INTERNAL AUDIT REPORT

UN WOMEN COUNTRY OFFICE IN JORDAN

UN WOMEN

UN WOMEN COUNTRY OFFICE IN JORDAN

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

15 August 2023
IEAS/IAS/2023/004

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Audit objective and scope

The UN Women Internal Audit Service (IAS) of the Independent Evaluation and Audit Services (IEAS) conducted an internal audit of the UN Women Country Office in Jordan from January to March 2023.

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 subareas:

- **Governance, risk management and internal control system**: office structure and delegations of authority, control environment, risk management, data quality and implementation of recommendations from prior oversight reports.

- **Programmes and project management**: programme and project management, and management of programme partners.

- **Operations**: management of procurement, human resources (HR), finance and budget, information and communication technology (ICT), travel, assets, and safety and security.

The internal audit covered the current state of governance, risk management and internal controls based on a sample of Country Office activities. For operations controls, the sample covered transactions from 1 January 2020 to 31 December 2022. Atlas-recorded expenditure for the Country Office totalled US$ 10.7 million in 2020, US$13.4 million 2021 and US$ 10.6 million in 2022.

Scope exclusion:

UN Women moved to new ERP System Quantum starting from 1 January 2023. IAS did not examine any Quantum related controls as part of this audit engagement.

As the Independent Evaluation Service (IES) conducted a Country Portfolio Evaluation (CPE) in parallel to this audit, it was decided to limit the audit scope to governance and risk management in project and partner management, working environment and operations, relying on IES' work in other areas including interviews with external stakeholders. As such, the audit did not cover all of its standard audit criteria related to strategic positioning, priorities setting, coordination of gender mainstreaming, advocacy and resource mobilization. The recommendations from this audit were aligned with the CPE recommendations and should be implemented in tandem.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing* of The Institute of Internal Auditors.

Audit opinion and overall audit rating

IAS acknowledges several achievements and good practices. For example:

- Based on audit sample testing, the Country Office's compliance with corporate policy, procedure and guidance was in general satisfactory in terms of HR processes, procurement of goods and services, management of assets and travel. The consistent use of Long-Term Agreements for most procurement actions contributed to efficiencies in meeting programmatic needs.

- Participants in the OASIS programme that the audit team spoke to were in general satisfied with the programme; the cash-for-work component of the programme was said to have an immediate positive influence on their lives. The programme

was appreciated for providing them with dignity and some level of financial freedom.

- The Country Office used a competitive selection process for most of its programme partners. The partners of the JONAP programme visited by IAS were satisfied with the County Office's project implementation arrangements.

IAS assessed the overall state of governance, risk management and internal controls in the Country Office as **Some Improvement Needed** meaning that "The assessed governance arrangements, risk management practices and controls were generally established and functioning but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area."

IAS identified the following areas for enhancement to consolidate good practices and lessons learned and advance the Country Office's mandate and priorities. These issues are mainly due to the inherent complexity of the Country Office's programme arrangements and the absence of corporate tools for cash-based interventions:

- **Governance, risk management and internal controls**: the roles and responsibilities of key personnel were not always clear nor aligned with their respective accountability and authority; internal controls were not always aligned with the risks inherent to specific challenges and initiatives; the current working environment was not productive, showed signs of tensions and trust issues; and the recommendations from HR Business Partner and Operations Manager missions have not been implemented in full.

- **Programme planning and implementation**: the project management and oversight process was not always effective, with an opportunity to explore a Multi-Partner Trust Fund model; the monitoring and evaluation function was not aligned with programmatic needs, and was not always able to independently validate data before it was reported; the design for large programmes, including provisions on sustainability and exit strategies, and systems and processes around working directly with beneficiaries, including grievance mechanisms, required enhancement.

- **Operations**: there were instances of delayed payments to beneficiaries; the

available IT platforms were not always effectively used; there were perceived issues with independence for some interview panels; perceived issues with transparency in budgetary management in terms of allocation of project funding; and programme-related inventory was not always properly accounted for.

IAS made 12 recommendations to address the areas for improvement, 3 of which are ranked as high priority, 9 as medium priority.

A high (Critical) priority recommendation means that *"prompt action is required to ensure that UN Women is not exposed to high risks. Failure to take action could result in major negative consequences for UN Women."* The three high priority recommendations include:

Recommendation 1: The Country Representative to: (a) with assistance of the Regional Office organize an independent functional analysis of what is needed to deliver the Country Office's Strategic Note and related programmes, identifying needed functions and skillset, capacity, and number of personnel for a fit-for-purpose structure; (b) Update existing terms of reference/job descriptions and the office's organization chart to ensure clear accountability of each individual and function, reporting lines and authority, including the "who does what, why, when and how" for key processes, and independent project oversight; and (c) Roll out an HR strategy aligned with available and future funding and project staffing requirements.

Recommendation 2: The Country Representative, with assistance of HR and the Regional Office, to address causes of deteriorated working environment, enhance team spirit and respect of ethics principles and the code of conduct in Staff Rules and Regulations of the UN. This should consider the HR mission recommendations depending on the budgetary feasibility.

Recommendation 5: The Country Representative to: (a) Revisit the Country Office's project management and oversight processes, ensuring that key positions are in place and aligned with ProDocs staffing, their roles, accountability and authority are clear; and that programmatic decisions including budget allocations are clearly documented and justified with the ProDoc; (b) Develop a more comprehensive ProDoc budget to link different approved project posts and structure to the approved budget. In this respect,

programme and Operations oversight should be involved and coordinated; (c) Explore the possibility of using a Multi-Partner Trust Fund model, consolidating relevant ProDocs and aligning donor agreements, and moving budget and expenditure monitoring into ERP without relying on a parallel manual system.

The 9 medium (Important) priority recommendations mean that *"action is required to ensure that UN Women is not exposed to risks. Failure to take action could result in negative consequences for UN Women"*. These recommendations are focused on revisiting and strengthening the approach to risk management and ensuring controls and mitigating actions are aligned with risks; ensuring implementation of oversight recommendations; enhancing the monitoring and evaluation function and methodology; revisiting project design to incorporate lessons learned; enhancing processes around working with beneficiaries; strengthening HR processes management; ensuring bottlenecks are removed from the beneficiary payment process; ensuring all ICT systems are effectively used to input data and management reports are generated for effective decision-making; ensuring procurement planning and adequate contract management; and rolling out simple inventory management for programme-related inventory and holding people accountable for using it.

Management comments and action plan

The Country Representative accepted the audit recommendations and provided action plans which are 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

DRF	Development Results Framework
HR	Human Resources
IAS	Internal Audit Service
IBV	Incentive-Based Volunteer
ICT	Information Communications Technology
IEAS	Independent Evaluation and Audit Services
IST	Information Systems and Telecommunications Service
LTA	Long-Term Agreement
M&E	Monitoring & Evaluation
OEEF	Organizational Efficiency and Effectiveness Framework
PGAMS	Partner and Grants Agreement Management System
PMD	Performance Management and Development
RMS	Results Management System
SSA	Special Service Agreement
UN	United Nations
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNOCHA	United Nations Office for the Coordination of Humanitarian Affairs
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
US$	United States Dollars

I. BACKGROUND

The UN Women Country Office is located in Amman, Jordan. The Country Office reports to the Arab States Regional Office. The Country Office's OASIS programme operates in two camps for Syrian refugees and 18 host community centres across the country.

The current Country Representative commenced on 21 August 2022. The former Representative left in June 2022. The Deputy Country Representative position was vacant during the audit mission, the post of the Operations Manager was created and advertised in 2018. The current Operations Manager commenced in January 2019 (previously as Detailed Assignment since May 2018). According to Country Office's organogram from October 2021, the Country Office structure includes the Country Representative at P5 grade, Deputy Country Representative at P4, Operations Manager at P3, Partnership and Resource Mobilization Specialist at P3, Programme Management Specialist at P3, Gender and Humanitarian Specialist at P3, Programme Management Specialist for Women Peace and Security at P3, Institutional Capacity Development Specialist at NOC and Women's Leadership and Participation Specialist at SB5, the OASIS programme manager at NOC. According to OneApp data from as of 5 January 2023, the Country Office had 60 personnel with 17 staff members, 29 service contractors, 11 Special Service Agreement (SSA) contracts and 3 United Nations Volunteers (UNVs). As discussed later in the report the office faced issues with staff turnover and leadership gaps both at senior and mid-management level.

The Country Office's Strategic Note, relevant to this audit, covered the period 2018–2022. Ending Violence Against Women (EVAW) was a cross-cutting theme of work. Other main impact areas included:

- Women lead, participate in and benefit equally from governance systems.
- More vulnerable Jordanian women have access to income security, decent work and economic autonomy.
- More Syrian women and girl refugees and Jordanian women in vulnerable communities contribute and have greater influence in building sustainable peace and resilience.
- Jordanian government and other stakeholders implement global, regional and national normative and policy frameworks on gender equality and the empowerment of women and girls.

The Country Office's overall budget increased each year from 2019 to 2022. Budget and expenditure were summarized in Table 1.

Table 1: Country Office budget and expenditure as of 20 May 2023 (source RMS and Project delivery dashboard)

OEEF / DRF	2018	2019	2020	2021	2022
DRF budget target, US$	9,695,256	10,378,774	13,368,093	18,244,138	16,027,604
DRF actual budget, US$	6,819,841	9,531,935	9,566,791	13,257,141	13,080,800
DRF Resource mobilization rate, %	70%	92%	72%	73%	82%
DRF expenditure, US$	6,851,267	9,751,942	9,427,926	12,637,672	11,924,131
Financial Implementation, %	100%	102%	99%	95%	91%
OEEF budget target, US$	1,371,438	1,149,089	1,371,585	1,644,379	1,649,617
OEEF actual budget, US$	1,012,290	1,214,719	1,416,204	1,337,553	1,722,411
OEFF RM rate, %	74%	106%	103%	81%	104%
OEEF expenditure, US$	976,970	1,218,008	1,388,039	1,318,677	1,332,164
Financial Implementation, %	97%	100%	98%	99%	77%
Total Resource Mobilization target	11,066,694	11,527,863	14,739,678	19,888,517	17,677,221
Total Actual budget	7,832,131	10,746,654	10,982,994	14,594,694	14,803,211
Total Actual Expenditure	7,828,237	10,969,950	10,815,965	13,956,349	13,256,296
Total Resource Mobilization Rate %	71%	93%	75%	73%	84%
Total Financial Implementation rate	100%	102%	98%	96%	90%

According to the latest data shared by the Regional Office in May 2023, the Country Office's overall financial implementation rate against its 2022 budget was 97 per cent.

According to Project Delivery Reports for the period under review (2018–2022), the country field programme comprised 31 non-core funded projects with a total budget of

US$ 51.5 million, funded by a range of donors, including:

- Multi-Partner Trust Fund office and Multi-Donor Trust Funds projects for US$ 2.5 million.
- UN agency bilateral agreements, including projects funded by UNFPA and UNOCHA for US$ 2.0 million.
- Other funding for almost US$ 47 million from a number of bilateral donors.

The Country Office was implementing two major programmes:

- **OASIS** is directly implemented by UN Women in two camps and 18 host community settings and involves cash-for-work assistance for Syrian refugees in camp settings and Syrian and Jordanian beneficiaries in non-camp settings. The programme is funded through three streams.
- **JONAP** (also known as the Jordanian National Action Plan) is implemented through programme partners and is funded by a number of donors.

Atlas-recorded expenditure for the Country Office totalled US$ 10.7 million in 2020, US$ 13.4 million in 2021 and US$ 10.6 million for the period ended 30 November 2022. Overall, UN Women's direct implementation expenditure consisted of staff costs (24 per cent); other personnel costs (23 per cent); contracts with service companies (18 per cent); other operating costs (10 per cent); support cost reimbursement (7 per cent); fixed and intangible assets and their maintenance (6 per cent), learning and recruitment costs (4 per cent); travel costs (3 per cent); communication costs (2 per cent); depreciation (1 per cent), UNV costs (1 per cent) and consumables (1 per cent). The above expenditure included US$ 11.09 million of expenditure (32 per cent) incurred through programme partners during 2020–2022.

As per OneApp Data on 19 May 2023, PGAMS data from 1 January 2020 to 31 December 2022 shows a total of 24 agreements with 21 programme partners for a total agreement value of US$ 4.83 million.

II. AUDIT RESULTS

A. Governance, risk management and internal controls

See Background section for key Country Office data.

In general, the Country Office enters data and updates corporate systems in a timely manner. Its filing system was adequate and allowed IAS to assess all the necessary documents. Implementation of previous audit recommendations was assessed as satisfactory. Risk management and data management were assessed as requiring some improvement while internal governance and structure, and the office working environment needed major improvement. The Country Office needs to conduct a functional analysis of its implementation modalities and ensure that its structure is fit for purpose to deliver on its new Strategic Note and existing programmes. The Country Office also needs to align its internal controls to its risks, applying principles of risk-informed decision-making for its complex programme management; clarify and align the roles and responsibilities of personnel with their respective level of authority, updating where needed the internal control framework and job descriptions. The Country Office needs to enhance its working environment to be productive and ensure respect of ethics principles and the code of conduct in Staff Rules and regulations of the UN.

During 2022, the Country Office had high turnover at leadership and middle management levels. There were issues with the working environment and the results of support missions from the Regional HR Business Partner (April and August 2022) and Operations and Programme Officers from the Regional Office (September 2022) had not been immediately addressed. There were also challenges related to complex large programmes of OASIS and JONAP, both programmes transitioning into next phases after successful negotiations with donors during first quarter of 2023; unique for UN Women direct implementation of humanitarian interventions with a cash-based intervention component; and a complex budgetary management process with a combination of pooled and bilateral funding. These two latter elements did not have sufficient corporate tools and policies to fully support the Country Office, so it has been developing and enhancing its own management tools.

KEY OBSERVATIONS AND CONCLUSIONS

Observation 1: Internal governance and office structure

The Country Office has received significant resources over the past few years with a relatively large portfolio compared to other offices in the region. Teams are clearly separated between key programmes (OASIS and JONAP); and the office's technical capacity was generally assessed as adequate to implement the programmes; however, IAS noted the following issues related to internal governance:

Changes in structure, roles and reporting lines: The Programme team structure changed several times in 2021 and 2022, e.g., creating and later closing some functions such as the Programme Support team. The roles between the Programme Support team, Deputy Representative and Operations were not clearly defined, and there were gaps in understanding about who does what, when and how in terms of programmatic oversight. The situation was complicated by the turnover of personnel without, apparently, clear communications and coordination of handed over tasks. Accountability lines had become vague, particularly in terms of documenting decisions about financial management, allocation of budgets and availability of budgets.

Evidence collected by IAS through personnel interviews and a survey (led by IES), the review of regional support mission reports, documentation provided by the Country Office and observations during field visits suggested some lack of clarity in terms of roles, responsibilities and reporting lines, instances of engagement in activities beyond job descriptions/Terms of Reference, and instances of unclear and fragmented

communications within teams and from management.

There were instances of personnel performing duties or activities outside of their Terms of Reference/ job description, for example, some decisions in the selection of beneficiaries, which should have been better documented and escalated as exceptions to local procedures for Country Office senior management endorsement. Otherwise, this creates a potential situation of personnel exceeding their authority in taking decisions.

Fit for purpose office structure and implementation approach: The Country Office's staffing structure was not fully fit for purpose, including for the direct implementation model of the OASIS programme. Some functions were under-resourced or under-valued considering their importance in ensuring oversight and independence (e.g., monitoring and evaluation, grievance mechanisms and safeguards).

While there was no corporate requirement, there had been no functional analysis carried out to ensure that the growing field programme and strategic priorities were aligned with the office structure needed to deliver on the Strategic Note. In particular,

- Rapid growth of the OASIS programme, expanding it to host communities but without fully appraising key risks/implications and the delivery model, including the staffing structure needed to implement and monitor such a geographically dispersed programme.
- Financial complexity of managing a combination of pooled and bilateral funding under JONAP and OASIS.
- New funding for existing programme was not always accompanied by details about project staffing and structure (capacity, skillset and number).

- Work was also unevenly distributed between certain functions and units where personnel interviewed by IAS indicated that some were overwhelmed, while others could have been utilized better.

Recommendation 1 (High):

The Country Representative to:

(a) With assistance of the Regional Office, organize an independent functional analysis of what is needed to deliver the Country Office's Strategic Note and related

programmes, identifying needed functions and skillset, capacity, number of personnel for a fit-for-purpose structure.

(b) Update existing terms of reference/job descriptions and the office's organization chart to ensure clear accountability of each individual and function, reporting lines and authority, including the "who does what, why, when and how" for key processes, and independent project oversight.

(c) Roll out a long-term HR strategy aligned with available and future funding and project staffing requirements.

Observation 2: Working and control environment.

The Country Office's working environment was not productive: there were signs of mistrust, tensions, limited information exchange and potential indications of professional working environment concerns. Many personnel reported a lack of transparency in Country Office budget decision-making related to their contracts which created a perception of potential job insecurity, creating risks of potential rumours; fear of retaliation; feelings of lack of motivation/disappointment; perceived lack of equal opportunities for career progression; risks of perceptions of potential discrimination or favouritism.

Two HR support missions were conducted during 2022 but the recommendations arising from these missions had not been addressed in a timely manner.

Recommendation 2 (High):

The Country Representative, with assistance of HR and the Regional Office, to address causes of the lack of productive working environment, enhance team spirit and respect of ethics principles and the code of conduct in Staff Rules and Regulations of the UN. This should consider the recommendations of the HR missions depending on the budgetary feasibility.

Observation 3: Risk management process and mechanisms to ensure fraud prevention and detection

The Country Office followed the corporate process for risk management and complied with timeframes in submitting periodic risk assessments.

However, IAS noted that risks and internal controls in the Country Office were not fully aligned. While in general the office complied with corporate policy, procedure and guidance, in some cases inherent risks related to direct implementation and cash-based interventions were not effectively identified or addressed. It is also pertinent to note that there are currently no corporate policies on management of cash-based interventions and related management processes around working directly with beneficiaries. Examples of risks included safeguards over the grievance mechanism, inherent risk in the selection processes and risk of potential perceived favouritism.

IAS' review of the Country Office's risk register identified several areas for improvement in terms of increasing the risk rating for some issues (e.g. legal risks associated with use of standard operating procedures and Incentive-Based Volunteer [IBV] contracts; project management and oversight; and governance in terms of accountability, capacity and authority); revisiting mitigating actions to make them more effective; and adding risks related to hybrid pooled funding management and implementation of cash-based interventions. Some issues escalated to the Regional Office were not reflected in the risk register, making it less relevant and useful.

IAS reviewed the fraud risk assessment conducted by the Office in 2021. Some risks were not effectively addressed, which were mainly linked to the specific nature of programmes and implementation approaches. For example, some risks associated with the direct implementation of the OASIS programme and associated potential fraud, corruption and other potential prohibited behaviour issues, and insufficient management oversight were not addressed. According to the Office, this was partly due to inflexibility of a standardized corporate tool which has been already updated in 2023.

IAS also reviewed the risk registers of individual projects and found they were quite generic, mainly focused on the external environment (capacity of partners, security, etc); did not always discuss internal implementation risks; and mitigating actions were generic. The project risk registers did not consider impact, livelihood and the overall risk

score of identified risks and the mitigating actions did not always address the actual risks. No periodic reporting on the effectiveness of risk management actions was conducted. One donor consulted during the audit highlighted the need to enhance risk management in the Country Office, including safeguards against potential fraud, abuse, harassment and exploitation.

Recommendation 3 (Medium):

The Country Representative to revisit the approach to risk management, ensuring the process is a basis for making decisions and aligning controls and mitigating actions with specific inherent risks. Regular reporting on the mitigating actions implemented by the risk owners should also take place to ensure that risk management is effective and that safeguards against key inherent risks are in place. The Country Office's fraud risk assessment should also be updated to address some specific inherent risks.

Observation 4: Follow-up and sustained implementation of oversight recommendations

Overall, the Country Office addressed many recommendations from oversight reports in a satisfactory manner. In particular:

- In 2018, IAS audited the Country Office and made three medium-priority recommendations, one of which was corporate in nature. The two recommendations addressed to the Country Office related to recruitment challenges and updating the agreement with UNDP.

- Partner audits for 2020–2021 did not have large financial audit findings (total US$ 6,900). As of date of this report these financial findings have been implemented. Thirty-two findings were raised, mostly rated low or medium severity, 17 of which were financial. While the corporate partners system only tracks financial findings, the Country Office is still responsible for ensuring that partners address the management control findings.

Implementation of evaluation recommendations needs improvement:

- Some evaluation recommendations in the GATE system were not recorded as presented in the evaluation report, e.g., the National Strategy for Women evaluation, which was not only addressed to UN Women, raised 30 recommendations, while only seven were recorded in GATE and several recommendations in the report were grouped into one recommendation in GATE. Moreover, in the Hamayati Joint Programme evaluation, six recommendations were recorded in GATE from a total of eight in the report. Management had accepted all the recommendations but did not provide implementation status.

- EID bi Eid (Oasis Programme) evaluation recommendations were fully recorded in GATE and accepted but not all were fully implemented, especially those related to out-of-camp employment, linkages with private sector and the enhanced results-oriented monitoring system. See CPE on key findings.

- The Women, Peace and Security evaluation recommendations were fully recorded; however, some were only partially accepted, and it was not clear if the recommendations had been fully implemented.

Recommendation 4 (Medium):

The Country Representative to establish a sustainable mechanism to ensure that oversight recommendations are uploaded in full (in case of evaluations); monitored for full implementation or closure as non-accepted or outdated; and reported to the Country Team on a regular basis.

B. Programme planning and implementation

The field programme of the Jordan Country Office is large and complex. The CPE assessed, *inter alia,* its effectiveness, sustainability and impact. IAS reviewed audit criteria related to the overall project oversight and monitoring, project design and implementation, and management of programme partners. IAS relied on the CPE's interviews of external stakeholders and complemented the CPE's work with additional testing of controls around working directly with beneficiaries including Accountability to Affected Population principles including effectiveness of grievance mechanisms. IAS engaged an independent consultant to survey randomly selected beneficiaries of OASIS programme.

There were some areas for enhancement in management oversight, project design, project risk management and controls around working directly with beneficiaries. In general, beneficiaries of the OASIS programme that were contacted by IAS indicated that they were satisfied with the programme's interventions; the cash-for-work component had an immediate positive influence on their lives, and it was appreciated for providing them with dignity and some level of financial freedom during the period that they were engaged in the programme. The Country Office used a competitive selection process for most programme partners and the partners visited by IAS indicated their satisfied with UN Women's project implementation arrangements. IAS' review of programme partner management and their narrative reports indicates that the partners have made progress in advancing UN Women's mandate. Programme partner activities are designed with the objectives of the overall programme in mind and exit strategies are well documented/communicated within the team and its programme partners. Within JONAP, there was good cooperation with the UN Women headquarters Women, Peace and Security desk and the JONAP programme team conducted several high-level events with headquarters support. Strategic coordination with the Regional Office could be more active in terms of resource mobilization, even though the JONAP programme team collaborated with the Regional Office for a joint proposal to a donor.

There is a need to enhance project management and oversight processes; ensure key positions are in place to support programmes; and explore the possibility of running multi-donor programmes as a Multi-Partner Trust Fund model. In particular, the Country Office's monitoring and evaluation function needs to be strengthened and involved in independent data validation process before results are reported. There is a need to revisit the design of the OASIS programme and address issues identified in the Regional Office's quality assurance mission report, this audit and the CPE, ensuring sustainability and increasing value for money for the intended beneficiaries. The beneficiary selection and grievance mechanism should be in line with Accountability to Affected Population principles and regular oversight should assess the effectiveness of processes.

KEY OBSERVATIONS AND CONCLUSIONS

Observation 5: Programme and project portfolio management in terms of governance, design, risk management and oversight

Oversight and accountability

While the Country Office's field programme has grown, management oversight and monitoring (both programmatic and operational) were not fully aligned with this growth and complexity to ensure the effectiveness and sustainability of programmes.

See also Observation 3. The Country Office's monitoring and evaluation function was under-resourced comparing to the size and complexity of the field programme (see below). There was no overall management plan to consolidate and oversee all the projects and agreements. One programme associate was responsible for providing administrative and financial support to both the Humanitarian and Women's Economic Empowerment portfolio – representing approximately US$ 8 million of the Country Office's total portfolio while the programme oversight arrangements did not foresee the Operations team involvement. The Operations team should perform some tasks like financial management of the OASIS project and issues with blockchain process which are currently handled by the programme associate to ensure the proper distribution of

tasks and better separation of controls.

Programmes such as OASIS were directly implemented by the Country Office where the Terms of Reference/ Job Description of the personnel involved in implementing the OASIS programme was not always aligned with tasks and responsibilities listed in the Standard Operating Procedures - see above Observation 1.

Field programme financial and budget management

IAS noted that for the OASIS and JONAP programmes the Country Office's process of allocation of multi-donor funding between different projects, budgets and costs was not always effective and clear: there were different start and end dates between the project document and donor agreements which complicated the budget management. For example, while the projects ended on 31 December 2022, one contributing donor agreement was ending on 14 July 2023 while another agreement on 31 March 2023. For OASIS, the issue was further complicated by the fact that some donors were providing unearmarked funding for OASIS and the Strategic Note (pooled funds), while some had separate ProDocs with earmarked funds. The allocation of funds under different projects, outputs and activities was not clear due to the lack of documented methodology within the Country Office and insufficient corporate guidance. It was difficult to align those separate projects with a consolidated staffing structure and related contractual arrangements. The detailed budget allocation between a large project team and non-personnel direct implementation costs was managed in a manual budgeting system in Excel rather than corporate system (noting that old system did not have proper functionality to manage such complex hybrid modalities) which was complicated to understand and maintain. Therefore, according to personnel interviewed and information reviewed, decisions made in terms of the availability of funds and allocations were not always fully documented in terms of audit trail and transparent to personnel.

Due to manual workarounds to trace the data of personnel contracts, project and donor agreement end dates, there were instances of inaccurate recording of personnel contract expiration dates and donor agreement not to exceed dates, which affected the accuracy of funding availability confirmation. To ensure the administrative sustainability of some personnel involved in cross-cutting themes when their project funding ended, their remuneration was allocated to other ongoing projects without having a clear link

to the ProDoc staffing and budget. Often this turned into adjustments and reversals between projects. This creates additional workload for project and operations teams.

The financial and budget management of JONAP is similar to the OASIS programme with the exception that JONAP budget management was more streamlined in regard to implementation between programme personnel and six programme partners.

Project delivery

The project delivery report for 2022 showed that a number of projects were suffering in terms of financial implementation rate and some projects had less than 50 per cent delivery even though the year has already ended. As of 2 March 2023, the overall financial implementation rate for 2022 according to the project delivery dashboard was 85 per cent, which was improved in May 2023 to 97 per cent. According to the OneApp dashboard, three outstanding projects should be operationally closed.

IAS noted that the OASIS project had been behind in terms of achieving its targets according to the 2021 progress report submitted against the pooled funds. **The annual target of 4,200 beneficiaries receiving cash-for-work assistance was reduced to 2,100 by country office management; however, as per the annual report, the actual number of beneficiaries reached was 931**. The same report mentions that **the number of women accessing work permits within three months of the cash-for-work rotation was 15 against an annual target of 200; and the number of women accessing a job placement was 41 against an annual target of 300**. The results achieved should be considered vis-à-vis financial spending to ensure expected programmatic value for money.

Monitoring and evaluation

The Country Office's monitoring and evaluation (M&E) function was under-funded and did not have sufficient capacity to provide comprehensive monitoring for the Country Office's large and complex field programme portfolio. M&E methodologies were also not adequately designed to cover all project result indicators, nor were there detailed M&E plans. The Country Office explained that monitoring of the OASIS programme was mostly carried out by the programme manager. Ideally, key elements of programme monitoring should be performed by independent specialists qualified in results-oriented monitoring. Project monitoring mainly focused on activities, while the results

and impact of the activities were not always measured. M&E unit was not always able to validate the data reported by project managers on the number of beneficiaries. This creates a risk that data could be incomplete, inaccurate or potentially overlap.

For JONAP, UN Women supported the Jordanian National Commission for Women to establish the M&E technical working group and the final JONAP indicator framework and its baselines. The framework was developed in a participatory manner and included the entities responsible for collecting relevant data for the performance indicators and the frequency of data collection. However, not all indicators appeared SMART.

Reporting

As of 15 June 2023, the OneApp donor reporting dashboard shows between 2020 and 2022 twelve reports of 113 reporting commitments were submitted with a delay. At the same time, due to the number of different donors and its typology, the OASIS programme had a complex reporting structure. It was further complicated by different reporting timelines and different project end dates. The donor interviewed by IAS expressed the need of more impact-based reporting. This was also validated by IAS during its review of the project reports submitted to donors. Moreover, **IAS faced challenges in obtaining reliable consolidated data related to beneficiaries** for the three-year period under review.

IAS noted that the process of identification and allocation of programme funding to different donor funding streams was not always clear and easily understandable. There was no independent validation of the beneficiary data reported and the local system developed to track this information has not been used consistently to record data (see Observation 11 in the Operations section). Therefore, IAS was unable to reconcile the number of actual beneficiaries with the total reported in three donor reports (for pooled funds and two bilateral donors): the total number of beneficiaries reported was over 4,000 which was well over the 1,809 reported in the progress reports in the corporate Result Management System against the same indicators or from the consolidated beneficiary data analysed by IAS. However, the reporting periods between the three main reports differ which might explain some of the discrepancies but cannot fully justify the differences between the total numbers reported. In IAS's view, the project team was unable to provide a satisfactory explanation for this difference.

Beneficiary data should be available for senior management for each year, to monitor progress and performance and make programmatic decisions.

Recommendation 5 (High):

The Country Representative to:

(a) Revisit the Country Office's project management and oversight processes, ensuring that key positions are in place and aligned with ProDocs staffing, their roles, accountability and authority are clear; and that programmatic decisions including budget allocation are clearly documented and justified with the ProDoc.

(b) Develop a more comprehensive ProDoc budget to link different approved project posts and structure to the approved budget. Linked to this, programme and Operations oversight should be involved and coordinated.

(c) Explore the possibility of using a Multi-Partner Trust Fund model, consolidating relevant ProDocs and aligning donor agreements, and moving budget and expenditure monitoring into ERP without relying on a parallel manual system.

Recommendation 6 (Medium):

The Country Representative to:

(a) Ensure the monitoring and evaluation framework, methodology, function and tools are revisited and focused on result-resources frameworks, measuring the changes, impact, performance against targets and value for money.

(b) Enhance the data validation process so that data reported are independently validated outside the project team, including clear accountability, authority and capacity of the parties involved.

(c) Ensure programmes are designed considering value for money and maximizing benefit for beneficiaries; and regular monitoring and post-implementation impact assessments are carried out independently from project teams to ensure improvement in the lives of beneficiaries and their satisfaction with the Country Office programmes.

Observation 6: Project design

Project design

The design of the OASIS project originally focused on providing a form of safe space, community activities and health services in partnership with UNFPA. Cash-for-work interventions were slowly introduced in 2014 as an incentive to attract women to safe spaces and centres. Over time, the project evolved as a short-term cash support intervention in exchange for services based on IBV contracts which later evolved to provide additional services and support to the IBVs, including childcare facilities (which were particularly appreciated), literacy, English and basic computer skills classes not only for IBVs but also for children after-school or young females who were apparently not eligible for UNICEF schools due to their age. Some of these services could have been improved in terms of their relevance and productivity. Some qualitative benefits from the combined spectrum of services could be better captured in the results framework, measured and reported as impact indicators.

IAS noticed that the basic computer skills courses sometimes lasted for three months – as only basic skills were taught, this might be considered an excessive duration compared to its value unless better structured. Other training curriculums should be also revisited to ensure they are relevant and that the trainers employed are qualified. Currently, trainers are considered IBVs and are subject to rotation; therefore, UN Women cannot always guarantee that trainers have the required competence and experience. If the programme is to continue in its current form UN Women could think about having experienced and qualified trainers on different contracts, or their rotation could be longer. Moreover, some training courses, such as agriculture, while interesting for IBVs did not apparently result in any sustainable jobs or businesses. The IBVs interviewed said they had small gardens to grow spices or tomatoes, but they hadn't obtained work or were able to grow sufficient produce to sell at market.

The main training services provided to beneficiaries were tailoring, hairdressing and other technical training courses. However, other individuals were also engaged to support these technical main services, e.g., cleaners, guards etc. In host communities, at the time of the audit this ratio was circa 80-85 per cent technical to 20-15 per cent support services; while in the camp (Zaatari) it was 40 per cent to 60 per cent

respectively (IAS would like to quantify that the data used might not be fully accurate due to the absence of consolidated reliable data – see Observation above). In camps, the support ratio was high, which was not foreseen in the ProDoc design so the project might be at risk of losing its focus and spending a substantial proportion of funds on non-technical IBVs, unless the project is adjusted to reflect its focus also on non-technical IBVs who, based on IAS interviews, are also benefiting from the project. At the same time, the camps are able to train only limited number of IBVs on technical capacity due to limited availability of space.

IAS noted that the OASIS programme interventions had been the same for some time and might not be as relevant as they were originally, as after training the employability of so many technically trained IBVs might not be feasible. Moreover, the sustainability aspects of the programme had indications of being rather limited. IAS interviewed a large number of beneficiaries (more than 200) during its field visits and by phone call, and only few IBVs had opened their own business or obtained work. This indicates potential issues with the original assumption in the ProDoc and related Theory of Change. Some other organizations with similar programmes have provided small grants or equipment or have "open days" for their former IBVs who can use the facilities for tailoring and other skills. One of the potential outcomes of the project was to aid IBVs in securing work permits to enable them to generate income after completion of the training but this has not progressed very well. Against the annual target for 2021 of 200, the programme reported that it was able to achieve only 15 in 2021. The donor report submitted noted "Due to the protracted closure of various economic sectors during COVID, it was difficult to support women to apply for job permits. Similar considerations apply for the business incubator." This was validated through discussions with Country Office personnel, stakeholders met as well as through calls with beneficiaries.

Another issue with the design of the OASIS programme was its direct implementation modalities. UNHCR informed that UN Women is the only agency currently directly implementing the programme in camps and signing IBV engagement agreements. According to the UN Women Legal Office, the agreement that is signed with the IBVs represents a significant legal risk as it is not aligned with UN Women's policies, procedure, rules and regulations as included in the PPG framework, and does not include required minimum protections for UN Women. This might lead to adverse legal consequences and reputational risks. Other agencies implement similar programmes

through programme partners. Similarly, the "Camps Standard Operating Procedures" for camp management are not recognized or approved as part of UN Women's PPG framework, which could also lead to adverse legal consequences and reputational risks.

Exit strategy

A sustainability and exit strategy have been elaborated for the OASIS project however it should be revisited to ensure it is still feasible.

In IAS's view, JONAP should have a phase-out strategy after phase 2 to ensure capacity of its programme partners to continue the work of UN Women at the JONAP Secretariat within the next few years.

Risk matrix

As was already noted earlier in this report, OASIS phase IV has a detailed risk matrix along with the project document which seems to cover some of the key risks and mitigation strategies. However, a risk rating against each risk is currently missing and monitoring of the effectiveness of mitigating actions should be regularly conducted. A similar observation was noted with JONAP risk management which was also highlighted as an area for improvement by the donor interviewed by IAS.

Recommendation 7 (Medium):

The Country Representative to revisit the design of the OASIS programme and address the issues identified in this audit and the CPE including, the Theory of Change, implementation approach and modalities, relevance and substance of the training provided, ratios of support versus technical IBVs, its target for work permits, the sustainability of the programme achievements after the training is over and overall exit strategy. The Country Office should consider exploring options of implementing OASIS through programme partners or revisiting the IBV engagement modalities.

A similar exercise should be conducted for JONAP and other programmes for key transferable lessons.

Observation 7: Processes around the selection of beneficiaries and

management of beneficiary complaints

Systems and processes when working directly with beneficiaries.

After a lesson learned memo from IEAS was issued in 2020 to enhance the grievance mechanism, the Country Office made attempts to revise the process. Several routes were adopted: complaints boxes at the project premises, email and telephone hotlines etc. However, some were not sufficiently independent, e.g., the hotline and complaints boxes were managed by personnel who were also involved in the project and recruitment of IBVs. Their Terms of Reference of have not been updated, and they performed such duties without specific delegation of authority. This created conflicting responsibilities and did not ensure the independence of the grievance mechanism. Moreover, the personnel mentioned that they had not been trained, and tools were not available to guide them.

The Country Office's protection team had conducted several awareness-raising activities, but the team was reporting to the project manager and its role was sometimes misunderstood. During 2021, some IBVs reported significant issues with existing arrangements to the protection team. The report with recommendations was prepared, submitted to management for actions and presented to the project team, which represented good practice in Accountability to Affected Population principles. Senior management requested that project personnel receive further training. However, as at end 2022, the recommendations to ensure independence had not been fully addressed or reinforced, until January 2023, when complaints handling responsibilities were moved from the project personnel and reporting channelled directly to the Country Representative. However, project personnel may still be involved in with some complaints, e.g., submitted via complaint boxes. Therefore, the mechanism should be mapped and revisited to ensure Accountability to Affected Population principles are fully respected.

IAS engaged an independent consultant to assess the usefulness and effectiveness of the systems and processes around working directly with beneficiaries. IAS selected a sample of 100 beneficiaries from the data provided by the Country Office and managed to reach 75 people despite several attempts.

The 75 beneficiaries contacted by IAS were located across two camps and 18 host community centres. Based on the calls and interactions with the participants in the programme IAS noted the following:

- Programme participants expressed happiness that the project had helped them to reduce financial burdens as well as provided them with an opportunity to engage with other likeminded people and they had made friends.
- 15 per cent of those reached did not know the criteria of selection or how to answer the questions asked during screening.
- In general, programme participants stated that management and supervision of the project was good, and they did not notice any potential wrongdoing.
- Participants stated that classrooms appeared to be very small to accommodate all the trainees at once.
- Five per cent of those reached were not sure about how much they supposed to be paid.
- The majority of programme participants that had participated in tailoring courses mentioned that although they had learned a great deal, but they could not make a living from tailoring as they did not have sewing machines.
- Some programme participants expressed the need for longer training as well as adding additional training streams to the existing sewing, hair dressing and tailoring courses.
- Programme participants expressed some concerns that there had been no follow-up after the training, and they were expecting to be referred for jobs.
- Some indicated that the techniques taught were outdated.
- The majority of those that we spoke to were aware of the complaint's response mechanism.

Selection of beneficiaries

IAS noted that the selection of beneficiaries for the OASIS programme was not always transparent due to the absence of effective oversight by the personnel independent of programme implementation team. IAS interviewed a group of applicants not selected for the programme and there was a general perception of lack of transparency and fairness. During the interview of IBVs in the camps, some told IAS that they had handed their applications to IBV guards or receptionists. Shortlisting and selection of

beneficiaries rested with project personnel which was not always clearly documented to show that the selection process was focused on Accountability to Affected Population principles. The interview sheets were very basic and did not contain any technical or key questions to show how one candidate met the selected criteria over another. IAS observed better practice at the host communities visited (4 centres of 18) where the process of long and shortlisting was better documented; external panellists were present at interviews; and IBVs' vulnerability criteria was scored. The selection and systems and processes for working with beneficiaries in host community settings is conducted in collaboration with the centre managers from the relevant ministry.

During December 2022, the Country Office introduced an online portal to collect the applications and conduct the initial shortlisting of beneficiaries and to reduce the risks of real or perceived influence of project personnel in the IBV recruitment process. OASIS personnel noted a need for several areas for improvement as system enhancement e.g., better qualifying questions and the possibility of attaching supporting documentation, and an improved scoring system to avoid longlisting ineligible IBVs, etc. Moreover, in the camps some interviews were conducted by camp personnel themselves without the presence of independent panellists which remains an inherent risk and could be enhanced by the good practice used in host communities where the panel was set up.

Some decisions on increase of certain types of IBVs (e.g., guards), their longer rotation and employment with other entities outside the camp was taken by the project personnel without documenting and escalating these decisions for formal senior management endorsement.

Recommendation 8 (Medium):

The Country Representative to ensure that processes around working with directly beneficiaries is compliant with Accountability to Affected Population principles, including the selection of beneficiaries and grievance mechanisms. In both direct implementation and programme partner involvement, there is a need for regular and independent monitoring of process effectiveness. The system for beneficiary selection should be enhanced based on lessons learned from previous selection processes, and independent panel members should be present during selection interviews.

C. Operations

See Background section for details. According to the Atlas Purchase Order report, the Country Office raised 669 purchase orders between January 2020 and December 2022 for procurement of goods and services totalling US$ 11.7 million; 309 purchase orders for travel-related expenses totalling US$849,000; and 164 purchase orders for consultants totalling US$ 3.85 million. Ninety-four per cent of purchase orders issued by the Country Office are within the US$ 50,000 request for quotation limit, meaning that the office could fulfil its needs through micro purchasing (416 purchase orders for US$ 771,000) or request for quotation (212 purchase orders for US$ 3.45 million). As per the Assets in Service Report, the Country Office has 212 capital assets with a cost of US$ 828,392 and Net Book Value of US$ 212,340.

IAS reviewed a sample of transactions, and in general controls for procurement of goods and services were working efficiently and documentation was in place. Satisfactory controls were also in place to manage the travel function and appropriate documentation was available with the selected sample of travels. The Country Office also used Long-Term Agreements (LTAs) on a consistent basis. The physical verification of assets conducted by IAS noted that most assets were in place and had been tagged. The Country Office maintains a list of non-capital assets in the office as well as in the camps. The Country Office also maintains a list of all assets in the custody of partner organizations and has valid insurance coverage for its vehicles. The Country Office monitors compliance with performance management as well as mandatory trainings.

The Country Office has a full-time security assistant at G6 level which is a significant human resource investment compared to other UN Women Country Offices considering the security level in Jordan. According to the Country Office, the post was established in 2019 given the growth in the humanitarian context in the refugee camps which necessitated an increase in the number of personnel and assets. The Combined Security Level in the country is low, with crime, hazard and unrest medium, terrorism – low and armed conflict – minimal. Overall, the Country Office complied with Security and Safety requirements (Dashboard compliance rate is 99.7 per cent) and with Business Continuity and Crises Management (BCCMA). IAS notes that the commercial lease agreement for office premises is valid until 31 October 2023. The Country Office was identified by Headquarter for cost efficiency target, but nothing has started yet. As this will be a time-consuming exercise, IAS strongly advises initiating planning and due diligence as soon as possible.

IAS assessed that procurement needs some improvement in terms of the timely planning of programmatic needs for procurement and enhancing its HR selection process. The Country Office also needs to ensure its programmatic inventory is properly accounted for, including its movements between camps and final products.

KEY OBSERVATIONS AND CONCLUSIONS

Observation 8: HR processes management

While the Country Office had established HR Management planning processes, vacant posts have been quite high due to staff turnover. Programme personnel posts were not always aligned to approved ProDoc budgets (see Observation in the Programme section).

As of January 2023, the Country Office had a 100 per cent compliance rate for completion of mandatory training. Consultants under SSAs were provided with a performance rating at the end of their contracting period.

Recruitment of service contract personnel

For the recruitment of several field assistants on special contracts for the OASIS programme, the panel's composition was not well-balanced and did not have sufficient competence (e.g., programmatic experience) or independence from project management. Two panel members were involved in the project, while one did not have

a technical background. This could compromise the panel's perceived independence as well as its technical competency. The quality of candidate shortlisting could also be improved and validated by operations manager as the limited review of longlists for some recruitments suggested that some of the shortlisted candidates were less qualified compared to others on the longlist. While the Vacancy announcement required proven experience related to gender equality and women empowerment IAS observed that some successful candidates sampled by IAS did not appear to have the required experience.

Recruitment of consultants under special service agreements

The Country Office raised 164 purchase orders amounting to US$ 3.85 million for consultants on SSAs between 2020 and 2022. IAS reviewed eight high cost SSA contracts and although all consultants under these SSAs appeared qualified and recruited under a competitive selection process, they were also highly paid considering their longer-term contract nature, with total fees of between US$ 165,000 and US$ 304,000 for three years under review. While the office respected the overall fee scale, IAS believes that some positions could have been migrated into staffing positions, while some could be lower graded to reduce the fees.

Learning and Development Plan

The Country Office had a draft learning and development plan from June 2022 which was not finalized at time of audit. The country office arranged couple of trainings during 2022 against the draft plan focusing on key trainings not requiring any financial resources.

Personnel attendance system

Field personnel use the same leave management system as Country Office staff, but because of their remote working arrangements, especially in the camps and host community centres, there was no system to validate field personnel presence, so there is a risk of unjustified absences. UNHCR uses a card login system to validate leave, which if feasible could be used by UN Women to mitigate the risks.

Recommendation 9 (Medium):

The Country Representative to:

(a) Ensure that recruitment panels have a diversified composition. In addition, to strengthen operational oversight, the operations manager could validate candidate shortlists in terms of the adequacy of candidates.

(b) Ensure the fee agreed with consultants is negotiated based on the grade and position needed by the office.

(c) Establish a presence validation system for field personnel.

(d) Ensure all learning and development plans are finalized and tracked to meet capacity development needs.

Observation 9: Cash for work

Delays in payments to OASIS beneficiaries

There were instances where payments to beneficiaries of the OASIS programme were delayed, e.g., in September 2022 the IBVs from host community centres were not paid for two months; according to the normal process, it should take 20 days for WFP to process the payments to IBVs once they receive UN Women's advanced payment. In January 2023, due to the Country Office's delayed submission to the headquarters Procurement Review Committee (PRC) and the time taken by the PRC there were again delays and the camp IBVs were not paid on time.

Recently, the Country Office informed IAS that the licence for the domain which hosts the blockchain system had expired and, as a result, there have been further delays in the processing of payments. The delays in payments to IBVs mainly occurred due to the lack of a documented end-to-end (step-by-step) payment workflow with required monitoring of such things.

In host communities the system for payments to beneficiaries was not always effective: cash was not always available for withdrawal, there were limits on withdrawals and as a result the beneficiaries are not able to withdraw all the money in their account. The bank used by the Country Office does not have branches in all areas; therefore, UN Women had to organize transportation for IBVs to collect their money. Some external

parties interviewed mentioned mobile payment facilities had been introduced by the government during the COVID-19 pandemic through the social security system which were more effective.

Cash-based intervention accounting

The cash transferred to beneficiaries is recorded under Contracts with Service Providers. During 2020–2022, the total value of cash transferred to beneficiaries and 1–3 per cent of commission to the financial service providers amounted to US$ 3–4 million annually. The forecasted expenditure for 2023 is US$ 5 million. In the context of another unrelated assessment IAS has already raised recommendations on the need for a policy and system for cash-based interventions. The Financial Management Section is invited to create a dedicated cash-based intervention account.

Recommendation 10 (Medium):

The Country Representative to document the workflow for the payment delays, timely plan and manage the risks related to the payment modalities, clarifying roles between teams and individual accountability for managing and overseeing these issues.

Observation 10: Strengthening ICT management

Overall, the Country Office had sufficient capacity to manage ICT resources. Until December 2022, the ICT function was performed by an ICT assistant on service contract but after his separation from the office, the position was vacant awaiting for recruitment. ICT staff from ROAS was deployed to cover for the role.

Having dedicated personnel helped the Country Office to comply with the Corporate Information Security and Compliance requirements. While the latest information reported by the Country Office was from August 2022, overall compliance was 97 per cent, consisting of end point management at 100 per cent and InfoSec Awareness Training at 83 per cent, which improved to 92 per cent in January 2023.

OneApp platform

In general, the Country Office entered data and updates corporate systems in a timely manner, including security, ICT and others. Its filing system was adequate and allowed IAS to access all the necessary documents. However, and as already noted, IAS noted issues with inaccurate or incomplete data on beneficiaries. The OASIS programme requested that the headquarters Information Systems and Telecommunications Service (IST) develop a beneficiary platform to register IBVs. As the platform was developed and hosted by headquarters, cybersecurity, data management and any issues of vulnerability is the responsibility of IST. The platform appears to be a good tool to manage IBV information; however, the dashboard and data entry fields need to be improved to provide data for each rotation, e.g., rotation number and year, IBV contract dates and skill set. IAS noted that although the system has the capability to generate useful information, it has not been used consistently to populate latest information and to generate management reports. IAS was unable to validate information received from the programme team with the information available in the system, as well as the information reported to donors via donor progress reports. There is a risk that data produced and reported by the system may not be complete, accurate and fit for use in management/donor reporting.

Beneficiary selection system

The newly introduced beneficiary selection system was a good practice to reduce a risk of perceived favouritism and ensure transparency and adequacy in IBV selection. Some good lessons learned had been observed by field personnel who were involved in the earlier manual selection process. These lessons should be collected, analysed and, where required, included in the new system to enhance processes. However, the system has not been cleared by IST in headquarters as required by PPG.

Recommendation 11 (Medium):

The Country Representative to ensure that project teams use the Country Office's existing systems, and that data captured is completely and accurately recorded and used for efficient decision-making and progress reporting. Capacity within the Country Office's ICT function should be enhanced, and the function should be responsible for monitoring the platforms and systems used by the office with support from IST, including data management, protection and cybersecurity aspects.

Observation 12: Procurement and inventory for OASIS project needs

A significant portion of the Country Office's procurement needs relates to programmatic goods and supplies for OASIS centres. These supplies are used during various vocational training courses provided by the OASIS programme. IAS noted that in the past the programme team had a practice of ordering the same quantity of these supplies without considering their actual usage and consumption. Effective controls around record keeping of inventory were not in place. IAS noted that some materials and finished products were in warehouses while trainings had finished prior to the audit visit.

Several field personnel complained about the quality of the materials, which IAS saw as quite sub-standard. The plastic furniture for classes was very poor. This feedback from the field staff was not always regularly collected, consolidated and addressed with the suppliers. Field personnel needs to document cases of poor-quality materials so that the Procurement team can take action. Moreover, technical specifications for some of the procured items could be revisited to ensure in the future they are more durable and represent better and longer-term value for money.

The Country Office procures a substantial amount of programme-related inventory including sewing, cleaning and tailoring materials and other items for which no proper inventory control documentation was fully available in the camp settings. In the host community settings visited by IAS (4 of 18), field personnel had clear workflows and controls to account for the inventory items as well as the movement of inventory, i.e., opening stock, purchases during the year and closing inventory at hand. This good practice could be transferred across all field settings.

In the camps, IBVs produce baby kits which are later donated to UNICEF. Reportedly, more than 2,000 baby kits have been produced in 2022. However, there is no systematic control on the number of kits produced/supplies consumed during the process of producing the baby kits. In the host communities IAS visited, field personnel maintained a file with uniforms produced and distributed to local schools, including supporting documents to confirm the materials used versus uniforms produced, and school management confirmation on uniforms received and distributed to the students. This best practice in inventory management should be rolled out to all centres.

Recommendation 12 (Medium):

The Country Representative to ensure that programme managers are accountable for timely procurement plans (e.g., six-month rolling forward plans updated on a monthly basis) regularly submitted to the procurement team; and for the regular coordination and exchange of information for procurement transactions and further contract management (quality of goods etc).

The Country Representative to document and roll out a simple inventory management system used by host community personnel and hold field personnel accountable for maintaining the system.

III. RECOMMENDATIONS AND MANAGEMENT ACTION PLAN

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
Observation 1: Strengthening internal governance and aligning the office structure to be fit for purpose	Recommendation 1: The Country Representative to: (a) With assistance of Regional Office, organize an independent functional analysis of what is needed to deliver the Country Office's Strategic Note and related programmes, identifying needed functions and skillset, capacity, number of personnel for a fit-for-purpose structure. (b) Update existing terms of reference/job description and the office's organization chart to ensure clear accountability of each individual and function, reporting lines and authority, including the "who does what, why, when and how" for key processes, and independent project oversight. (c) Roll out a long-term HR strategy aligned with available and future funding and project staffing requirements.	Jordan CO	High	The JCO takes note of this recommendation. **Actions already taken:** The Jordan CO management-initiated discussions with the Regional Office in 2021 for support with a review of HR capacities, roles and responsibilities to ensure alignment with and support implementation of the Strategic Note. Preparatory work was undertaken in 2022. The HR review, supported through a mission from the RO, was agreed and planned for June 2022. An additional joint mission from the Regional Office Programme Specialist and the Regional Operations Manager was organized in October to look at ways to strengthen programmatic governance across the JCO. In order to support the implementation of the recommendation of these missions, the Regional Office, at the request of the JCO, seconded its Programme Management Specialist to support the JCO as acting Deputy Representative as of January 2023. During the first quarter of 2023 the JCO took a number of concrete steps to start addressing some of the HR and programmatic governance issues identified in the audit. The organizational chart of the Oasis programme including reporting lines was reviewed and roles and responsibilities of the team members were clarified to ensure that they fully aligned with their ToRs and that accountabilities were clear to all. The ICF was revised for the entire office to ensure the same clarity and disaggregation of duties. The JCO also took steps to address gaps in the operational capacity of the Oasis and JONAP teams through initiating recruitment of newly created program finance associate positions. One of these positions has already been filled while the other one had to be re-advertised after successful candidates declined the offer. The JCO also focused during the first half of 2023 on initiating and/or completing recruitment for a number of critical vacant positions and implementing some of the recommendations of the August 2022 HR review including through regularization and reclassification of some operations positions and setting up of a new governance unit within the programme team. An agreement was also reached with the Strategy, Planning, Resources and Effectiveness Division and the Human Resource Division at HQ to organize and lead a comprehensive functional analysis aligned with the new JCO Strategic Note and available budgets starting at the end of October as a second step. **Next steps:** The ToRs of field-based colleagues will further be reviewed to ensure that they integrate the SOPs governing operations in the Refugee camps and in the Host Communities. The independent functional analysis will be taking place in the last quarter of 2023. This will then be used to complete the HR strategy by end of year	Progressively to be completed by December 2023.
Observation 2: Strengthening the working and control environment, and fraud prevention	Recommendation 2: The Country Representative, with assistance of HR and the Regional Office, to address causes of the lack of productive working environment, enhance team spirit and respect of ethics principles and the code of conduct in Staff Rules and Regulations of the UN. This should consider the recommendations of the HR missions depending on the budgetary feasibility.	Jordan CO	High	The JCO takes note of this recommendation. **Actions already taken:** Issues related to the work environment and the code of conduct were first identified by the Jordan Country office management in early 2022 and a request for support was addressed to the Regional Office which resulted in two missions of the Regional HR business partner in April and August of the same year. Based on recommendations of the first mission, the JCO management requested support from the RO to address the findings and issues documented in the mission report. Two team members were immediately supported to be trained as Respectful Workforce Facilitators by the UN Ombudsman office under a new pilot initiative. The JCO volunteered to be a pilot CO in 2021 and identified two colleagues to serve as the Facilitators who were provided with initial online training. The in-person training was delayed due to Covid-related restrictions. One of the two staff members trained was then able to complete the in person training in July 2023 while the second is due to attend the in person training as soon as a next session is held. To enhance social interactions between team members and internal communication, a progressive post-COVID return-to-office policy was developed and implemented (with application of flexible work arrangements to support work-life balance) in the fourth quarter of 2021. In Q4 2022, spaces for inclusive and regular discussion were strengthened including with the resumption of the in-person	Progressively to be completed by December 2023.

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
				convening of bi-weekly program and operations meetings bringing together all heads of units across the office and monthly in person whole staff meetings. Several whole of Oasis team meetings were held to ensure full participation in the program redesign and the entire office was brought together for a Strategic Note planning muti-day workshop. The HQ workplace relationship and development specialist was further invited to conduct a training session with the entire office team in November 2022. Team members across the office were also supported through the 2022 PMD cycle to ensure that a coherent approach was taken in performance management and that in person individual performance meetings were held between all supervisees and their supervisors, irrespective of contractual modalities. In addition, and to alleviate stress points coming from unequal distribution of work and strengthen work life balance, several urgent recruitments were initiated in early 2023 as mentioned above and as per the recommendations of the HR reviews. Finally, in June 2023 a retreat committee made of team members coming from different units across the office was established to plan for an office retreat focused on team building to be held in the fourth quarter of 2023. In order to ensure that the retreat is developed in an inclusive manner, a survey was developed and implemented with all staff in August 2023. **Next steps:** The independent functional analysis will assist the JCO in identifying any next steps that may be helpful to ensure that the JCO human resources are fit for purpose and allow for positive team dynamics. In November of 2023 the JCO will hold a team building retreat with external professional facilitation. The JCO will develop an action plan to respond to the national findings of the global staff satisfaction survey which were released in September 2023. As a first step, and in order to strengthen support for staff development, the JCO will join the proposed plan by the regional office to create a structure to allow for professional exchanges between country offices at the regional level.	
Observation 3: Strengthening the risk management process	Recommendation 3: The Country Representative to revisit the approach to risk management, ensuring the process is a basis for making decisions and aligning controls and mitigating actions with specific inherent risks. Regular reporting on the mitigating actions implemented by the risk owners should also take place to ensure that risk management is effective and that safeguards against key inherent risks are in place. The Country Office's fraud risk assessment should also be updated to address some specific inherent risks.	Jordan CO	Medium	The JCO takes note of this recommendation. **Actions already taken:** The JCO has already completed the new comprehensive and detailed UN Women corporate fraud risk assessment. The process was facilitated by a consultant who works with the HQ ERM Team. The JCO has also revised the risk registry for the JONAP2 project document, and the revised document was approved by the project steering committee. Risk registers developed for new project documents created in 2023 include clear project specific risks. **Next steps:** The Country representative will work with the Deputy Country Representative and the Operations Manager to develop a workflow to ensure that the office wide risk registry and specific project risk registries are reviewed on a regular basis and for ensuring that implementation of risk mitigating actions is monitored and reported on.	31 March 2024
Observation 4: Expediting implementation of oversight recommendations	Recommendation 4: The Country Representative to establish a sustainable mechanism to ensure that oversight recommendations are uploaded in full (in case of evaluations); monitored for full implementation or closure as non-accepted or outdated; and reported to the Country Team on a regular basis.	Jordan CO	Medium	The JCO takes note of this recommendation and will ensure that all oversight recommendations are uploaded and actioned	31 March 2024
Observation 5: Enhancing programme and project portfolio management in terms of governance, design, risk management and oversight	Recommendation 5: The Country Representative to: (a) Revisit the Country Office's project management and oversight processes, ensuring that key positions are in place and aligned with ProDocs staffing, their roles, accountability and authority are clear; and that programmatic decisions including budget allocation are clearly documented and justified with the ProDoc. (b) Develop a more comprehensive ProDoc budget to link different approved project posts and structure to the approved budget. Linked to this, programme and Operations oversight should be involved and coordinated. (c) Explore the possibility of using a Multi-Partner Trust Fund model, consolidating relevant ProDocs and aligning donor agreements, and moving budget and expenditure monitoring into ERP without relying on a parallel manual system.	Jordan CO	High	The JCO takes note of this recommendation. **Actions already taken:** The JCO started reviewing its project management and oversight processes in the Fall of 2022 with support from the Regional Office for Arab States and brought on board the Regional Programme Management Specialist on as Acting Deputy Representative role in January of 2023 with a special mandate to focus on these workflows. LPRC and LPAC were renewed, donor reporting workflows revised, ICF revised with a specific focus on oversight and quality assurances, and several intra project workflows were also revised and documented. Roles and responsibilities within program teams were also revised to ensure accountability and authority and recruitment processes initiated to fill vacant key positions	30 June 2024

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
				The JCO reviewed and streamlined the use of CoA for project staff, ensuring it is fully aligned with the project documents proposed HR structures and funding streams.

The JCO also initiated a review of its cost recovery methodology in consultation with the Regional Office to ensure it has a clear and predictable way of calculating direct costs to be charged to each project.

Project documents developed since the Fall of 2022 were developed in partnership and consultation between the program teams, the operations team and the M&E advisor and will continue to be developed so going forward. These prodocs all have detailed budgets which include clearly identified staff costs in support of the prodoc organigramme.

While the Multi-Partner Trust Fund Model could be difficult to implement considering that much of the funding for the Oasis and JONAP2 has already been signed with donors, the JCO has put measures in place to align donor agreement dates with prodoc durations, and initiated discussions with the donors to support this process. In addition, the office, in consultation with donors, has built in the new staffing structures for the Oasis programme and JONAP, new finance associate roles to address the complexity of the financial management of the "pooled funds".

Next steps:

Further changes will be made to the roles and responsibilities within teams and the oversight structure across the office once all positions under recruitment are filled and in alignment with the results of the forthcoming functional analysis. | |
| | Recommendation 6:
The Country Representative to:
    (a) Ensure the monitoring and evaluation framework, methodology, function and tools are revisited and focused on result-resources frameworks, measuring the changes, impact, performance against targets and value for money.
    (b) Enhance the data validation process so that data reported are independently validated outside the project team, including clear accountability, authority and capacity of the parties involved.
    (c) Ensure interventions are designed considering value for money and maximizing benefit for the beneficiaries; and regular monitoring and post-implementation impact assessments are carried out independently from project teams to ensure beneficiaries' satisfaction with Country Office interventions. | Jordan CO | Medium | The JCO takes note of this recommendation.

Actions already taken:

    a) A monitoring improvement plan was developed and shared by the Country representative with all programme teams. The plan entails 1) capacity building to address gaps identified in monitoring and reporting 2) teams' strengthening with the recruitment of two monitoring and evaluation officers within the JONAP and Oasis programme teams 3) strengthening of the monitoring oversight function from the project design stage through including mandatory representation of M&E with the project appraisal process 4) strengthening the capacity of programme partners on monitoring and reporting.

    Four RBM trainings were delivered to the JCO staff since the beginning of 2023 and two new employees with M&E responsibilities were recruited, one who was onboarded in September 2023 and the other one who will be starting in early October 2023.

    b) An oversight plan was established to ensure the validation of data reported by programme teams, through a dual level review by the office M&E; who is independent of the programme teams and a review by the deputy country representative.

    c) The M&E officer has been assigned to review all project proposals during the project appraisal process to ensure value for money, consistency of results and smart choice of indicators to report. The JONAP team is also closely working with an independent MEL team (supported by the UK) to enhance monitoring and reporting under JONAP. | Completed |
| Observation 6: Strengthening project design | Recommendation 7:
The Country Representative to revisit the design of the OASIS programme and address the issues identified in this audit and the CPE including, the Theory of Change, implementation approach and modalities, relevance and substance of the training provided, ratios of support versus technical IBVs, its target for work permits, the sustainability of the programme achievements after the training is over and overall exit strategy. The Country Office should consider exploring options of implementing OASIS through programme partners or revisiting the IBV engagement modalities.

A similar exercise should be conducted for JONAP and other programmes for key transferable lessons. | Jordan CO | Medium | **The JCO takes note of this recommendation.**

Actions already taken:

The JCO held a first Oasis redesign workshop in the Fall of 2022 with a focus on impact and sustainability of the intervention. A further analysis of the Oasis programme results and ongoing ToC was conducted (February 2023), leading to an updated vision of the programme results. Those were discussed in a consultation workshop with the Ministry of Social Development and other UN agencies and donors. A new approach to the programme in Host Communities is currently being discussed with the MoSD, both at technical and ministerial level to ensure alignment with the new context and government priorities and programs, impact, sustainability, including financial sustainability, and national ownership including progressive transition to national implementation of the programme in Host Communities. The JCO and MoSD agreed to a re-design process and a team of consultant will be recruited in the Fall of 2023 to support the exercise.

ToRs were further developed for a Call for Proposal to explore the possibility of finding implementing partner(s) for operating the Oasis centres in camp locations. The call will be released in September 2023 with the aim to start under new indirect implementation modalities in January 2024.

For JONAP, the JCO has initiated work in the first quarter of 2023 together with its donor partners to refine and strengthen the project ToC and M&E framework and the revised version is expected to be | 31 March 2024 |

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
				completed and approved in the Fall of 2023. **Next steps:** The Oasis Host Communities intervention redesign should be finalized in the first quarter of 2024 and is expected to allow for a progressive transition to national implementation for work in Host Communities. As for the operations in the camps, and depending on the results of the CFP, the JCO is hoping to be able to move to indirect implementation as of January 2024.	
Observation 7: Strengthen processes around the selection of beneficiaries and management of beneficiary complaints	Recommendation 8: The Country Representative to ensure that processes around working with directly beneficiaries is compliant with Accountability to Affected Population principles, including the selection of beneficiaries and grievance mechanisms. In both direct implementation and programme partner involvement, there is a need for regular and independent monitoring of process effectiveness. The system for beneficiary selection should be enhanced based on lessons learned from previous selection processes, and independent panel members should be present during selection interviews.	Jordan CO	Medium	The JCO takes note of this recommendation. **Actions already taken:** Implementation of the IEAS recommendations for Beneficiary Selection and Management were initiated in 2021. In January 2023, an AAP focal point was recruited with direct reporting lines to the Country Representative. The AAP focal points was assigned the task to manage the grievance and feedback mechanisms and to report on weekly basis to the representative the status of complaints and issues received. Cases are kept in confidential records with regular analysis. Each case is labelled accordingly to its severity level and monitored by AAP focal points until closed. For the selection of beneficiaries, the JCO moved into a complete online recruitment platform (starting December 2022) to ensure full transparency in the process. The application questionnaire was reviewed during Q1 of 2023 in consultations with both all field staff and the Ministry of Social Development based on lessons learned from the December 2022 pilot to ensure the challenges faced during the first round of recruitment are addressed. Interview panels for the selection are now diversified, with independent panel members sitting in and closely followed up by JCO management.	Completed
Observation 9: Strengthening HR management	Recommendation 9: The Country Representative to: (a) Ensure that recruitment panels have a diversified composition. In addition, to strengthen operational oversight, the operations manager could validate candidate shortlists in terms of the adequacy of candidates. (b) Ensure the fee agreed with consultants is negotiated based on the grade and position needed by the office. (c) Establish a presence validation system for field personnel. (d) Ensure all learning and development plans are finalized and tracked to meet capacity development needs.	Jordan CO	Medium	The JCO takes note of this recommendation. **Actions already taken:** The Representative has given instructions to the HR unit and all team leads to ensure that recruitment panels are diversified and include strong panellist from outside the hiring unit. As an interim measure and in order to ensure that practices are changing, the Representative has been reviewing panel composition for all ongoing recruitments. The Representative has also given instructions to the HR unit to ensure that both longlisting and shortlisting are now verified by the hiring manager and HR whether at national or regional level. The Representative has given instructions the operations team and the program team that fees for consultancies would be based going forward on the level of experience required by the position, using the pre-existing UNDP Jordan scale, and not by the years of experience of the successful candidate and this was applied in all new SSA recruitment processes initiated since the Spring of 2023. In order to monitor field personnel presence in Oasis camp locations, the Oasis project manager further worked with the operations team to use the office vehicle logs to operate daily verifications. **Next steps:** Operations and the Oasis programme to develop a presence validation system for the entire field staff including staff working in Host Communities.	December 2023
Observation 9: Strengthening Cash for Work management	Recommendation 10: The Country Representative to document the workflow for the payment delays, timely plan and manage the risks related to the payment modalities, clarifying roles between teams and individual accountability for managing and overseeing these issues.	Jordan CO	Medium	The JCO takes note of this recommendation. **Actions taken:** An analysis of the delays in payments was undertaken by the JCO, using the office workflows for IBV payments' processing in camps and host communities (February 2023). Based on this analysis, an action plan to address the delays was put in place, including refresher trainings for field staff and change in workflow timelines. An additional finance associate was further recruited under the Oasis progamme to support the entire process and the operations team was included in the new workflow to provide quality insurances. **Next steps:** While actions recommended by the audit have been completed, the JCO will continue to monitor closely the implementation of the revised workflows to ensure its efficiency and will proceed to further revision as and if needed.	Completed
Observation 10: Strengthening ICT management	Recommendation 11: The Country Representative to ensure that project teams use the Country Office's existing systems, and that data captured is completely and accurately recorded and used for efficient decision-making and progress reporting. Capacity within the Country Office's ICT function should be enhanced, and the function should be responsible for monitoring the platforms and systems used by the office with support from IST, including data management, protection and cybersecurity aspects.	Jordan CO	Medium	The JCO takes note of this recommendation. **Actions already taken:** Recruitment of the new IT position within the JCO was completed and the new IT associate was	March 2024

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
				onboarded in March 2023. **Next steps:** The JCO initiated work with IT in HQ to explore how the OneApp hosted Beneficiary Management System can be updated and revived in supporting the management and implementation of the Oasis programme. A new workflow and dedicated trainings are expected to be developed by the end of 2023 and progressively rolled out.	
Observation 11: Procurement and inventory for OASIS project needs	Recommendation 12: The Country Representative to ensure that programme managers are accountable for timely procurement plans (e.g., six-month rolling forward plans updated on a monthly basis) regularly submitted to the procurement team; and for the regular coordination and exchange of information for procurement transactions and further contract management (quality of goods etc). The Country Representative to document and roll out a simple inventory management system used by host community personnel and hold field personnel accountable for maintaining the system.	Jordan CO	Medium	The JCO takes note of this recommendation. **Actions already taken:** A training on the management of inventory system used by host community was rolled out to all field staff working in the Oasis and the new stock management system developed by the Oasis team was rolled out to all Oasis centres (February 2023). The JCO set up new quarterly meetings between the programme and procurement teams to go over the procurement needs and updates with the first meeting taking place in March 2023. **Next steps:** Maintain the quarterly programme and procurement meetings.	Completed

Annex 1: DEFINITIONS OF AUDIT TERMS, RATINGS AND PRIORITIES

A. AUDIT RATINGS

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

B. PRIORITIES OF AUDIT RECOMMENDATIONS

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

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

UN Women supports UN Member States as they set global standards for achieving gender equality and works with governments and civil society to design laws, policies, programmes and services needed to 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.

GENERATION EQUALITY