However, it requires attention from Regional Office leadership to coordinate awareness and synchronization among existing stand-alone platforms and forums in their efforts towards gender equality and the empowerment of women in the Arab States region. Some Country Offices surveyed by IAS asked for more communication and information to be provided on regional coordination platforms and better understanding of how the coordination platforms can support needs and opportunities at the country level.

**Issue-Based Coalitions and regional coordination platforms:** The Regional Office is a member of seven Issue-Based Coalitions and a co-convenor of some of the coalitions. The feedback IAS obtained from external stakeholders highlighted that the Regional Office plays a critical role in the Issue-Based Coalitions and provides technical expertise on gender equality and the empowerment of women. The Regional Office co-led and participated in the establishment of the Issue-Based Coalitions' annual workplans and production of knowledge products.

One general criticism of all the Issue-Based Coalitions from the stakeholders surveyed is that the coalitions have not yet understood the needs of the UNCTs and translated these needs into focus areas, therefore, countries may not fully benefit from these coalitions. 33.3 per cent of the UN Women Country Offices surveyed responded that the Issue-Based Coalitions and regional platforms are irrelevant and ineffective; another 33.3 per cent of respondents indicated that they are partially relevant but not effective.

Some of the Issue-Based Coalitions have not managed to work on the programmatic aspects of their terms of reference. IAS acknowledges that these challenges are outside of the Regional Office's control as the office is only one of the regional agencies participating in the Issue-Based Coalitions. The Regional Office runs the coordination platforms together with other organizations, which may delay or hinder some critical

interventions as decision-making requires lengthily negotiations with co-conveners. Some Regional Office personnel surveyed by IAS mentioned that there is no clear understanding and support to Regional Office programmes to leverage and strengthen regional UN system coordination.

The Regional Office started to develop a strategic vision and action plan for the office in 2022 to advance gender equality and the empowerment of women coordination at the regional level. The Coordination Strategy would benefit from being reviewed to better align with the vision and priorities of the new Strategic Note 2022-2025; expand coverage to regional platforms; differentiate field support considering UNCT-SWAP commonalities; and define minimum presence or activities in non-resident agency countries.

**Support to Country Offices' coordination mandate:** The Regional Office covers 17 countries. Of these, seven do not currently have a UN Women country presence. Operating as a regionally based entity, the Regional Office is able to participate effectively in the UNCT processes of some countries by leveraging its coordination mandate. The Regional Office has conducted a stocktaking exercise of all the UNCT SWAPs (eight so far), which showed commonalities and areas for improvement in indicators. The Regional Office supported greater awareness of the UNCT-SWAP Gender Equality Scorecard process, through convening a regional online workshop in September 2020. More than 190 participants from 11 UNCTs representing 20 UN entities attended.

IAS commends the Regional Office on these efforts and encourages the office to assist Country Offices and non-resident agencies to advance their UNCT-SWAPs (to include this activity in its regional coordination strategy) and oversee implementation of UNCT-SWAP by regularly assessing their progress. With many non-resident agencies, the Regional Office is required to invest in UNCT work in those countries; therefore, the coordination function might need additional resources to run effectively. This should be discussed in the Regional Office Coordination Strategy. The Regional Office started with defining the vision for those countries where UN Women is a non-resident agency and the minimum presence could be funded by the host countries; however, this vision has not yet been expanded to all these countries due to limited/lack of funding.

## **Recommendation 2 (Medium):**

The Regional Director to:

- (a) Conduct a stocktake of the regional platforms that the Regional Office attends and assess as essential and update the existing Coordination Strategy to ensure an integrated and coherent approach on coordination aligned with the Regional Office's strategic vision.
- (b) In the Coordination Strategy, further reflect on (i) the Regional Office's involvement in countries where UN Women is a non-resident agency, differentiating between the countries that should generate funding from host governments versus those to be supported from the Regional Office's regular resources and minimal presence, if needed; (ii) oversight of UNCT-SWAPs in the countries; and (iii) the current capacity of the coordination function versus expected/required support.

## **Observation 3: New Strategic Note was endorsed, but yet to be finalized at the time of the audit, and efforts are required to mobilize more resources**

Overall, the Regional Office proactively led its new Strategic Note design process and supported its Country Offices in their strategic planning. The Regional Office had solid resource mobilization efforts during its previous Strategic Note and anticipates raising more funding to support the new Strategic Note. IAS identified some areas of improvement that could elevate already good practices.

**Finalization of the new Strategic Note Indicators:** The new Strategic Note appears to be good quality, has a clear theory of change, supported by context analysis and lessons learned from its mid-term review. The Regional Office held consultations with key actors including governments, civil society organizations (CSOs) and youth throughout the Arab States region and included key recommendations. The Headquarters Strategic Review Group reviewed and endorsed the draft narrative in February 2022. IAS commends the Regional Office for submitting the draft Strategic Note for endorsement within the

agreed time frame; however, at the time of the audit the Regional Office was yet to finalize the results indicators of the new Strategic Note 2022–2025.

The workflows for strategic planning and monitoring of thematic outcomes and outputs for the Regional Office need further elaboration. There is an opportunity to refine the roles and accountability for these functions (i.e., who does what, when and how). Regional Office Senior Management indicated that a job functional analysis is under way and is expected to result in changes in staff roles in response to the new strategic direction in the Strategic Note.

**Strategic planning in Country Offices:** The Regional Office oversees Country Office strategic planning and provides feedback on their results-framework to ensure feasibility, adequacy of data collection and validation fundamentals. The Regional Office staff interviewed and Country Office Representatives surveyed by IAS noted a need for better clarity for regional office role in the country office strategic planning workflow, e.g. advisory vs decision-making. Moreover, 50 per cent of the Country Offices surveyed had not had strategic discussions with the Regional Office, while 33.3 per cent had occasional discussions. Clearly articulating “who does what, when and how” could streamline the planning process in the future.

The Regional Office highlighted that the Country Office strategic planning, review and approval process, and the Regional Office’s role therein is also going through a corporate change, with annual shifts in approaches. The Regional Office’s role supports implementation of these changes.

**Resource mobilization:** The Regional Office effectively mobilized resources from 2018 to 2021, while also constantly increasing its targets (see Table 1 above). Non-core and Institutional Budget were the highest sources of funding compared to other funding sources. For 2022–2025, the Regional Office approach to resource mobilization is planned to be holistic (integrated as part of the programme cycle and support to its Country Offices); strategic in scaling up multi-country programmes; predictable in addressing sustainability; and innovative in differentiating its donor base with net contributing Arab States countries, private sector, international financial institutions, partners, and service delivery. The annual target was set at US\$ 15 million, while mobilized resources were US\$ 12 million, resulting in a resource gap.

With its Regional Office mandate, the Regional Office for the Arab States is responsible for supporting field offices in their resource mobilization efforts, as well as mobilizing resources for its own regional programmes. While resource mobilization has been quite successful, especially for non-core regional programmes, the role of the Regional Office in supporting and overseeing the resource mobilization of its field offices was not always clear. Sometimes, success in regional programmes was perceived as competing with field office efforts.

As highlighted by the interviewed or surveyed stakeholders, this may contribute to a situation whereby limited resources dedicated to resource mobilization may be split between potentially competing regional and country-level resource mobilization efforts. The level of support the Regional Office provides to Country Offices was rated unsatisfactory by half of Country Office respondents to the IAS survey. The role of the Regional Office in terms of partnerships and resource mobilization was not always clear to all Country Offices. Fifty per cent of Country Offices indicated that they had never engaged with the Regional Office on resource mobilization, while 50 per cent occasionally engaged. Those that engaged indicated resource mobilization focused more on the Regional Office than Country Offices.

According to the Country Offices surveyed, efforts to mobilize larger-scale resources have not yet been fully effective, and opportunities for smaller-scale resources have not been sought out or fully leveraged. This is a missed opportunity to use small-scale resources as a building block for further resource mobilization. Fifty per cent of Country Offices indicated that the Regional Office did not meet their expectations regarding the effectiveness and proactiveness of its oversight and monitoring of Country Office resource mobilization and their capacity building. The Regional Office regional programmes did not fully complement Country Office programmes. Resource mobilization was partially complementary to 33.3 per cent of Country Offices and not at all complementary to 33.3 per cent of Country Offices.

**LEADS management dashboard:** The Regional Office had 10 proposals with engagement start dates within the period 2020–February 2022, and end dates within the same period, while some agreements were to end in 2023. The total estimated value of these proposals was US\$ 7.2 million, while the probable value was US\$ 2.8 million (only 39 per cent of the initial figure). Of the 10 proposals, the Regional Office won six, lost one,

cancelled one, and two were still active<sup>2</sup>. The resource mobilization target is US\$ 2 million. However, the sum of active LEADS for the Regional Office was US\$ 731,588 which leaves a shortfall on the target. This links to the risk of limited funding highlighted in the Regional Office's risk register.

The Regional Office personnel survey indicated that there is a need to strengthen the Regional Office's resource mobilization strategy and effect its implementation and build staff capacity in how to mobilize resources.

To manage the gaps in its resource mobilization efforts, the Regional Office initiated some remedial actions in 2021, including large-scale regional programming accompanied by respective joint resource mobilization efforts with multi-country components, working with Country Office teams at a technical level to develop regional projects and on advocacy and communication processes, to ensure the visibility of country-specific evidence and results during the headquarters-led donor visibility weeks.

### **Recommendation 3 (Medium):**

The Regional Director to:

- (a) Accelerate finalization of the Strategic Note 2022–2025 - its results framework and indicators in particular.
- (b) Develop a workflow on roles and responsibilities for work planning, with clear reporting lines both for Regional Office work planning, Country Office strategic planning and the quality assurance process.

### **Recommendation 4 (Medium):**

The Regional Director to align Country Office resource mobilization priorities with those of the Regional Office; consolidate these efforts to attract more funding; and refine the strategy and approach.

<sup>2</sup> Active means the proposal is still under consideration.

## **Observation 4: Improvements needed in the monitoring process for overall results achieved**

The Regional Office has made reasonable progress against its previous Strategic Note 2018–2021 and related annual workplans. The Regional Office established a monitoring approach for the Strategic Note indicators and a mid-term review was conducted and the results used for development of the new Strategic Note. IAS commends the Regional Office for using recommendations from projects/programmes evaluations to shape the new phases of projects/programmes and inform development of the new Strategic Note (2022–2025). IAS identified the following lessons from its review of reporting and monitoring of the Strategic Note 2018–2021 and invites Regional Office management to use these lessons as opportunities to enhance data collection, validation, monitoring and reporting processes for the new Strategic Note 2022–2025.

**Fragmentation of the overall monitoring process:** the new Strategic Note represents an excellent opportunity to review its effectiveness. The monitoring function is currently shared between programmes and monitoring and reporting consultants who temporarily replaced the monitoring and reporting officer on detailed assignment at headquarters. Complexity is added by the fact that implementation of some regional projects are centralized, while some are delegated to Country Offices. Regional project managers monitor the country components on a limited basis, relying on country teams to monitor programmes and projects. The quality of monitoring might therefore be impacted because project managers do not always have the right capacity and independence (as they are still part of project teams) to sustain effective and objective monitoring, especially the directly implemented activities for which they are responsible. There is no clear guidance on roles and accountability between thematic themes and the monitoring and reporting officer, e.g. which team is responsible for monitoring which aspects.

Moreover, the integrated monitoring process, methodologies, and tools at the Strategic Note level, for projects and programme partners to validate the progress of activities and results have not yet been finalized. On a positive note, the Regional Office has developed a Monitoring, Evaluation and Research Plan, which is reviewed and updated throughout



the year, and links the Strategic Note to strategic outcomes, indicators, partners, stakeholders, planned dates and funding for the Monitoring, Evaluation and Research Plan activities. The Regional Office is also finalizing an intense office-wide exercise to ensure full ownership and continuous staff involvement in the definition of the new Strategic Note (2022-2025) indicators and monitoring thereof.

**Reporting process:** There was no clear detailed guidance on how to set up monitoring, and data collection–validation–reporting processes with clear roles and accountability. Each thematic team used their own methodology, which sometimes varied between projects. Moreover, data collection and validation processes were not consistently embedded into project management implementation, and partners were not always expected to measure results. There is ongoing work on the development of tools and quality assurance process for data collection, validation, and reporting, starting with the review of the new Strategic Note Indicators (2022-2025), and project documents during their design to ensure specific, measurable, attainable, realistic and timebound (SMART) indicators. This also includes tools for monitoring programme partners. This was mainly to resolve issues with results-focused reporting as the results frameworks were not coherent (i.e. lower-level indicators did not support adequate measurement of the results nor were the actual reports always comparable to planned results at both programme partner and project level). *IAS commends the Regional Office for this work and encourages the office to accelerate full documentation of the workflows, training and roll-out of this initiative, and establish measures to sustain the new approach.*

Fragmented monitoring and reporting processes might result in poor quality reports, which might not provide solid data on the results achieved and changes agreed in the Strategic Note or projects. The multiple methodologies used by thematic teams may result in inconsistent or inaccurate reporting of the results holistically achieved by the Regional Office.

#### **Improvements required in the monitoring of the 2018–2021 Strategic Note indicators:**

The Regional Office had 124 outcome and output indicators for the 2018–2021 Strategic Note as per the Results Management System portal. The average number of indicators per year remained relatively constant at around 31: in 2018 – 29 indicators; in 2019 – 26; in 2020 – 33; and in 2021- 36. Some indicators were added or discontinued to adapt the work of the Regional Office to COVID-19 pandemic and increased collaboration with

CSOs. Some indicators were discontinued due to lack of funding. Frequent changes of indicators in the Strategic Note may affect the Strategic Note’s evaluability as consistent data to demonstrate long-term results and changes might not be readily available.

IAS’ review of the self-reported information in RMS highlighted good progress towards achieving the outputs and outcomes of the Strategic Note: some targets were greatly exceeded; some indicators did not achieve their targets but had some/significant progress. There were instances where the reported information had errors indicating issues with validation, examples include:

- No target, no target year but value "Yes" and rating reached/surpassed.
- Targets that are values but the progress shows “text”, and rating reached/surpassed. This resulted in mismatch and monitoring unlike items.
- Some activities are undertaken in frequencies such as every two years, five years, etc. but the targets were set annually in RMS in error.
- In some instances, there had been some positive progress on indicators, but the status was not updated; therefore, there was under-reporting of progress.

This occurred because there was insufficient capacity to conduct quality assurance on the indicator data captured in RMS in earlier years. Incorrectly captured indicator data may affect management decisions, and the inability to take corrective measures for underperforming indicators in a timely manner. The Regional Office has gradually built capacity and guidance for programme teams to try to mitigate these issues.

In recognition of the issues highlighted, Regional Office Senior Management has initiated changes in the process from 2021, including: the establishment of a National Officer Monitoring and Results Management Specialist post, to which all monitoring staff in the Regional Office will have a direct or matrixed reporting line. Donor reporting will continue through separate investment and under supervision of the Planning and Coordination Specialist, in the form of a ‘Strategic Editor’.

#### **Recommendation 5 (Medium):**

**The Regional Director to** expedite finalization and roll-out of the new monitoring methodology and integrate it into the monitoring framework and function. In particular, take stock of good practices from individual monitoring frameworks to

enhance its new monitoring guidance; build the capacity of the monitoring and reporting function; consider combining the monitoring and reporting team, refining the roles and responsibilities of different teams for monitoring and setting up a matrix approach for monitoring and reporting personnel.

### Advisory Note

The Regional Director to address lessons learned from the Strategic Note cycle:

- (a) To ensure the evaluability of the Strategic Note, the results framework should be coherent with workplans during the Strategic Note period. No major changes in the results framework should be allowed without proper justification, approval and update of the Strategic Note.
- (b) The Strategic Note should be reviewed and evaluated regularly to revisit its theory of change for any changes and adjustments required.

### Recommendation 6 (Medium):

The Regional Director to revisit the data collection and validation workflows used for the reports, emphasizing the crucial role that thematic advisers have to play to ensure the quality of the reported data for the Strategic Note indicators, as well as clarifying the division of responsibilities and accountability for quality assurance and monitoring of the Strategic Note indicators between the Regional Office planning & coordination, monitoring and reporting, and thematic teams.

### Observation 5: Need to strengthen management of the regional project portfolio

IAS reviewed a sample of nine projects under the Regional Office's portfolio, during the 2020–2022 period. The review highlighted that the projects advocate for gender equality and the empowerment of women in the Arab States region; project objectives align with

the priorities of the donors and countries where projects are being implemented; the quality of the reports is generally satisfactory; and annual review meetings with donors were duly conducted as per the donor agreements. The Regional Office has built strong gender thematic networks that donors also tap into for their own strategic interventions. Notwithstanding these good elements, project/programme management could benefit from some improvement as highlighted below.

**Reporting to donors:** There is a need to develop a more consistent framework and methodology for project monitoring and reporting, aligning it to the new guidance being developed by the monitoring and reporting consultants. IAS had interviews with donors and has provided the Regional Office with the donor feedback which needs to be timely addressed, otherwise it might impact funding and loss of donor interest.

IAS review of the DAMS reporting requirements revealed the following:

- For projects jointly managed by headquarters and the Regional Office, the Regional Office submitted inputs on time but delays for onward transmission to the donors occurred at the headquarters level.
- Ordinarily, projects are given several months after implementation of all project activities to prepare final donor reports. However, delays in implementation of reportable activities sometimes resulted in missing due dates for annual and final project reports and for operational closure.
- Regional Office internal quality assurance highlighted that some data was missing or inadequate for the final donor reports at the time of finalizing final narrative and financial reports.
- Delays in starting joint programmes/projects due to dependency on other UN organizations.
- Incorrect recording of due dates for six donor reporting requirements in DAMS.

Regional Office Management highlighted that it is currently piloting a new quality assurance mechanism for the review of donor reports to ensure alignment with results-based reporting. To ensure timely submission of reports, the Regional Office has established a mechanism whereby reminders are sent to programme managers at least 16 weeks before reports are due. The monitoring and reporting and finance teams, at the Regional Office extend their support to all programme units for the preparation and review of narrative and financial reports.

**Managing Project Steering Committees:** ProDocs and donor agreements stipulate requirements for the management structure of relevant projects. There are Regional Project Steering Committees and, in some instances, Country Project Steering Committees. The Steering Committees meet regularly according to the specifications of the ProDocs and donor agreements.

IAS obtained feedback from donors, which highlighted that the Steering Committees are a good mechanism to keep donors informed of project progress. However, sometimes, Regional Office delays in submitting agendas and project reports for Steering Committee meetings makes it difficult for donors to plan for the meetings, resulting in donors' inability to contribute constructively to the projects' strategic direction.

**Evaluation of projects:** Mid-term and final evaluations were carried out for projects under the Regional Office portfolio in line with the timelines of the Monitoring, Evaluation and Reporting Plan. The recommendations arising from these evaluations were used to inform the continuation and next phases of the projects. Donors were informed and involved in the evaluations as stipulated in the donor agreements through key informant interviews.

IAS reviewed a sample of eight projects to determine the status of the evaluation recommendations. For the three completed mid-term evaluations, the Regional Office captured the recommendations and key actions in the Global Accountability and Tracking of Evaluation Use (GATE) system for two evaluations but did not capture any for one evaluation. The recommendations were incomplete for one of the evaluations, as the number of recommendations in the final report were more than the number captured in GATE. The GATE portal does not provide further information regarding non-captured recommendations/key actions and the rationale for not capturing them. Key actions have been overdue since 2019, 2020 and 2021 and while the Regional Office has provided status updates for the overdue actions in GATE, the office may need to expedite their implementation to ensure the success of the projects. IAS encourages the evaluation focal points to ensure the results of the ongoing evaluations are captured in GATE once the final reports are released.

### **Recommendation 7 (Medium):**

The Regional Director to strengthen management of the regional project portfolio, in particular monitoring the donor requirements and reporting calendars; ensuring timely submission of reports, expected documentation, addressing feedback and requests; enhancing the communication lines with headquarters and Country Offices for jointly managed projects; ensuring consistent capturing and tracking of evaluation recommendations and action plans in the GATE system.

### **Observation 6: Need for an evaluation of the Syria programme**

UN Women does not have an office inside Syria; therefore, most of the work carried out under the Syria programme occurs outside Syria and/or inside Syria through programme partners. IAS reviewed three projects under the Syria programme, with a total budget of US\$ 8.4 million – two projects financed through pooled funding and one through single-donor funding. The sampled projects had similar objectives, close-to-similar logframes, and similar target groups as the Syria programme had been broken down into multiple projects that aim to achieve a joint results framework. The donors in pooled funding had common reporting requirements; however, the Regional Office had to open a separate project ID to manage the more demanding donor reporting requirements for the one donor not included in the pooled funding. The names of the projects also changed with the evolution of the projects. Furthermore, the Syria programme management was shifted from the UN Women Geneva Office to the Regional Office in 2019 because UN Women wanted to make a difference at community level in Syria, therefore, UN Women expanded the work of the project beyond the high-level peace process discussions led by the UN Special Envoy for Syria based in Geneva. Subsequently, at the donors' request, the programme was moved to Lebanon to be closer to Syria. The Syria projects/programmes have undergone individual reviews, which recommended extensions to multiple phases of the projects/programmes.

IAS obtained feedback on the programme from donors and external stakeholders, who highlighted the operational challenge of UN Women working outside of Syria while implementing projects/programmes for Syrian women and girls. Donors are aware of the difficult context and operational challenges of operating in Syria, but as other UN organizations have established presence in the country, the Regional Office could



consider the feasibility of doing the same.

### **Recommendation 8 (Medium):**

The Regional Director of the Regional Office to commission an evaluation of UN Women's Syria programme and benchmark it with the work undertaken by other UN organizations on gender equality and the empowerment of women in Syria. The Regional Office should use the evaluation as a reflection on the gender equality and empowerment of women aspects in Syria that might be neglected and explore the possibility of developing new ProDocs to address unmet needs.

### **Observation 7: Sustainability and exit strategies of projects and programmes have not been clearly elaborated**

Based on sampled projects, ProDocs and donor documents included the objectives, workplans, budgets and result frameworks. Project designs followed the standard templates to a large extent. Areas of improvement to ensure the sustainability of the project portfolio are detailed below.

IAS reviewed a sample of eight projects and not all had developed an exit/phase-out strategy during the project planning phase. Some ProDocs required development of exit strategies after commencement of the projects but had not been developed, while other ProDocs did not anticipate an exit strategy. Some projects that had been closed did not have exit or phase-out strategies; and therefore, closed without a standard approach for their handover. This results in unclear timelines for handing over projects to governments or target groups/beneficiaries and hinders the Regional Office in conceptualizing new projects that address different challenges related to gender equality and the empowerment of women.

In some instances, exit or phase-out strategies were not developed because the projects were extended to multiple phases and expanded in scope. Programme staff were of the view that the strategies would be developed towards the end of the latest phases. The Regional Office further explained that it is not possible to handover projects in countries in conflict. Furthermore, projects that relate to peace processes take longer due to stalled

peace negotiations. The Regional Office provided responses to IAS indicating how each project would be sustainable after their completion and without further funding. The common justification provided was that most projects are implemented with government counterparts, multiple stakeholders, community-based organizations, CSOs and individuals at community level, which the Regional Office believes increases buy-in. This has been identified by the Regional Office as one of the strong indicators of sustainability. While the explanation provided makes sense, the ability of the office to sustain projects might not be known and assessed for adequacy.

Moreover, this might not fully mitigate the risk that beneficiaries, government or target groups will be able to sustain project results without funding from UN Women unless they have their own arrangements embedded in their strategies and are budgeted for. The Regional Office may not be able to sufficiently build the capacity of stakeholders to take over projects, resulting in stakeholders that depend on the office to sustain projects. Furthermore, stakeholders may not be aware that projects are coming to an end; therefore, the eventual handover of projects may be carried out in a haphazard manner from one project to another. As a result, project results and outcomes may cease to exist after project closure which also impacts value for money.

### **Recommendation 9 (Medium):**

The Regional Director to include exit or phasing-out plans as part of sustainability strategies, and as mandatory elements during the design of new projects and extension to new phases of ongoing projects. Further monitoring and adjustments should be made during project implementation to ensure the sustainability of results, especially in situations where the next phase of a project is not funded. Post-implementation assessments could be conducted periodically to test the success of such sustainability strategies, so they are further adjusted for new projects.

### **Observation 8: Areas for improvement in the management of programme partners**

The Regional Office programme teams have established good relationships with the office's programme partners. The implementation modalities for partners depend on the

thematic teams and how they organize their programmes. While there is adequate segregation of duties for the management and monitoring of programme partners, improvements are required in the timely submission of reports by programme partners to the Regional Office. Although some programme partners were selected diligently, the audit sample highlighted improvements that the Regional Office needs to implement to ensure value for money in contracting some of its programme partners.

**Multiple extensions of partner agreements:** Some inefficiencies were noted in the management of partner agreement time frames. IAS reviewed a sample of nine partner agreements, and five had extensions to their completion dates. Almost all the partner agreements expiring prior to June 2022 (except for one) had at least one extension. Frequent no-cost extensions or cost-extensions that cover very short periods may signal inadequate planning with programme partners and/or issues with ongoing monitoring by the Regional Office thematic programme managers. Short-term extensions of one or two months to a single partner agreement increase the Regional Office's associated operational costs in terms of time required by Programme Managers to supervise/review the work undertaken by programme partners and by the Regional Programme Appraisal Committee which reviews the submissions and justifications for extensions.

Some examples of extensions that were granted include allowing programme partners to finalize research and other deliverables outlined in the partner agreements, which could not be completed on time. In some instances, the review of the research conducted by the programme partners required multiple iterations to ensure the outputs were of acceptable quality, resulting in the extension in the duration of the partner agreement. Lastly, the national and global restrictions related to the COVID-19 pandemic heavily affected implementation of partner agreements.

**Signing of partner agreements with programme partners that subgrant to other CSOs/NGOs:** IAS' sample of nine partner agreements noted that the Regional Office signed two partner agreements with programme partners (US\$ 526,010 of a total sample

of US\$ 2.7 million) that sub-granted the work to other NGOs, which were signed before a corporate procedure on sub-granting was rolled out.<sup>3</sup>

**Case study #1:** Partner agreement value US\$ 286,000<sup>4</sup>, duration July 2020 to September 2022.

The programme partner that signed the agreement with the Regional Office did not have a mandate that deals with gender equality and the empowerment of women, which was also highlighted by the capacity assessment. The capacity assessment commissioned by the Regional Office also raised three findings: (a) no track record of work on gender or related issues; (b) no specific areas of programming or advocacy where the programme partner has made innovative contributions; and (c) no sustainable financial position. This programme partner signed a Master Service Agreement with another CSO that actually implemented the substantive work of the UN Women partner agreement, where it provided only accounting and financial management services, as an outsourced service. In practice, the substantial technical work was outsourced to the CSO.

At the time the Regional Office issued the call for proposals, the CSO that implements the partner agreement was less than three years in existence which precluded the CSO from submitting a proposal, so they instead asked the main programme partner that eventually signed a contract with the Regional Office to bid on its behalf and act as the guarantor for the partner agreement with the Regional Office. IAS is of the view that such tripartite arrangements dilute responsibility and accountability for the delivery of the outputs and outcomes, and could potentially increase operational costs.

**Case study #2:** Partner agreement value US\$ 240,000, duration September 2019 to April 2021.

The Regional Office signed a partner agreement with a programme partner based in the United States of America to implement activities in Syria where UN Women is a non-resident agency. One of the implementation modalities in the partner agreement was to provide grants to another CSO located in Lebanon, which in turn went on to subgrant 10 local CSOs through an incubation process<sup>5</sup>. Effectively, sub-granting occurred at two

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<sup>3</sup> The new Annex 7: Special Terms and Conditions for Partners Performing Grant-Making Work of the partner agreement

<sup>4</sup> Using UN operational rates as of 1 August 2020

<sup>5</sup> The incubation process means working with women-led organizations to help establish them as legal CSOs and provide them with capacity building activities such as training and small grants

levels after signing the partner agreement. The Regional Office transferred US\$ 240,000 to the main programme partner in the United States of America which retained a considerable amount (US\$ 58,000 for its personnel costs), then the programme partner transferred money to the sub-granted CSO in Lebanon (US\$ 90,000); the rest of the funds (US\$ 92,000 of a total US\$ 240,000) were for training/seminars/travel workshops and other direct costs, also retained by the main programme partner. From the US\$ 90,000 allocated to the sub-granted CSO in Lebanon, a portion of that money was transferred to 10 CSOs in Syria as subgrants of US\$ 5,000 per cohort of CSOs as seed money (in total US\$ 25,000). The CSO in Lebanon works closely with the 10 CSOs in Syria on an ongoing basis, including travelling to the different areas and providing hands-on monitoring of the work carried out by the local CSOs.

Regional Office Management explained that it was not possible at the time to directly sign a partner agreement with the CSO in Lebanon, as the CSO lacked the appropriate financial absorption capacity to manage funds. Therefore, it was deemed more appropriate to channel funding through the US-based programme partner, an experienced organization managing funds for local NGOs operating in conflict-affected contexts. Even if the Regional Office preferred to engage the CSO in Lebanon, the CSO did not submit a proposal on its own. Sub-granting through the programme partner was also deemed a suitable option for UN Women in 2019, as this was its first partnership under the civil society stream (upon the recommendation of the 2019 mid-term evaluation), and particularly its first partnership working in sensitive areas in Syria. The approach was considered as conflict and context sensitive by management as UN Women is a non-resident agency in the implementation country.

In IAS's view, pass-through and subgrants may increase the management costs of partner agreements, resulting in operational inefficiencies and reduction in the resources available for the substantive work outlined in the partner agreements. Further, the value of such a pass-through was not always clear to IAS. As partner agreement signatories were not located in the region it might also shift resources from the Arab States region.

**Late submission of FACE forms:** The Regional Office has an established process for reviewing and approving the FACE forms from programme partners, and validation of the supporting documents. IAS reviewed the latest FACE forms available from the sample of nine programme partners and as of February 2022, FACE forms for six programme

partners were submitted late. Some FACE forms were submitted with delays that ranged from a few days to a couple of months. Partners mentioned that the quarterly reporting and supporting documents process is heavy and time consuming. Regional Office delays in reviewing the reports from programme partners also delays the transfer of funds to the programme partners. Some programme partners used their own funds while waiting for funds from the Regional Office. Sometimes the Regional Office delays providing feedback which also affects the timelines and flow of programme partner reports.

This might have occurred because of delays in implementation, resulting in late liquidation and submission of FACE forms; lack of capacity to prepare FACE forms; or the Regional Office took a long time to review and provide comments to the programme partners, resulting in late finalization of the reports. IAS is aware that part of onboarding programme partners includes a walkthrough of the use of the FACE forms; however, the turnover or partner personnel could result in loss of knowledge.

**Feedback from interviews with programme partners:** IAS obtained feedback from programme partners via interviews. Programme partners were generally satisfied with the nature of their partnership with the Regional Office, which have resulted in policy papers, webinars, research in multiple languages, support to CSOs, capacity building, etc. Programme partners also highlighted the need to have a long-term partnership strategy between the Regional Office and programme partners to ensure continuity of support to the region; and coordinate partners that work on similar topics and thematic programs to avoid duplication.

### **Recommendation 10 (Medium):**

The Regional Director to establish an integrated strategic partnership and capacity building approach and ensure proper value for money from partner agreements. This needs to include: streamlining of partner management process, reports and FACE form clearance, better coordination among thematic areas and projects; focusing on accountability for results agreed between UN Women and partners, maximizing value for money to beneficiaries and limiting subcontracting by programme partners.

## B. Governance, risk management and internal controls

See Background section for key statistics on budget, delivery and personnel. IAS reviewed the office structure and delegations of authority, control environment, risk management, data quality and implementation of recommendations from prior oversight reports. Based on the work performed, IAS assessed that most areas were managed satisfactorily, but some required improvements as reported below.

The Regional Office has established a structure for internal forums/committees which meet at different set frequencies and the minutes are well documented with action points that are duly followed up. To ensure the smooth running of the office, the Regional Director sub-delegated some authority to staff with appropriate seniority and roles. These staff have duly signed the delegation of authority letters to acknowledge their responsibility. The delegation of authority has also been duly updated in line with staff changes, i.e. movement, separation, new recruitment.

An Operational Risk Management Strategy was established in January 2021 and reviewed in January 2022. The strategy covers all Regional Office functions and has embedded a risk management plan, broken down into quarterly activities with responsible officers and timelines to manage the risks identified in the risk register. Furthermore, the Regional Office conducted a risk assessment during its work planning process, following the standard template. The risk assessment highlighted 17 risks that need to be monitored: 15 medium-moderate, 1 low and 1 high risk. The Regional Office escalated the high risk related to **limited funding and resource mobilization** to senior management in headquarters for support. Discussions are ongoing for long-term solutions. The risk register was also complemented by a solid fraud risk assessment.

### KEY OBSERVATIONS AND CONCLUSIONS

#### Observation 9: Sustainability of the Regional Office and the relationship with the Liaison Office in the United Arab Emirates (UAE)

Most personnel posts are funded through non-core funding, which is project-specific and does not ensure full coverage of the Arab States region in terms of coordination, thematic policy support, etc. While the Regional Office has managed to raise significant non-core funding, the limitations of the core resource formula have resulted in a lower allocation of core funds to the Regional Office (*even though 3 Institutional Budget posts were exceptionally approved for the Regional Office*) affecting the stability of thematic policy adviser posts. Some of these shortcomings are in part outside the control of the Regional Office and part of larger discussions on UN Women's business model and ability to sustain and support field offices. A functional analysis is under way for alignment of staff capacity to the new Strategic Note.

Details of areas of improvement are outlined below.

**Lack of stable funding for senior policy advisers:** The Regional Office advocates for key staff positions such as policy advisers across the region to be funded by core resources, to ensure business continuity and sufficient technical oversight. Currently, most policy advisers are funded from non-core resources for specific projects. The Regional Office has five policy advisers in its organization chart: three senior policy advisers are funded by non-core projects/programmes; one adviser is funded 50 per cent by non-core and 50 per cent by core; and one is fully funded by Institutional Budget. Most of the time the policy advisers work as project managers for regional non-core funded projects, instead of as technical advisers for all countries in the region, providing technical support and backstopping for national projects. This may weaken the Regional Office's role as a technical support and oversight hub for the region, particularly for countries not currently covered by projects managed by the policy advisers. In the long term, the Regional Office may not be able to fully address the needs of countries in the Arab States region due to the limited focus on projects that fund the positions of the policy advisers and the lack of focus on unfunded countries.

In addition, donor priorities for Humanitarian Action projects implemented by UN Women changed, resulting in significant reduction in non-core funding. The Humanitarian Action adviser post was funded by this source only and the Regional Office was not able to ensure continuity of the post due to its full dependency on one donor. Therefore, the Humanitarian Action adviser had to leave the Regional Office, leaving all good work and achievements in this area. The Women, Peace and Security team at the Regional Office gradually took over the Humanitarian Action portfolio in Q3 2022.

**Ratio of non-core to core resources:** The Regional Office had a high ratio (496% as at February 2022) of non-core to core resources linked to the corporate formula used to allocate core resources to regions. Furthermore, in the past Headquarters decentralized two critical staff posts to the Regional Office (HR Business Partner from 2019 and Security Officer from 2018) which are shared with other Regional Offices. For the HR Business Partner, headquarters provided partial funding for this post covering only the first year based on the understanding that for subsequent years, the Regional Office must find funding to keep this critical post.

**Relationship between the Regional Office and the Liaison Office in the United Arab Emirates (UAE):** There is a need for better definition of the expectations about the role of the Liaison Office in the Arab States region. The Liaison Office and the Regional Office might not always sufficiently collaborate and share information of common interest. The Liaison Office is based in the Arab States region, and reports to the Public Partnerships Office in headquarters with a dotted reporting relationship to the Regional Director.

### Recommendation 11 (Medium):

The Regional Director to:

- (a) Consider staff capacity in terms of the new Strategic Note 2022–2025, sustainability of policy adviser roles and linkages to funding/resource mobilization during the functional analysis and implement mitigating actions, e.g., realignment of Regional Office functions or requesting additional posts for decentralization.
- (b) Review and revise the current workflow for field requests for regional technical support, request advanced needs assessment and planning by the regional policy advisers to address requests for technical assistance in the region from all Country

Offices regardless of whether they have projects that fund the posts of regional policy advisers.

- (c) Explore more sustainable avenues to fund the required technical capacity of policy advisers; and continue to raise the limitations of the current core allocation methodology supported with necessary analysis, during strategic dialogues with the headquarters units responsible for the allocation of resources to Regional and Country Offices.
- (d) Initiate strategic discussions on the positioning of the Liaison Office in the UAE to concretely benefit the UAE as a host country, the Regional Office and headquarters.

### Observation 10: Management of fraud risks

**Fraud risk assessment and quality assurance:** The Regional Office conducted its 2022 fraud risk assessment using the guidance developed by SPRED. The Regional Office also identified risks related to fraud in its risk register, which affirms that the risk assessment and fraud risk assessment processes are interconnected. The risks relate to (a) procurement fraud risk; (b) HR fraud risk – recruitment or entitlements; (c) financial, assets and other resources fraud risk; and (d) programme/project fraud risk. The Regional Office also assisted eight country offices in the Arab States to complete their fraud assessments. The Regional Office's self-assessment concluded that the office was medium risk, which corresponded with the rating provided by SPRED. Three Country Offices rated themselves as high risk and SPRED also rated them as high risk, while five Country Offices rated themselves medium risk and this also corresponded with the SPRED rating. Therefore, there were no disparities. The three Country Offices with a high risk of fraud require more hands-on oversight by the Regional Office to reduce the probability of fraud incidents and enhance detection measures.

SPRED conducted quality assurance of the Regional Office's fraud risk assessment as part of its annual review process. A roadmap of the steps to be taken by all field offices to improve fraud risk controls was established in 2022.

### Advisory note:

IAS strongly advises the Regional Office to continue to work with SPRED to enhance its fraud risk controls. The Regional Office needs to increase technical support to the three country offices with high risk of fraud through frequent backstopping missions, guidance, rigorous spot checks, etc.

### Observation 11: Data captured in ATLAS and OneAPP

Regional Office management has established workflows for the input and review of data into the different systems and platforms that the Regional Office uses for planning, implementation of programmes/projects and operations. There are dedicated focal points for each of the systems and platforms who have alternates to avoid key-person dependency. The data captured in the systems facilitate management decision-making.

IAS noted that the Tunisia-Libya Cluster Office and Lebanon Country Office used the RAS30 operating unit in ATLAS dedicated to the Regional Office, which was the arrangement while they were still Programme Presence Offices. They later became fully delegated Country Offices with dedicated department IDs: Lebanon began processing its transactions using LBN30 as an operating unit in 2020 but Tunisia-Libya still uses RAS30. The Regional Office could not process the change of an operating unit for Tunisia-Libya to TUN30 because headquarters advised there was no need as the whole architecture was going to change with the roll-out of the new Enterprise Resource Planning (ERP) system QUANTUM. The transactions are differentiated by department IDs which are dedicated to different sub-offices under RAS30 in ATLAS.

IAS noted instances whereby the data input could be improved:

- The audit sample revealed transactions with one programme partner recorded under the Regional Office department ID, yet they belonged to Egypt Country Office for US\$ 23,000.
- Analysis of the Regional Office AAA report by department IDs for the total transactions list highlighted that other Country Offices and headquarters units booked transactions under the Regional Office operating unit instead of their own operating units amounting US\$ 63,000. These included Iraq-Yemen, Egypt, Jordan,

Palestine, Peace & Security, Prevention & Resilience, Humanitarian Action & Crisis Response, and headquarters – Information Technology.

- Some OneApp modules do not have updated information on the Regional Office such as Business Continuity Management and security dashboard, and total staff complement. IAS noted some discrepancies between the Business Continuity and Crisis Management Application and OneAPP Security Dashboard.
- Incorrect statistics for mandatory training: staff undertake mandatory training via the AGORA system while compliance status is reported in OneAPP on a regular basis. However, sometimes the AGORA statistics are inaccurate and do not update completed training in a timely manner. The compliance dashboard in OneAPP showed low compliance status. The number of personnel recoded in the system was significantly lower than the Regional Office organization chart. Regional Office HR indicated that the problem had already been escalated to headquarters HR, who informed the Regional Office that upgrade of the mandatory training module in OneAPP is ongoing.

To counter the inconsistencies with data quality, the Regional Office maintains separate documents outside of OneApp that are up to date. However, this is not ideal, as there is duplication of efforts to keep track of management data.

### Advisory note:

The Regional Office needs to continue providing feedback to headquarter process owners on the data inaccuracies for QUANTUM rollout and for OneApp modules reconciliation, while monitoring data quality via Global Service Tracker or other tools.



## C. Operations

See Background section for statistics on HR and expenses. The Regional Office processed 421 procurement-related purchase orders amounting to US\$ 5.4 million, 735 Special Service Agreement-related purchase order amounting to US\$ 6 million and 723 travel-related purchase orders amounting to US\$ 641,968 from January 2020 to February 2022.

Based on the audit sample, Regional Office management has established adequate controls over HR management: selection, performance management and personnel development were assessed as satisfactory. Controls over travel, asset management, ICT, budgeting, accounting, and financial management were found to be satisfactory. The United Nations Development Programme (UNDP) provided training to the Regional Office on how to process HR actions and the Regional Office has had the capacity to communicate directly with the UN Global Shared Services Centre-HR (GSSC-HR, formerly known as SAS) since March 2022. At times, UNDP experienced delays in obtaining approvals for General Ledger Journal Entries from the Regional Office. In response to this, UN Women headquarters is currently piloting a system to improve the GLJE process between headquarters, field offices and UNDP. The Regional Office implemented adequate and effective systems and procedures for the safeguarding of assets and non-capitalized assets in compliance with UN Women policies, rules and regulations.

The Regional Office has established regional communities of practice/networks to advance internal communications and knowledge exchange on specific topics and policy support for HR and programme management. The Regional Office also developed annual training and learning plans and monitored their implementation. The Regional Office organizes in-person missions to visit offices based on an internal risk assessment matrix of Country Offices. It also offers support to the Country Offices under its purview through quality assurance services, capacity building training, day-to-day policy guidance and by troubleshooting issues. On a quarterly basis, the Regional Office brings together all operations managers from the region to discuss best practices, common issues and challenges. The Country Offices surveyed by IAS were mostly satisfied with the overall support they received either from dedicated focal points or cross-cutting functions at the Regional Office. Policy and technical advice, quality assurance, and support and oversight scored high satisfaction levels regarding the Regional Office support to the operational processes of country offices.

The Regional Office has a clear procurement strategy to meet its programme needs through procurement planning and has sufficient personnel to perform the procurement functions. Where necessary, the Regional Office used long-term agreements established by other UN organizations to achieve value for money. IAS noted a control under procurement that could be enhanced. See below for more details of the key findings.

## KEY OBSERVATIONS AND CONCLUSIONS

### Observation 12: Participation in the Regional Business Operations Strategy

The UN Efficiency Agenda advocates for more cost-efficient support services, by reducing the duplication of functions and administrative and transaction costs, and through the consolidation of support services. The Regional Office has demonstrated satisfactory engagement with other UN organizations on the Regional Business Operations Strategy

and has supported the Regional Operations Management Team and its working groups. The stakeholders interviewed by IAS highlighted that the Regional Office is one of the key players in the Regional Operations Management Team. The Regional Office has also been responsive to requests for information related to the Regional Business Operations Strategy and respects timelines for submissions. As a practice in Egypt, all the members of the Regional Operations Management Team also participate in the Egypt Operations Management Team.

One of the Regional Operations Management Team's key milestones has been the launch of the Regional Business Operations Strategy. The discussions and conceptualization of

the strategy have been informed by the solid business operations strategy documents of the countries that are supported by the Regional Operations Management Team. For the Arab States region, the Regional Business Operations Strategy is relatively a recent concept which was officially launched in March 2022. The Regional Office positively contributed towards the drafting and finalization of the strategy document. At the time of the audit, the Regional Operations Management Team had decided to take a phased approach to define and agree on the service lines that the UN organizations will collaborate on. Service lines were defined for eight common administration and procurement services, and other services were gradually being defined.

One of the regional challenges has been insufficient mainstreaming of gender equality and the empowerment of women into UN organization operations, resulting in limited discussions on gender equality and the empowerment of women topics during Regional Operations Management Team meetings. Members of the Regional Operations Management Team interviewed by IAS highlighted that the Regional Office should consider designing material to help operations teams within UN organizations to better understand the gender equality and the empowerment of women agenda, and to ensure that the Regional Operations Management Team and Regional Business Operations Strategy are entry points for embedding gender mainstreaming to provide adequate support to the programme teams.

#### **Advisory Note:**

The Regional Director should explore embedding of gender mainstreaming into Regional Operations Management Team and Regional Business Operations Strategy discussions, if it is something that is deemed to have potential to bring about concrete results.

#### **Observation 13: Delayed delivery of procured items**

The procurement function is composed of three posts, one of which was vacant at the time of the audit. The Regional Programme Appraisal Committee and Regional Procurement Review Committee have a support role outside of the procurement function but work closely with the function. The Regional Operations Manager oversees the procurement function. In 2020, the Regional Office started to use the corporate e-

procurement system. At the time of the audit, according to the analysis of purchase orders created by the office from January 2020 to February 2022, 245 purchase orders totalling US\$ 529,705 were related to micro-purchasing (less than US\$ 5,000); 156 purchase orders totalling US\$ 2.7 million were procurements below US\$ 50,000, where there is no need according to policy for public procurement; 20 purchase orders totaling US\$ 2.1 million were above US\$ 50,000 and were therefore publicly conducted.

IAS noted that the Regional Office bought 14 motorbikes in February 2020 for the benefit of persons in six municipalities for a project in Tunisia, the Regional Office having initiated the procurement process on behalf of the Country Office in Tunisia. The project included inclusivity and the leave no one behind agenda as project outcomes – the acquisition of the motorbikes was to assist with visits to municipalities and hubs to reach youth in remote areas. The purchase order was valued at US\$ 44,550. The Regional Office managed the tender in compliance with procurement policy and the Country Office was to handle the delivery of motorbikes. At the time of the audit, May 2022, the motorbikes had not yet been delivered to the project beneficiaries which was over two years since the purchase of the motorbikes. From its enquiries, IAS noted that the Customs Administration Office had held the motorbikes at the port since March 2021 and had not allowed their release. The Country Office explained there were different reasons for this, which were mainly due to issues with the Customs Administration Office and restrictions due to the COVID-19 pandemic. The motorbikes were released and handed over to the Country Office by the municipalities only in July 2022, almost 17 months after their arrival in the country. This delay incurred an additional demurrage charge of US\$ 4,320 which was unplanned but had to be added to the purchase order upon final payment to the supplier when motorbikes were released. The issue had to be escalated to the UN Regional Coordinator's Office.

Following the discussions between Regional Office Management and IAS, Country Offices have been asked to carefully consider and review their host country agreements to ensure compliance with tax laws/provisions and conduct risk assessments to focus on this aspect.

As a lesson learned, Country Offices should prioritize engaging with vendors from the local market where economically feasible, or those with local subsidiaries as a first tier, then if the selected vendors are from outside the country, delivery conditions and



customs clearances will be managed by the vendors.

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**Recommendation 12 (Medium):**

The Regional Director to:

- (a) Strengthen the procurement and contract management function supporting the field offices under the Regional Office's purview.
  - (b) When inputs and goods are procured, request that country office representatives take stock of the tax provisions in host country agreements and establish action plans for areas where offices do not fully comply with tax regulations.
  - (c) Urge the Tunisia Country Office to (i) use lessons learned to better prepare for future projects requiring government clearance through risk identification, mitigation, and monitoring during the project design stage; and (ii) prepare a mitigation plan if a project start date is significantly delayed by clearances.
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### III. RECOMMENDATIONS AND MANAGEMENT ACTION PLAN

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
Observation 1: Strategic partnerships and communications can be further improved	Recommendation 1: The Regional Director to: (a) Finalize and roll out the advocacy and communication strategy. This might include consolidating fragmented communications personnel under one team with matrix reporting lines to Programme Managers. (b) Train the communications team and ensure that workflows are clear, so communications and advocacy efforts are integrated, coordinated and coherent. (c) Ensure communications plan is developed and that regular updates are provided to existing and potential stakeholders about the work of the Regional Office, other UN Women Regional Offices and UN Women global interventions where feasible (digital newsletters, online platforms etc.).	Regional Director	Medium	Agree with recommendation. Recruitment of a P3 FTA Communications and Advocacy Specialist to be finalized in 2022.  Finalization and roll of communications and advocacy strategy grounded in results of the regional Strategic Notes.  Training of communications team and clear workflows to be part of the above strategy and roll-out.  Communications plan defined annually and rolled out.	Finalization in Q4 2022  30 June 2023  30 June 2023   Annually, with first one defined by 31 March 2023.
Observation 2: Coordination role on gender mainstreaming needs to be given more prominence	Recommendation 2: The Regional Director to: (a) Conduct a stocktake of the regional platforms that the Regional Office attends and assess as essential and update the existing Coordination Strategy to ensure an integrated and coherent approach on coordination aligned with the Regional Office's strategic vision. (b) In the Coordination Strategy, further reflect on (i) the Regional Office's involvement in countries where UN Women is a non-resident agency, differentiating between the countries that should generate funding from host governments versus those to be supported from the Regional Office's regular resources and minimal presence, if needed; (ii) oversight of UNCT-SWAPs in the countries; and (iii) the current capacity of the coordination function versus expected/required support.	Regional Director	Medium	Agree with recommendation. Update existing Coordination Strategy to align to new Strategic Note vision as per outputs expected in the DRF and OEEF, with an annual action plan defined	30 June 2023
Observation 3: New Strategic Note was endorsed, but yet to be finalized at the time of the audit, and efforts are required to mobilize more resources	Recommendation 3: The Regional Director to: (a) Accelerate finalization of the Strategic Note 2022–2025 - its results framework and indicators in particular. (b) Develop a workflow on roles and responsibilities for work planning, with clear reporting lines both for Regional Office work planning, Country Office strategic planning and the quality assurance process.	Regional Director	Medium	Agree with recommendation. The Strategic Note was endorsed in February 2022 with indicators pending review. These have been finalized and the Strategic Note approved. The results framework and indicators will be finalized.  Review Country Office Strategic Note development process workflows in Regional Office and simplify.	The Strategic Note is completed  Results framework and indicators by 31 December 2022  Piloted by 31 December 2022
	Recommendation 4: The Regional Director to align Country Office resource mobilization priorities with those of the Regional Office; consolidate these efforts to attract more funding; and refine the strategy and approach.	Regional Director	Medium	Agree with recommendation. Regional programming:  Define new region-wide WEE programme  Develop and roll-out of new phase of the Men and Women for Gender Equality (MWGE) project  Donor mapping and analysis conducted for resource mobilization for the regional Strategic Note  Targeted Resource Mobilization Meetings with Stakeholders conducted, with engagement of Representatives through SLM and targeted meetings  Seek funds and onboarding of partnerships and resource mobilization lead for the region.	  30 April 2023 30 April 2023 Q3 2022 31 March 2023 30 June 2024
Observation 4: Improvements needed in the monitoring process for the overall results achieved	Recommendation 5: The Regional Director to expedite finalization and roll-out of the new monitoring methodology and integrate it into the monitoring framework and function. In particular, take stock of good practices from individual monitoring frameworks to enhance its new monitoring guidance; build the capacity of the monitoring and reporting function; consider combining the monitoring and reporting team, refining the roles and responsibilities of different teams for monitoring and setting up a matrix approach for monitoring and reporting personnel.	Regional Director	Medium	Agree with recommendation. Detailed SN monitoring framework established and aligned to SN Indicators as well as SP indicators and methodologies.  Data and Results Management Team established, with networked team of project monitoring colleagues and M&R reporting colleagues from the region.  Stocktaking of how the Gender and Resilience Index can be further institutionalized and adapted to other thematic areas and rolled out in the region.	Completed  Full team by 30 June 2023  31 December 2022

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
	Recommendation 6: The Regional Director to revisit the data collection and validation workflows used for the reports, emphasizing the crucial role that thematic advisers have to play to ensure the quality of the reported data for the Strategic Note indicators, as well as clarifying the division of responsibilities and accountability for quality assurance and monitoring of the Strategic Note indicators between the Regional Office planning & coordination, monitoring and reporting, and thematic teams.	Regional Director	Medium	Agree with recommendation. Establish data and results management team responsible for indicator monitoring (coordination, quality, methodology).  Fully delink planning and reporting function from monitoring through above team.  Pilot donor report strategic editing practice for full roll-out.	30 June 2023  30 June 2023  31 December 2022
Observation 5: Need to strengthen management of the regional project portfolio	Recommendation 7: The Regional Director to strengthen management of the regional project portfolio, in particular monitoring the donor requirements and reporting calendars; ensuring timely submission of reports, expected documentation, addressing feedback and requests; enhancing the communication lines with headquarters and Country Offices for jointly managed projects; ensuring consistent capturing and tracking of evaluation recommendations and action plans in the GATE system.	Regional Director	Medium	Agree with recommendation. New project document for Men and Women for Gender Equality (MWGE) Phase 3 will have revisited project reporting lines (matrix) to Regional Office in new project management structure.  New regional programmes to be designed and implemented in full consultation with (relevant) Country Offices and Headquarters to ensure clarity on responsibility of reporting and quality assurance.  Regional Office will continue its efforts to resolve actions from evaluation recommendations, strengthening its tracking of these together with any donor reporting deadlines (noting that all donor reports in Regional Office direct responsibility were submitted on time in the period audited), to be discussed in quarterly ITCM meetings.	30 June 2023  2022 – 2025 31 December 2023  2023 – 2025 30 June 2023
Observation 6: Need for an evaluation of the Syria programme	Recommendation 8: The Regional Director of the Regional Office to commission an evaluation of UN Women's Syria programme and benchmark it with the work undertaken by other UN organizations on gender equality and the empowerment of women in Syria. The Regional Office should use the evaluation as a reflection on the gender equality and empowerment of women aspects in Syria that might be neglected and explore the possibility of developing new ProDocs to address these unmet needs.	Regional Director	Medium	Agree with recommendation. An evaluation of the Syria programme will be finalized in 2023 and the results will feed into the strategic decision on whether and how to establish a presence in Syria.	31 July 2024
Observation 7: Sustainability and exit strategies of projects and programmes have not been clearly elaborated	Recommendation 9: The Regional Director to include exit or phasing-out plans as part of sustainability strategies, and as mandatory elements during the design of new projects and extension to new phases of ongoing projects. Further monitoring and adjustments should be made during project implementation to ensure the sustainability of results, especially in situations where the next phase of a project is not funded. Post-implementation assessments could be conducted periodically to test the success of such sustainability strategies, so they are further adjusted for new projects.	Regional Director	Medium	Agree with recommendation. The Regional Office acknowledges the recommendation and will ensure (through Strategic Note/Annual Work Plan project design support in/from Regional Office focusing on creating impact through sustainable institutionalized approaches and clear exit strategies) the inclusion of exit strategies, when relevant and possible, in all project documents and Strategic Notes – reviewed by the RPAC and RPRG respectively.	2023-2025 30 June 2023
Observation 8: Areas for improvement in the management of programme partners	Recommendation 10: The Regional Director to establish an integrated strategic partnership and capacity building approach and ensure proper value for money from partner agreements. This needs to include: streamlining of partner management process, reports and FACE form clearance, better coordination among thematic areas and projects; focusing on accountability for results agreed between UN Women and partners, maximizing value for money to the end beneficiaries and limiting subcontracting by programme partners.	Regional Director	Medium	Agree with recommendation. Regular training on the PGAMS app (at least annual from Regional Office) to ensure UN Women personnel review status of project partner agreements and history of support to the partner.  Regional Office to ensure annual training of partner selection process, requirements and expectations of quality standards for the delivery of results.  Regional Office to review bottlenecks in processing FACE forms and define an action plan to address findings  RPAC to monitor programme partner requirements.	2023-2024 30 June 2023 31 July 2023  2022-2024 31 July 2023
Observation 9: Sustainability of the Regional Office and the relationship with the Liaison Office in the United Arab Emirates (UAE)	Recommendation 11: The Regional Director to:  (a) Consider staff capacity in terms of the new Strategic Note 2022–2025, sustainability of policy adviser roles and linkages to funding/resource mobilization during the functional analysis and implement mitigating actions, e.g., realignment of Regional Office functions or requesting additional posts for decentralization.  (b) Review and revise the current workflow for field requests for regional technical support, request advanced needs assessment and planning by the regional policy advisers to address requests for technical assistance in the region from all Country Offices regardless of whether they have projects that fund the posts of regional policy advisers.  (c) Explore more sustainable avenues to obtain core funds for the required technical capacity of policy advisers; and continue to raise the limitations of the current core allocation methodology supported with necessary analysis, during strategic dialogues with the headquarters units responsible for the allocation of resources to Regional and Country Offices.  (d) Initiate strategic discussions on the positioning of the Liaison Office in the UAE to concretely benefit the UAE as a host country, the Regional Office and headquarters.	Regional Director	Medium	Agree with recommendation. Annual plan developed by policy advisers with review on quarterly basis by advisors with Regional Office management  Regional Office will continue to propose and discuss concrete and viable solutions to the regions Core situation with Headquarters.  Strategic discussions on the collaboration with Liaison Office initiated.	31 January 2023  2022-2024 30 June 2023  31 December 2022

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
Observation 10: Delayed delivery of procured items	<p>Recommendation 12: The Regional Director to:</p> <p>(a) Strengthen the procurement and contract management function supporting the field offices under the Regional Office's purview.</p> <p>(b) When inputs and goods are procured, request that country office representatives take stock of the tax provisions in host country agreements and establish action plans for areas where offices do not fully comply with tax regulations.</p> <p>(c) Urge the Tunisia Country Office to (i) use lessons learned to better prepare for future projects requiring government clearance through risk identification, mitigation, and monitoring during the project design stage; and (ii) prepare a mitigation plan if a project start date is significantly delayed by clearances.</p>	Regional Director	Medium	<p>Agree with recommendation. One additional procurement staff to be hired to support Regional Office procurements to allow the Regional Procurement Analysts to exercise regional functions in support of Country Offices.</p> <p>Furthermore, Regional Office acknowledges the recommendation and wishes to highlight the following:</p> <p>a) Regional Office has strengthened the procurement function in countries across the region through various initiatives.</p> <p>Trainings and periodic coaching of all the buyers has been systematically conducted. The Procurement Unit is now fully staffed, and the Regional Procurement Analyst is now fully engaged in oversight for the region, with matrix reporting line to Headquarters for consistent corporate guidance, and monthly meetings with Country Office procurement focal points are being undertaken.</p> <p>b) Country Offices have been engaged to carefully consider and review the host country agreements to ensure compliance with tax laws/provisions, and risk assessments to also focus on this aspect, as per the attached correspondence.</p> <p>c) Tunisia office will ensure that all projects that require purchasing assets will be well planned, with the effective use of the procurement plan. Additionally, this case was reported to UNCT and UN Resident Coordinator Office who channelled it to Ministry of Foreign Affairs to facilitate the future work being done by UN Women and other UN Agencies. As lessons learned Tunisia-Libya Office will prioritize engaging vendors from local market, or those with local subsidiaries as first tier then if the selected vendors are from outside the country, delivery conditions and customs clearances will be managed by the vendor.</p>	<p>31 March 2023</p> <p>Implemented</p>

# Annex 1: DEFINITIONS OF AUDIT TERMS, RATINGS AND PRIORITIES

## A. AUDIT RATINGS

<b>Satisfactory</b>	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.
<b>Some Improvement Needed</b>	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.
<b>Major Improvement Needed</b>	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.
<b>Unsatisfactory</b>	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

<b>High (Critical)</b>	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.
<b>Medium (Important)</b>	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.
<b>Low</b>	Action is desirable and should result in enhanced control or better value for money. Low priority recommendations, if any, are dealt with by the audit team directly with the management of the audited entity/area, either during the exit meeting or through a separate memo subsequent to the fieldwork. Therefore, low priority recommendations are not included in this report.

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

UN Women supports UN Member States as they set global standards for achieving gender equality and works with governments and civil society to design laws, policies, programmes and services needed to implement these standards. It stands behind women's equal participation in all aspects of life, focusing on five priority areas: increasing women's leadership and participation; ending violence against women; engaging women in all aspects of peace and security processes; enhancing women's economic empowerment; and making gender equality central to national development planning and budgeting. UN Women also coordinates and promotes the UN system's work in advancing gender equality.



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