INTERNAL AUDIT REPORT UN WOMEN REGIONAL OFFICE OF THE AMERICAS AND CARIBBEAN

UN WOMEN

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INDEPENDENT EVALUATION AND AUDIT SERVICES (IEAS)
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EXECUTIVE SUMMARY

Audit objective and scope

The UN Women Internal Audit Service (IAS) of the Independent Evaluation and Audit Services (IEAS) conducted an internal audit of the UN Women Regional Office of the Americas and the Caribbean (ACRO) from August to December 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:

• **Regional oversight and support**: active and adequate fulfilment of responsibilities to support (technically and operationally), monitor and oversee the field offices in the region.

• **Strategic priorities, programmes and project management**: strategic positioning, priorities setting, coordination of gender mainstreaming, advocacy and resource mobilization, programme and project management, management of programme partners.

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

• **Operations**: management of procurement, human resources (HR), finance and budget, information and communication technology (ICT), travel, assets, safety and security, and participation in the regional UN Business Operations Strategy.

The audit covered the state of governance, risk management and internal controls based on a sample of Regional Office activities related to strategic priorities and programme from 1 January 2019 to 30 June 2023. For operations controls, the sample covered transactions from 1 January 2022 to 30 June 2023. Recorded expenditure for the Regional Office totalled US$ 8.2 million and US$ 8.9 million in 2022, (from Atlas) and 2023 from (Quantum), respectively.

Scope limitations: IAS excluded some Quantum ERP related reports from January 2023 to December 2023 and related controls as relevant tools and processes had not been fully operationalized at the time of the audit.

As part of its regular audit procedures, IAS conducted two anonymous surveys for Country Office Representatives and non-resident agency focal points, and ACRO personnel with 100 per cent and 74 per cent response rates respectively. The results of both surveys have been incorporated throughout the report.

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, ACRO promoted the inclusion of a transformative gender perspective throughout key UN frameworks and strategy documents. There was good rapport with stakeholders in the region who confirmed that ACRO had the capability to advocate for the empowerment of women in the region. ACRO also provided training and guidance to Country Offices on technical assistance related to national voluntary reports, gender markers, UNCT-SWAP scorecards, Common Country Assessments and gender profiles. Key risks were incorporated in key documents, e.g., Strategic Note 2022–2025, ProDocs and the results frameworks of programme partners. ACRO also established several networks and communities of practice.

IAS assessed the overall state of governance, risk management and internal controls in the Regional Office as **Satisfactory** meaning that **"***the assessed governance arrangements, risk management practices and controls were adequately established*

and functioning well. Issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area." Some areas required some improvements.

IAS identified the following areas for enhancement to consolidate good practices and lessons learned, and advance the Regional Office's mandate and priorities:

- **Regional oversight and support**: Some thematic areas did not have policy advisers but were instead supported by consultants. Such arrangements might have not always adequately supported Country Offices and NRAs. Caribbean countries need more support from ACRO. Several Country Offices in the region did not meet minimum revenue and financial delivery targets; several NRAs had physical offices and numerous personnel hence operating like County Offices, which potentially indicated inappropriate typology for some NRAs.

- **Strategic priorities, programme planning and implementation:** The communication strategy was still in draft stage while advocacy and knowledge management strategies were not developed; knowledge management needs periodic monitoring; resource mobilization could be better staffed and more integrated; and there was no full-time project monitoring function.

- **Management of projects and programme partners:** ACRO did not consistently maintain evidence of results achieved by projects; the 'teething problems' after migration of Quantum slowed down project management; and there was an inconsistent systemic grievance mechanism for beneficiaries.

- **Governance, risk management and internal controls:** ACRO needs to update and formalize its functional review from 2020 as it significantly relied on consultants for some regular and critical functions. ACRO has not had a full physical office presence in Panama since 2021 and back-to-office has not been fully enforced for Panama-based personnel.

- **Operations:** There were some delays in filling vacant positions; consultants' contracts could have been more results-focused with clear deliverables; compliance with mandatory trainings should be improved; and non-mandatory training and capacity building could be tracked better. Asset management needs to be better inventoried.

IAS made seven recommendations to address the areas for improvement, all of which are ranked as medium priority, meaning 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 completion of the communications, advocacy and knowledge management strategies; revision of the coordination strategy; increasing transparency in the distribution of resources from ACRO to Country Offices and NRAs and more involvement of Country Offices in the design of resource mobilization for regional programmes; strengthening the dedicated regional monitoring function; ensuring needs-based coherent technical support and oversight to the Country Offices and NRAs; refining sustainability and impact of NRAs; assigning specific and timebound deliverables for all consultants, speedy recruitments and tracking of trainings.

Management comments and action plan

The Regional Director and the offices concerned in headquarters 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. IAS also provided some advice on assets and post-facto approvals.

Lisa Sutton

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ACRONYMS AND ABBREVIATIONS

ACRO	Americas and Caribbean Regional Office
CSO	Civil Society Organization
DRF	Development Results Framework
ERM	UN Women's corporate platform for Enterprise Risk Management
FTA	Fixed-term Appointment
IAS	Internal Audit Service
ICT	Information and Communication Technology
IEAS	Independent Evaluation and Audit Services
NGO	Non-governmental Organization
NRA	Non-Resident Agency
OEEF	Organizational Efficiency and Effectiveness Framework
PSA	Personal Service Agreement
RMS	Results Management System
SC	Service Contract
SSA	Special Service Agreement
UNCT	United Nations Country Team
UNV	United Nations Volunteer
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women

I. BACKGROUND

The UN Women Regional Office for the Americas and the Caribbean (ACRO) is located in Panama City, Panama. Relative to all six Regional Offices, in 2021 ACRO ranked as fourth for Core and Institutional Budget resources and third for Non-core. In 2022, ACRO ranked as fourth for Core, Institutional Budget and Non-Core resources.

ACRO covers 25 countries across the region: 10 Country Offices, 1 Multi-Country Office for the Caribbean and 14 operations as a Non-Resident Agency (NRA).

ACRO mainly focused on five thematic areas: Women, Peace and Security; Humanitarian Assistance, Women's Economic Empowerment, Women's Political Participation and Ending Violence Against Women. ACRO's Strategic Note and Annual Work Plans covered the period 2022–2025. The new regional Strategic Note primarily focuses on advocating for national care systems in the region, within the Women's Economic Empowerment framework as well as other priority areas. It also focuses on the role of the UN system and governments in gender equality. The Strategic Note and 2023–2024 Biennial Work Plan included 9 Outcomes and 32 Outputs under the Development Results Framework (DRF). It also included 14 Output areas under the Organizational Efficiency and Effectiveness Framework (OEEF). The new Strategic Note emphasizes a business transformation focus on the regional networks' model. It also projects country programme oversight, quality assurance and support with interventions specific for most countries and the Caribbean subregion.

As of 4 September 2023, according to the OneApp HR dashboard, ACRO employed a total of 90 personnel: 20 personnel with fixed-term appointments (FTAs); engaged 4 individuals on service contracts (SCs); 64 consultants on Special Service Agreements (SSAs); and 2 United Nations Volunteers (UNVs). Eighty-seven personnel were employed in NRAs and Programme Presence Offices that were part of the ACRO business unit.

ACRO's budget and expenditure are summarized in Table 1.

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

	2019	2020	2021	2022	2023
DRF budget target, US$	1,439,322	1,791,424	2,085,400	2,012,249	4,936,577
DRF actual budget, US$	991,187	1,475,457	2,248,440	1,542,718	591,962
Resource mobilization rate, %	69%	82%	108%	77%	12%
DRF expenditure, US$	975,884	1,292,535	1,762,017	1,598,403	0
Financial implementation rate, %	98%	88%	78%	104%	0%
OEEF budget target, US$	5,272,642	5,052,961	6,123,152	8,631,445	6,505,534
OEEF actual budget, US$	6,050,739	5,109,900	5,468,214	5,945,644	212,836
Resource mobilization rate, %	115%	101%	89%	69%	3%
OEEF expenditure, US$	5,464,582	4,670,096	4,542,103	4,960,329	0
Financial implementation rate, %	90%	91%	83%	83%	0%

Source: Project Delivery Dashboard and Results Management System (RMS) data as of 24 February 2024

For the period under review (2019–2022), ACRO's field programme comprised 18 Non-Core funded projects with a total budget of US$ 5.5 million (Atlas), funded by a range of donors, including:

- Multi-Donor and Multi-Partner Trust Funds for three projects amounting to US$ 2.2 million;

- UN agency bilateral agreements, including one project amounting to US$ 55,000 funded by ILO, UNICEF, UNDP, UNEP and WFP; and

- Other funding for 14 projects amounting to US$ 3.3 million.

As of 30 January 2024, there were 20 Non-core-funded projects with a total budget of US$ 7.4 million, 12 projects were migrated from Atlas to Quantum, while 8 were newly created projects in Quantum.

ACRO had 59 programme partner agreements with a start date from 2019 valued at approximately US$ 4.5 million. The highest value partner agreement was US$ 644,846, while the lowest was US$ 7,560: the average agreement was US$ 76,683.

Recorded expenditure for the Regional Office totalled US$ 8.2 million and US$ 8.9 million in 2022, (from Atlas) and 2023 from (Quantum), respectively. Overall, this consisted of: staff costs (21 per cent); other personnel costs (41 per cent); procurement of goods and services (16 per cent); maintenance, utilities and common

services (4 per cent); personnel travel (11 per cent); training and hospitality costs, including external participant travel (3per cent); support cost charges (1 per cent); and grants (3 per cent). This includes 11 per cent of the total expenditure incurred through liquidation of advances or reimbursements to programme partners.

II. AUDIT RESULTS

A. Strategic priorities, programme planning and implementation

See Background section on key information on strategic priorities, regional programmes and resource mobilization and utilization. ACRO leads conversations on comprehensive systems of care in the region; conducted multilateral/intergovernmental advocacy through strategic partnerships with key actors; and has the convening power to bring together different stakeholders and articulate gender equality issues. Almost all respondents to the ACRO personnel survey agreed that ACRO's partnerships were effectively managed. ACRO was able to position UN Women as the main UN agency for gender equality in the region. ACRO was present in several platforms that address the needs of women and girls as convener and co-chair with other UN organizations.

IAS reviewed ACRO's strategic positioning, priorities setting, coordination of gender mainstreaming, advocacy and resource mobilization, programme and project management, and management of programme partners. ACRO's key achievements and best practices include:

- adequate capacity to review the Strategic Notes of Country Offices in the region and ensure they were of good quality;
- development of an elaborated Monitoring, Evaluation and Research Plan for the Strategic Note 2023–2025, including Strategic Note mid-term and final evaluations, research, thematic and project evaluations, training and monitoring tools; and
- based on the reviewed samples, the required project mid-term reviews and final evaluations were undertaken for projects.

Based on the audit work performed, the following areas were assessed as satisfactory: coordination, Strategic Note design and implementation, and project management. Areas for improvement included advocacy and communications. A low priority recommendation was noted on management of programme partners.

KEY OBSERVATIONS AND CONCLUSIONS

Observation 1: Advocacy and communications

The external stakeholders interviewed by IAS gave positive feedback about UN Women's contributions towards gender equality and women's rights at regional and national levels, including through ACRO's advocacy and coordination work. The results of IAS' survey of Regional Office personnel also highlighted overall agreement on the relevance of the office's strategic priorities. Almost all respondents agreed that partnerships with the UN system, national governments, sub-national government actors, civil society, donors, international NGOs and international financial institutions were effectively managed. Seventy percent of respondents agreed that ACRO had effectively adapted its

programme of work and paths for achieving its goals to the changing context in the region. Feedback from the Country Representatives and non-resident agency (NRA) focal points survey highlighted that almost all respondents were aware of ACRO's nine functions and were generally satisfied with the turnaround time for support provided by the Regional Office. Some areas of improvement are highlighted below.

Communications strategy, plan and structure: A regional assessment of social media resulted in recommendations focusing on increasing engagement; goals and target audiences; and budget, resources. ACRO had a consolidated communications plan covering planned annual activities split into monthly deliverables and an annual editorial calendar. The Communications team also worked with programme teams to address the visibility requirements of donors as committed through ProDocs and donor agreements. At the time of the audit, **ACRO had a draft communications strategy but no advocacy**

strategy. **Strategies and guidance for social media and use of multimedia were fragmented and would benefit from being consolidated into one communications strategy**. This occurred because ACRO prioritized the development of the new Strategic Note and, when it was completed, there was no follow-up to ensure supporting strategies for communications, advocacy and knowledge management were developed or updated. This might result in misalignment or limited coherence between knowledge products and ACRO's vision.

Five of six ACRO Communications personnel were consultants on Special Service Agreement (SSA) contracts funded by core resources supervised by a communication specialist on a Service Contract (SC) funded through extrabudgetary funds. ACRO reported that this arrangement was effective because core resources were used to obtain the critical mass and capacity for communications based on flexibility of available funding. However, SSA contractual arrangements and extrabudgetary funding for the SC communication specialist might lead to issues with business continuity.

The feedback from the Country Representatives and NRA focal points survey confirmed that ACRO supported its offices; however, most functions and decision-making was centralized at ACRO. To some extent this was reasonable given the role of a Regional Office is to provide direction to other offices in the region.

Country Representatives also highlighted that there was limited communication about participation in international and regional events.

Knowledge management and management data intelligence: The Strategic Note 2023–2025 highlights that ACRO has committed to strengthening the voice, agency, knowledge and capabilities of all women, achieving significant results and setting future challenges in the production of high-quality, research-based knowledge products. ACRO designed a Knowledge Management virtual platform with functions that facilitate co-creation, mapping and the identification of topics, documents and data available to all personnel in the region. During the audit period, several podcasts, advocacy campaigns and knowledge products were published and circulated.

IAS observed that **ACRO did not have a knowledge management strategy** and although knowledge products were distributed, **no dissemination plans were developed** either during the planning or development of the products. This occurred because dissemination plans were not mandatory and therefore were not prioritized as part of the planning for knowledge products, despite references to such plans in the new Strategic Note. This might result in products that do not reach the target audience and may become irrelevant.

Feedback from ACRO personnel, Country Representatives and NRA focal points highlighted that **knowledge management needs periodic monitoring**. While there are several networks, communications channels and communities of practice to share knowledge and information, it was reported that **too many channels** may lead to unclear messages; inability of personnel to understand requirements; and that it was easy to lose track of what work needed to be done.

Recommendation 1 (Medium):

The Regional Director to expedite completion of the communications, advocacy and knowledge management strategies (including rolling out a dissemination plan for knowledge products) that align with the new Strategic Note 2023–2025; and implement and monitor the strategies to measure their effectiveness against the targets.

Observation 2: Coordination

The coordination and planning team included six personnel supervised by the coordination and planning specialist P4 funded through Institutional Budget and reporting directly to the Regional Director. Four personnel were on retainer SSA contracts, while one was a UN Volunteer also funded by core resources. Most personnel were SSAs because of challenges with resources mobilization, which affects the sustainability of the function and could result in loss of institutional memory.

The previous Strategic Note 2019–2022 provided good direction on ACRO's objectives for coordination and generally achieved satisfactory results. At the time of the audit, ACRO had not yet started to develop a new coordination strategy. Although the new Strategic Note 2023–2025 briefly includes a section on coordination, ACRO **would benefit from aligning the previous strategy with the new Strategic Note's aspirations**

to ensure continuous achievement of coordination objectives. ACRO highlighted that competing priorities had resulted in delays in revision of the old coordination strategy to align with the new Strategic Note. Lack of revised coordination strategy might result in inadequate guidance in achieving the new coordination mandate goals.

Feedback from multiple stakeholders received indicated that ACRO prioritized Latin America, and the **Caribbean did not receive the same amount or sufficient support**, e.g., an uneven distribution of resources and missions from policy advisers. A boost in support to Caribbean countries would be welcome (e.g., to governments with less capacity in gender matters). Moreover, Multi-Country Offices, such as the Caribbean, are complex because their structure or typology is still not yet fully understood within the organization[1] and **support for coordination has been unsatisfactory to some extent due to lack of substantive guidance**.

ACRO participated as a co-chair or member of issue-based coalitions and Regional Working Groups within regional coordination platforms, helping to strengthen effective UN action at the regional level and ensuring that gender equality is a cross-cutting theme in each of these spaces. The Country Representatives and NRA focal points survey highlighted mixed views about the relevance and effectiveness of regional platforms to Country Offices. The regional gender group, UN regional Development Coordination Office (DCO) platform and issue-based coalition on human mobility were mostly assessed as relevant and effective. For the others, it was suggested that ACRO **could better communicate the value and relevance** of regional platforms and ways they can benefit Country Offices, and **advocate for enhanced collaboration among platforms**.

Support to non-resident agencies: In countries where UN Women is an NRA, ACRO provides technical assistance and support and participates in UN Country Teams (UNCTs) and other inter-agency mechanisms, ensuring gender equality and the empowerment of women is strongly incorporated through the whole UN Sustainable Development Cooperation Framework cycle, including joint workplans.

Feedback from the Country Representatives and NRA focal points survey highlighted that inter-agency coordination could be improved by supporting NRAs beyond the UNCT-SWAP gender scorecards and formally introducing NRA leaders/focal points into country-level coordination spaces for advocacy and representation. It was also highlighted that information flow from ACRO to NRAs was slow in some instances. Some of the UN Resident Coordinators interviewed by IAS highlighted that some countries are receptive to the UN Women mandate and UN Women is fully involved in spaces for women and girls' empowerment through clear workplans with stakeholders. Some Country Offices were also effective in coordination and raising resources in collaboration with UN Resident Coordinators' Offices. However, it was also raised to the IAS team that UN Women closed some Country Offices in the region without adequate notification to Resident Coordinators. In addition, it was highlighted that the process of interacting with the UN Resident Coordinators in the region might be more demanding for a smaller entity such as UN Women.

Normative mandate: The new Strategic Note 2023–2025 did not have specific indicators for normative work, rather it was embedded into indicators of other thematic areas. There were reports for the activities and outputs of the work conducted, but no solid reporting on outcomes.

ACRO's work with Civil Society Organizations (CSOs) resulted in partner agreements with a council for universities and research institutions in Latin America to develop knowledge products; a monitoring mechanism to track the implementation of recommendations from the Regional Conference on Women by member states; and meetings with Civil Society Advisory Groups (CSAGs), focal points for indigenous people, afro-descendant people, persons with disabilities and faith-based organizations.

Almost all respondents to the Country Representatives and NRA focal points survey agreed that ACRO's normative work linked with Country Offices' normative work; and, generally, governments were very active in regional and multilateral normative spaces, which improves ACRO's ability to provide advice on gender equality. **Suggestions for improvement included regular consultations to ensure that Country Offices contribute towards planning and terms of refence for regional intergovernmental events, and better monitoring and circulation of information on policy processes at the national level.**

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[1] For example, it is difficult to conduct UNCT SWAPs for Multi-Country Offices.

The external stakeholders interviewed recommended:

- Maintaining the regional Gender Theme Group as some of its meetings had been cancelled.
- Streamlining some regional UN working groups and communities of practice, e.g. one inter-agency initiative on communities of practice could be maintained.
- A mechanism to increase efforts by individual UN agencies towards UNCT SWAP implementation, i.e. it is not just UN Women's responsibility.
- Enhancing communication through knowledge products.
- Ensuring that leading UN Women specialists in small NRA offices are as senior as practicable.
- Increasing coordination with Ministries of Foreign Affairs in the region.

Recommendation 2 (Medium):

The Regional Director to expedite revision of the coordination strategy in alignment with the new Strategic Note 2023–2035 (including the required emphasis on Caribbean countries), also considering the feedback from external parties received during the audit.

Observation 3: Strategic Note design and implementation

Strategic work planning: ACRO undertook broad consultations in developing the new Strategic Note (external workshops, as well as a survey with UN agencies, governments, 115 CSOs, other international organizations, the private sector and academia). ACRO considered lessons from implementation of Strategic Notes across the region, including over 20 evaluations and reviews in the region since 2015. Almost all respondents to the Country Representatives and NRA focal points survey were involved in providing feedback on the Strategic Note and strategic approach; and there were clear roles and responsibilities for the development and implementation of the Strategic Notes for ACRO and Country Offices. Most also agreed that the Strategic Note was innovative, and its strategic vision corresponded to and aligned with priorities at the country level. The respondents confirmed that ACRO duly supported Country Offices in developing their own Strategic Notes and provided constructive feedback. However, ACRO's **political and strategic analysis could be improved to better involve offices in a more structured manner** to ensure ownership of the regional Strategic Note at the country level. It was also suggested that **capacities for the design, measurement and systematization of impact indicators and tools for data collection and consultation could be improved**. Based on headquarters feedback, the Country Offices in the region also generally performed well in planning their new Strategic Notes, including with support from ACRO.

Importantly, considering issuance of the UN Women Humanitarian Strategy 2022–2025, UN Women headquarters requested that ACRO also develop a Latin America and the Caribbean Humanitarian Strategy. ACRO was planning work in this regard.

Programme results and reporting: ACRO reported its programme results (including for the NRAs overseen by ACRO) in RMS on a quarterly and annual basis; however, some indicators did not have defined baselines or targets. Lack of baselines or targets might not permit objective and substantiated assessment of progress towards achieving the results indicators. In 2022, ACRO's annual reporting on DRF (Impact, Outcome and Output indicators combined) and progress on 32 indicators was reported as 'target reached or surpassed'; 16 indicators with 'significant progress'; and 10 indicators with 'no change'. On OEEF, progress on 30 indicators was reported as 'target reached or surpassed'; 11 indicators with 'no change'; 9 indicators with 'significant progress'; 2 indicators with 'some progress'; 2 indicators with 'regression' and 9 indicators were not rated. Overall, most indicators suggested targets were reached or surpassed in the regional programme. ACRO did not prioritize progress ratings for some OEEF indicators, potentially due to the temporary unavailability of data. However, in IAS' view, most were corporate, widely used indicators, the progress of which could be rated.

As an advisory note, the Regional Director should aim to increase Country Offices' involvement in political and strategic analysis for development or updates of the Regional Office's Strategic Note; and improve capacities for design and measurement of impact indicators and tools for data collection and consultation. The design of and reporting on Strategic Note/Biennial Workplan indicators should also continue to be strengthened.

Observation 4: Resource mobilization

ACRO has a Partnerships and Resource Mobilization Strategy 2023–2025; detailed map of traditional donor priorities in the region (without assessment of investment values); and detailed expected funding pipeline forecasts, focusing on a few traditional donors, international financial institutions, private and non-profit sectors, including national and provincial governments in the region. Such forecasts compiled local resource mobilization efforts by (or jointly with) ACRO for regional projects and national projects for some Country Offices and NRAs. IAS noted that ACRO funding pipelines were moderate, and funding predictability varied. **Traditional donor interest in the region was low, except some support to Central America and countries affected with crises or conflicts.** In 2023, ACRO signed several Memorandum of Understanding with other UN agencies' Regional Offices: one of the objectives was joint resource mobilization. There is also a regional inter-agency working group on resource mobilization, which operates more as a discussion forum and has not resulted in much joint resource mobilization (for UN Women), except for ongoing discussions with the European Union.

ACRO received resource mobilization guidance and support from headquarters, particularly from the Strategic Partnerships Division (SPD), and contributed to UN Women's global Resource Mobilization and Partnership Strategy and the new Private Sector Engagement Policy.

Regional resource mobilization vis-a-vis Country Office support: ACRO's Partnerships and Resource Mobilization Strategy forecasts just US$ 8.1 million in non-core funds for three years (2023–2025) for ACRO itself. However, ACRO's priority was resource mobilization support to Country Offices and NRAs in the region, which could potentially result in some misalignment between forecasts for regional programmes versus commitments to Country Offices in the region. The feedback from the Country Representatives and NRA focal points survey highlighted that the resource mobilization function should be active to support Country Offices and NRAs in identifying opportunities for resource mobilization and include more Country Offices in regional initiatives. There were some concerns expressed by Representatives and NRA focal points about the transparency of decision-making in the distribution of resources from ACRO to Country Offices and NRAs. Partnerships were often established at global and regional level; therefore, it would be prudent to improve strategies leading to local and national partnerships. It was also highlighted that an insufficient number of personnel were dedicated to resource mobilization in the region.

In 2022, ACRO retained 31 per cent of regional Core programmable and Institutional Budget resources (the rest was distributed across the region). IAS understands this was required to maintain the Regional Office which received minimal non-core resources. This was comparable to other Regional Offices, which retained between 23 per cent and 36 per cent of regional Core programmable and Institutional Budget resources in 2022. The survey of Country Representatives and NRA focal points revealed a perception that ACRO competes with Country Offices for resource mobilization. There were also requests for more support for raising resources, especially for Country Offices that do not have technical experts or resource mobilization officers. However, the non-core resources retained by ACRO were insignificant (4 per cent in 2022) compared to those mobilized for or by other offices in the region.

It was reported that the design and implementation of regional programmes at ACRO complemented Country Offices. However, resource mobilization and allocation of ACRO resources to countries to implement regional programmes were sometimes not complementary because **ACRO did not always involve offices in the design of regional programmes**. It is important to ensure regular dialogue and a greater level of involvement for Country Offices in the conceptualization of regional programmes; building on country-level analysis and needs to feed into these initiatives; and also ensuring they are oriented to mobilize resources and increase capacities directly in countries that are part of multi-country programmes. The perceived lack of transparency and support to Country Offices and NRAs might result in lack of buy-in for regional programmes at the country level.

In 2023, ACRO undertook a consultation on partnerships and resource mobilization with the Country Offices and held resource mobilization training sessions (negotiation skills etc.) for Country Offices in the region. ACRO also holds regional resource mobilization cafes approximately every two months. As explained by ACRO, in recent years, work has been undertaken to raise the capacity of offices in resource mobilization, including proposal development and negotiation skills for various donor categories and due diligence for private sector partners (requiring substantial effort, including the

involvement of the Business Review Committee), etc.

Challenges in the region include lack of qualified personnel to develop project proposals for potential donors. Project managers are often best suited for this role but must take time away from current projects for this time-consuming task. External consultants are rarely suited for the role due to limited knowledge of UN Women; therefore, development of internal capacity is needed in this area. Feedback from stakeholders highlighted that the ACRO programming modality needs to evolve in tandem with the associated resource mobilization approach as the funding environment has changed due to emerging issues in the region.

Recommendation 3 (Medium):

The Regional Director to increase transparency concerning the distribution of resources from the Regional Office to Country Offices and NRAs; involve Country Offices more in the design of resource mobilization for regional programmes; and measure Regional and Country Office resource mobilization targets to ensure complementarity between and alignment of ACRO and Country Office resource mobilization efforts.

Observation 5: Project portfolio planning

ACRO, Country Offices and NRAs in the region substantially benefitted from global projects such as the Spotlight Initiative, Second Chance Education and Vocational Learning programme, and Strategic Planning Framework 3 funding. In general, the donors interviewed provided positive feedback about UN Women managed projects, and the issues raised by donors had usually been addressed by relevant UN Women offices. ACRO maintained generally comprehensive project records. IAS reviewed a sample of nine projects across the region, which generally had well designed project documents with key required elements, including results frameworks, detailed budgets, workplans and risk registers. Based on the reviewed samples, all donor agreements were signed within the required delegation of authority and the only non-standard donor agreement had been cleared by relevant services at headquarters. ACRO also oversaw reporting on non-core activities in RMS and quality assurance of such reporting by Country Office and

NRAs.

Project management support, oversight, monitoring and evaluation, and reporting: As highlighted by the ACRO Programme Management & Monitoring Team, transitional issues with Quantum created challenges with project design and reporting due to gaps in knowledge across the region. There were occasional delays in preparing donor reports; some uploads to DAMS were not prioritized; and there were some delays to project closure (also potentially due to challenges with Quantum implementation) but could lead to donor dissatisfaction. It was anticipated that some gaps would be addressed through Quantum training in 2023. Project management personnel in the region received project management training (led by PSMU and ACRO) in August 2023, and a RBM project planning training course was planned for February 2024. *As an advisory note, the Regional Director should continue to strengthen timely donor reporting, record keeping and project closure.*

ACRO did not have a dedicated, full-time (independent) project monitoring function, as the Programme Management and Monitoring Team was small (two consultants and one General Service staff member) and focused on higher-level project monitoring and other responsibilities, while day-to-day project monitoring responsibilities remained with individual programme teams. ACRO advertised a P3 Monitoring Specialist position in October 2023, which was still under recruitment at the time of finalization of the audit. As explained by ACRO, the small number of regional projects were managed and monitored by their project managers and most of their activities were delivered remotely or through programme partners (mostly research institutions or 'think-tanks'); therefore, frequent field missions were not required but some were undertaken (also observed by IAS). The Programme Management & Monitoring Team highlighted the lack of clear corporate methodology for project monitoring. IAS noted that some limited guidance is included in the new corporate Planning, Monitoring and Reporting Policy (October 2023). The absence of more independent project monitoring may result in less assurance over and learning from reported project results. Some projects did not include timed workplans and risk registers did not always update project risks, including risks related to fraud. Furthermore, some projects were delayed or did not anticipate Steering Committees, or similar, as governance mechanisms, while some included such committees in the ProDocs but the meetings either did not occur or occurred late

towards the end of the projects. *As an advisory note: The Regional Director to ensure that all projects have appropriately timed workplans, governance structures and comprehensive risk registers, which also consider fraud risks.*

Quality of project results: IAS sampled the reported results for indicators of six significant projects. In most projects, project teams had provided the required or approximate evidence for the sampled reported results. However, in some cases, such details were not readily available and had to be recovered or recalculated by project teams during the audit, or approximate estimates were provided to IAS. Therefore, supporting evidence (calculations) for the reported results was not always maintained by ACRO, Country Offices and NRAs.

For one regional joint project, the donor indicated that UN Women had made great efforts to coordinate between UN entities, but this task was sometimes difficult. There was a need to better coordinate timelines and to provide more constant updates. The donor for another project of US$ 3 million indicated that the project was slow to start due to the long inception phase, and the selection of a Project Coordinator also took a long time.

IAS also observed that five of nine projects in the sample underwent no-cost extensions due to the COVID-19 pandemic; delays from other UN entities to provide reports for a joint project; and UN entities' transition to Quantum slowed down the planned completion of project transactions and reporting. This might result in additional indirect costs to projects, such as personnel salaries and potential operational inefficiencies.

Project closure: Based on 'Project Results and Project Closure Workbench' in Quantum, at the time of the audit, one legacy non-core project (87053, Guatemala Country Office) had an end date of December 2018 but remained in 'ongoing' status (not operationally closed). There were also nine non-core projects (Argentina, Chile, Colombia, Guatemala and Mexico Country Offices, and Honduras and Paraguay NRAs) with end dates between December 2021 and May 2022 that were operationally closed but were overdue for financial closure. Completed projects that are not formally closed potentially permit further expenditure and delay submission of final narrative and financial reports to donors, which could taint relations with donors and limit future funding opportunities.

Extension of partner agreements: Multiple partner agreements received no-cost extensions (some with revisions of results framework and budget lines) due to various implementation challenges. However, one Country Office agreement was awarded five no-cost extensions from April 2022 to December 2023. In IAS' view, the agreement scope was not realistic within its original time frame, and the short extensions were unrealistic. The agreement had no timed workplan to control the partner's timelines. COVID-19 pandemic restrictions extended into early 2022, also delayed the partner's work. Furthermore, delays in Quantum implementation (and possibly in disbursements to the partner) may also have contributed to the delays.

Beneficiary data: In most of the projects reviewed, beneficiary data (e.g., name, ID or passport number, phone number, and/or locality/address) were collected by programme partners or relevant UN Women Offices for project purposes. When IAS enquired about the security of such data, the relevant offices explained that the programme partners (or service providers) were qualified and experienced in obtaining and managing such data with confidentiality, generally followed national law and their earlier project practices in this regard and were not allowed to share such data with other parties unless required by law. In IAS' view, a standard corporate protocol in this area would increase assurance of the security of such data to operationalize the data privacy provisions of Personal Data Protection Policy, partner agreements or procurement contracts.

Although some project managers mentioned that, for some projects, a particular beneficiary data management clause was included in partner agreements, IAS could not identify such clauses in the agreements it reviewed. Privacy and data protection with regards beneficiaries was included as part of the capacity assessment questions, however, the programme teams did not always request programme partners to submit evidence in the form of data protection policy and procedures for protection of data for beneficiaries. ACRO ICT focal points or headquarters IST were not involved in clearance of the arrangements or portals for beneficiary data management by external parties. Recommendation 4 of the 2019 IAS audit of the UN Women Implementing Partner

Management Process[2] requested Legal and Information System Support Units of DMA and PSMU, in collaboration with other offices involved in collecting sensitive data, to develop a policy, controls and monitoring for data protection and privacy. In 2021, UN Women adopted the UNICEF policy on data protection. However, the policy does not have protocols to deal with handling and processing of data by external parties especially programme partners and suppliers. Management reported that it has been working on further steps, including procedures and operationalizing the Personal Data Protection policy. *As part of these efforts, IAS advises the Chief, PSMU to include minimum requirements in the corporate protocol for management of beneficiaries' private data by UN Women external counterparts to operationalize the provisions of the Personal Data Protection Policy*.

Beneficiary feedback and grievance mechanisms: Most projects reviewed included some type of feedback mechanism, but they were not systemic grievance mechanisms, e.g., project portals; beneficiary opinions analyzed in projects' mid-term reviews; and the use of training entry and exit surveys, and follow-up surveys after training. In Venezuela, the UNCT (as part of its Humanitarian Response Plan) had a contact line to report grievances for all UN activities in the country. **In IAS' view, this was a good practice that could be replicated across the region.** IAS understands that some projects involved significant numbers of individual beneficiaries who could benefit from a channel to raise any feedback or complaints.

projects (also by replicating good practices among offices and projects).

Recommendation 4 (Medium):

The Regional Director to continue to strengthen the dedicated regional monitoring function (which could also support smaller Country Offices and NRAs without a dedicated monitoring function). This could include expediting implementation of projects and maintaining supporting evidence for reported project results (potentially with the help of strengthened regional and Country Office monitoring functions); and ensuring effective beneficiary feedback or grievance mechanisms for all relevant

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[2] Audit Report No. IEAS/IAS/2019/006, https://www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/About%20Us/Accountability/Audit-reports/2019/UN-Women-audit-report-2019-006-Implementing-partner-management-process-en.pdf

B. Governance, risk management and internal controls

See Background section on structure and personnel. IAS reviewed ACRO's structure and delegations of authority, control environment, risk management, data quality and implementation of recommendations from prior oversight reports. In general, ACRO management had effective risk management practices in place. Risks were identified at different points and there was a dedicated risk register as part of the corporate enterprise risk management (ERM) policy requirements. As good practice, key risks were incorporated in key documents, e.g. the Strategic Note 2023–2025; most projects included risk registers in the ProDocs; and the results frameworks of most programme partner agreements also included risk registers. IAS noted that ratings for the likelihood of some risks in the risk register were probably lower than the inherent risk of the environment of the Regional Office. Management should reconsider risk ratings and risk management actions in its risk register, considering various observations of this audit. Other notable good practices include:

- Sessions with personnel on use of social media, code of conduct, ethical conduct, UN Women's policy on harassment, sexual harassment, discrimination and abuse of authority and reporting mechanisms.
- Organizing regional discussions with the ombudsperson and personnel.
- Conducting a study to identify obstacles and formulate proposals for inclusion of indigenous women in UN Women´s selection processes during recruitment.
- 93 per cent of countries in the region completed the prohibited conduct and SEA year-end certification for Regional Directors and Country Representatives.
- Designating 21 PSEA focal points for ACRO and field offices. The focal points have been trained.
- Organizing regional retreats and leadership dialogues. In 2021 and 2023, ACRO also held personnel retreats, facilitated by a management consulting company which reviewed ACRO's structure and assisted with regional Strategic Note development. Personnel surveys were also organized in connection with the retreats. Periodic ACRO staff meetings (monthly/bi-monthly) were held (formal notes were not documented but decision points and any presentations/reports were sometimes saved for follow-up). ACRO also held periodic retreats with Country Office and NRA Representatives in the region and held (usually monthly) virtual meetings with them, which were documented.
- Comprehensive standard operating procedures for some operations and programme processes designed to guide personnel at ACRO and offices in the region.

Based on the audit work performed, IAS assessed that risk management and the control environment were satisfactory. Areas for improvement included office structure and delegations of authority, and implementation of recommendations from prior oversight reports.

KEY OBSERVATIONS AND CONCLUSIONS

Observation 6: Regional Office structure and sustainability of functions

Regional Office structure and support to the region: In 2022, ACRO almost met the minimum criteria (in accordance with global QBR for Q1 2023) for the presence governance framework in terms of revenue and financial delivery: revenue was 96 per cent or US$ 30.7 million versus the required US$ 31.8 million per year; financial delivery was 98 per cent or US$ 26.3 million (excluding Core) versus the required at least US$ 26.5 million DRF (excluding Core). For the Country Offices in the region, only 40 per cent met the revenue targets, while many only met their typology in one year or dimension and were inconsistent for other years. There were indications that some Country Office classified as "medium" sized offices could be reclassified into the "small" typology as they had been unable to meet minimum requirements for the "medium" typology for several years. ACRO could consider revisiting the classifications of its Country Offices to set more realistic performance targets, typology and expectations. Most of the countries in the

region were middle-income, which could result in challenges in raising resources for sustaining development work in the region. In the long term, ACRO may have to consider focusing on sustainability from two dimensions, i.e. (i) on impact at scale where it is sustainable to do so; and (ii) on targeted, catalytic interventions where scale/sustainability is not possible.

A significant number of countries in the region embraced the NRA typology, but some had high numbers of personnel. ACRO explained that this occurred after the "programme presence office" typology was discontinued and some of these offices could not fully transition into Country Offices; therefore, ACRO maintained them as NRAs. While some NRAs had business cases to convert them into Country Offices, headquarters had concerns about **overreliance on private sector Non-core funds which could negatively affect the sustainability of these offices and the potential lack of alignment with donor priorities and UN Women's strategic direction for greater impact**.

The Country Representatives and NRA focal points survey also highlighted some perception that **ACRO operated independently of Country Offices and NRAs, resulting in a sense of insufficient or uneven support and, to some extent, lack of a clear regional framework**.

Potential staffing and technical support requirements: Some thematic areas did not have high-level policy advisers, while some regional advisers were replaced by consultants without adequate technical expertise and experience. Reportedly, these consultants did not always adequately support Country Offices and NRAs but mostly focused on ACRO as a stand-alone office, which resulted in a lack of clarity about their role to support, advise and provide oversight to the field. The ACRO personnel survey raised several areas where personnel require more guidance and support. Examples include advancing programmes that link gender with climate change and artificial intelligence; gender-sensitive conflict analyses; effective communication of results achieved; partnerships and resource mobilization; more clarity and definition of the roles and functions of personnel versus the work carried out by consultants; mentoring and high-level mediation training; and the Business Operations Strategy.

ACRO conducted a functional review in 2020, which was not formalized due to Covid-19 pandemic. As an advisory note, IAS suggests ACRO to revisits its functional analysis with insights from the audit. The results of the review should be discussed with headquarters HR Division and Business Transformation unit.

Sustainability of critical functions and the use of consultants: Almost all lead positions in ACRO management, programme (including thematic leads/senior technical advisers), operations and other support functions were funded from Core or Institutional Budget resources (with the exception of one P5 WPS and Humanitarian Response Regional Adviser funded from Non-core). However, ACRO and the offices in the region had numerous one-off or retainer consultants (SSAs), including for regular and critical functions and team lead positions, which could lead to loss of institutional memory. During 2022, ACRO made payments to at least 195 consultants (generally in ACRO, NRAs and Argentina and Chile Country Offices). At the time of the audit, ACRO itself employed at least 64 consultants (70 per cent of its personnel).

The high number of consultants could be partly explained by issues related to resource mobilization. Some SSAs performed regular functions, were renewed over many years and could therefore perceive that they were not treated fairly compared with staff members. The Country Representatives survey raised a concern that due to funding limitations, ACRO had implemented an HR strategy increasing consultants for core functions, but **this had not translated into more support from ACRO to Country Offices and NRAs**. It was suggested that ACRO should increase its overall internal communication on how Country Offices and NRAs could tap on the expertise of consultants.

IAS notes that UN Women intends to convert some consultants to a new contract modality, however, there have been some delays. IAS is aware of the continuing efforts at the corporate level to change working arrangements for consultants across UN Women, and it is expected that positive changes will also benefit ACRO and the region.

Panama office: ACRO has not had a full physical office presence in Panama since 2021 during the COVID-19 pandemic. Instead, ACRO rented a co-working space with two offices and a shared space for up to 13 personnel. At the time of the audit, of the 92 ACRO personnel, 24 (staff, service contractors and UNVs) had a duty station in Panama: 18 (75 per cent) were present in Panama during IAS' audit mission; 4 other staff had duty stations elsewhere; and 64 consultants were mostly home-based (some of them in Panama). IAS noted that flexible working arrangements for some staff were approved for specified duration, however, not always updated after the duration expired. **No office**

presence policy was enforced for Panama-based personnel, although the Regional Director had requested personnel's presence in the office.

According to several staff surveys conducted by ACRO in recent years, most personnel preferred flexible work arrangements. IAS understands that ACRO's current business model is primarily based on remote working, including the use of flexible regional networks in various business areas. This is understandable due to the limited programme in the country and limited interactions with the authorities in Panama. However, **extensive use of remote working presents some challenges for internal collaboration and teamwork.** Headquarters HR advised that **personnel with a duty station in Panama should be present unless they are exceptionally authorized to telework**, and that the minimum office presence policy should be enforced in line with local UN practices. The UN entities IAS interviewed highlighted that they are fully back in physical premises, and IAS observed that ACRO was the only Regional Office still using remote working arrangements in 2023. UN Women will issue a revised policy on flexible working arrangements and IAS invites ACRO to comply with it.

The areas highlighted above may lead to difficulties in delivering best value to the women and girls due to insufficient resources; risks to sustainability or (uninterrupted) continuity of some critical ACRO functions; and Country Offices in the region operating without sufficient capacity.

Recommendation 5 (Medium):

The Regional Director to (a) consolidate an accountability framework (who does what among regional technical teams) and ensure needs-based coherent technical support and oversight to the Country Offices and NRAs in the region; (b) when approaching the expansion of the regional presence, focus on longer-term opportunities, the implications for sustainability and impact, and regularly monitor the validity of the original assumptions. This could include workplans by technical leads in overseeing and supporting the Country Offices, using these plans in the performance management of the technical leads; working on better contractual arrangements for core/critical functions if longer-term funding is available; and considering whether to close some NRAs that do not generate the expected impact and which are not financially viable.

Recommendation 6 (Medium):

The Regional Director to ensure that the minimum office presence policy is implemented for personnel in ACRO in line with local UN practices and headquarters advice, exceptions to be approved by special derogations. For personnel that will not return to their duty station, ACRO to monitor expiry dates of flexible working arrangements, revise their staff entitlements or structure of fees for consultants to align with the locations where the personnel would be based.

Observation 7: Post-facto approvals and fraud risk assessment

The internal control system was adequately established and supported by procedures, monthly and yearly closures, delegation of authority and an updated internal control framework. However, there was a high number of post-facto approvals which require management's attention.

Post-facto approvals: UN Women has templates for post-facto cases for different scenarios and Regional Directors have the mandate to approve cases up to US$ 4,999 while those above US$ 5,000 have to be referred to the Headquarters Procurement Review Committee, the Director, DMA and Director, PPID. The post-facto report for the Americas and Caribbean region as of 6 September 2023 indicated that between 2022 and 2023 there were 26 post-facto cases with a total value of US$ 563,145 split as follows: ACRO 4; Argentina CO 1; Caribbean MCO 11; Brazil CO 3; Guatemala CO 1; Honduras NRA 4; and Mexico CO 2. Most of these cases related to purchases against long-term agreements without authorized purchase orders; services rendered without authorization; signed agreements without Project Appraisal Committee (PAC) review; and consultants' contracts without review by the Headquarters Procurement Review Committee and DMA clearance for consultants' contracts above US$ 100,000. There were repeated post-facto approvals probably because ACRO and field offices did not undertake comprehensive root cause analyses of the events that resulted in post-facto approvals and did not implement sustainable mitigation measures. The high number of post-facto approvals might result in inability to enforce contractual agreements, projects

that do not meet quality assurance principles and challenges to achieve or demonstrate value for money. *As an advisory note, the Regional Director to establish a process for the root cause analysis of post-facto requests that would limit post-facto approvals at ACRO and its field offices as much as possible, while following correct delegation of authority*.

Delegation of authority: Agreement amendments with substantial budget increases were generally reviewed by the Regional PAC. However, one amendment increasing the partner budget from US$ 188,551 to US$ 293,551, was signed by a Programme Manager who only had a US$ 50,000 delegation of authority. This occurred because there was no monitoring of adherence to the delegation of authority limits at regional and country levels. This may result in a partner agreement that does not align with quality standards.

Ethical values and fraud prevention: ACRO undertook a fraud risk assessment and rated all 19 standard potential fraud risks. Most risks were assigned either a medium or low risk rating. ACRO also assisted 12 Country Offices in undertaking their fraud risk assessments. Respondents to the IAS survey agreed that the ACRO senior management team lead by example in complying and ensuring compliance with the standards of conduct expected of international civil servants as set out in the Staff Regulations and Rules and all respondents were aware of their obligation to report allegations of wrongdoing. However, 29 per cent of respondents did not know how to report, while 6 per cent were not comfortable in reporting wrongdoing. Therefore, there are opportunities to strengthen personnel's knowledge about how to report wrongdoing, and to continue discussion in staff meetings/retreats about ethical and work environment issues. *As an advisory note, the Regional Director to continue discussion in staff meetings/retreats about ethical and work environment issues, and how to address them.*

C. Operations

See Background section on the number of personnel and ACRO's main expenditure. ACRO's procurement function processed 263 purchase orders for goods and services for ACRO, the Argentina and Chile Country Offices, and NRAs which totalled approximately US$ 1.93 million in 2022 (Atlas data) and US$ 0.67 million between January and June 2023 (**NB**: *Quantum data may be incomplete*). The majority of procurement was for professional services and audio-visual productions. Rent, maintenance, utilities and common services costs totalled approximately US$ 0.56 million in 2022 (Atlas data) and US$ 0.12 million between January and June 2023 (**NB**: *Quantum data may be incomplete*). The HR function comprised one vacant HR Business Partner (P3), an HR Specialist, HR Associate, Contract Management Analyst and a consultant.

IAS reviewed management of procurement, HR, finance and budget, ICT, travel, assets, and safety and security.

The regional Business Operations Strategy was finalized and signed off in May 2022. Preparations included Regional Operations Management Team training sessions, establishment of specific working groups, stock-take/opportunity analysis, housing survey and launch of the strategy platform. Both ACRO and Country Offices in the region generally used the earlier eProcurement system for their vendor solicitations and had also started using the new vendor solicitation module in Quantum. In terms of security, ACRO and Country Offices duly attended security team meetings.

Based on a sample of transactions reviewed, IAS assessed that the regional Business Operations Strategy, procurement, financial management, ICT, travel and security measures were satisfactory. Some improvements were needed in HR and asset management. Low priority observations and related recommendations covered procurement and ICT management, including the need to strengthen processes for micro-purchasing, recovery of value-added taxes, operations oversight missions, reduction of bottlenecks in processes and increasing InfoSec compliance.

KEY OBSERVATIONS AND CONCLUSIONS

Observation 8: HR processes

The HR function was adequately established, and the recruitment of fixed-term appointments (FTAs) and service contracts (SCs) was well managed. However, major improvement was needed in the following processes: management of vacancies, mandatory training and the recruitment of consultants. Controls were inconsistently applied in these areas despite standard operating procedures being in place.

HR function: The HR team had four positions, to be supervised by the HR Business Partner P4 Temporary Appointment (a newly established position) that was still vacant at the time of the audit. In the meantime, the HR function was coordinated by the HR Specialist NO-C (funded by Institutional Budget and reporting to Regional Operations Manager), supervising an HR Associate G6 and Contract Management Analyst SC (both funded by Core resources). While recruitment of the HR Business Partner was in progress, the Headquarters HR Business Partner also provided backstopping services to ACRO (in particular, for international recruitments in the region), and supervised an HR job classification consultant, funded by Core resources. All FTA and Temporary Appointment personnel at ACRO, Argentina and Chile Country Offices, and Honduras, Uruguay and Venezuela NRAs (as reviewed by IAS) had comprehensive job descriptions. There is also an HR community of practice for the region.

Vacancies: IAS identified four vacancies that had been open for a long time: a Finance Associate position vacant since November 2022; Policy Specialist Governance vacant since April 2022; Human Resources Business Partner vacant since February 2023; and an

Administrative Associate position vacant since May 2023. The reasons included re-advertisements of positions, recommended candidates declining offers, changes in the funding and grades for positions, and insufficient number of qualified applicants. Long outstanding vacancies might delay the execution of processes and job functions. Feedback from the Country Representatives and NRA focal points survey noted the length of time it took ACRO to provide HR support to Country Offices and NRAs and that offices had to go via headquarters HR for complex HR cases. Some long recruitments for field positions were due to delays within the regional Central Review Board which did not endorse appointments on time (some took four to six months).

Recruitment of consultants on Special Service Appointments (SSAs): IAS sampled 11 recruitments of individuals on SSAs (international and national). Desk reviews were mostly used to recruit the consultants. While this is allowed by the policy, IAS highly encourages ACRO to combine desk reviews with written tests and/or oral interviews for more robust recruitments. All 11 consultants had documented performance appraisals at the end of each contract and fees appeared reasonable overall. However, IAS noted that the scope of most consultants' contracts were too broad and of a continuous nature, not time-bound and included tasks that could be expected to be performed by staff members rather than consultants. This led to most contracts being based on monthly payments and reports instead of specific deliverables, which might affect the provision of clear deliverables on time. Furthermore, it might not be easy to link the monthly reports to specific results if specific deliverables are not defined upfront. There were also several extensions of contracts, examples included contracts extended seven times. As explained by ACRO, this occurred because ACRO did not have funding for staff positions; therefore, the SSA modality was the next possible alternative for continuous functions. This might result in the inability to clearly link the work carried out by consultants to the tangible project deliverables.

Mandatory training, learning and development: All personnel regardless of contract type (SSA, SC, intern, UNV, seconded, fellow, etc.) are expected to successfully complete all mandatory courses within six months of joining UN Women. IAS observed that the overall compliance rate or uptake of mandatory training for ACRO was 72 per cent and 84 per cent in 2021 and 2022, respectively. In 2021, the BSAFE, fraud, gender and rights courses had between a 62 and 69 per cent completion rate which was low compared to other mandatory training in 77–85 per cent range. The Human Resources Specialist sent numerous reminders to personnel who had not undertaken the mandatory courses, but this did not significantly improve the completion rates. By not completing mandatory training, personnel may potentially engage in inappropriate behaviour that contradicts the UN Code of Conduct; exposes the organization to operational risk or losses; or personnel might not perform their functions effectively.

ACRO had learning and training plans for 2022 and 2023; however, no tracking or monitoring tool was in place to ensure completion of the training and capacity building which could result in ineffective professional development. ACRO informed IAS that such training is captured in personnel performance evaluations. The feedback from the ACRO personnel, Country Representatives and NRA focal points surveys highlighted that the regional training organized by ACRO was relevant, useful, good value for money, aligned with the priorities of Country Offices and NRAs, and was particularly crucial for smaller offices. There was particular appreciation of the project management training organized by headquarters and ACRO in Q2 2023 for the region.

Performance management and development: UN Women's Performance Management Policy requires that personnel complete self-assessments and supervisory reviews at the end of the performance review cycle or before their last day of service if separating from UN Women. As of 7 June 2023, only 17 percent of staff had completed their performance appraisals in 2021, and none had been completed in 2022. Again, as of 15 January 2024, ACRO submitted updated performance reports after intense efforts to ensure almost all personnel (except for two) completed their performance evaluations. This occurred because line managers did not consistently encourage their supervisees to complete the self-assessments on time. Therefore, some personnel might not see the benefit of completing their performance appraisals. While this was observed at the time of the audit and management resolved the low completion rate before the finalization of the audit report, it is imperative that management ensures timely performance evaluations going forward.

Recommendation 7 (Medium):

The Regional Director to track completion of mandatory and non-mandatory training; assign specific and timebound deliverables for all consultants accordingly; and improve

the recalment process to expedite filling of vacancies (including support to Country Offices and NRAs in this regard).

Observation 9: Asset management

The Regional Office maintained an asset register in Atlas (until 2022) and Quantum (from 2023). However, the March 2023 Quantum asset register shared during the audit did not yet include 11 computers purchased in late 2022 (some had been handed over to personnel and some were located in ACRO's remote storage facility in Panama City). The last asset verification took place in November 2022 and no verification was undertaken in mid-2023 because ACRO obtained authorization from headquarters to focus on data clean-up for migrating assets data from Atlas to Quantum. Headquarters informed IAS that assets should not be placed in-service report if they are still in the storage. However, IAS's view is that all assets should be in the asset registers, even though Offices could delay depreciation until personnel start using the assets. This will ensure visibility and tracking of purchased assets all the time.

Considering ACRO's move in 2021 from its larger office to a smaller flexible workspace, ACRO had rented four storage units at a low cost, which held many furniture items, old files and publications, and a significant amount of office equipment, including computers (obsolete, usable and completely new items). Three administration personnel (one staff member, one service contractor and one consultant) had shared access (the keys) to the remote storage units. ACRO did not have a complete inventory of stored items.

ACRO indicated that it would undertake an asset verification by the end of 2023, including the items in storage, and prepare a plan for disposal of obsolete items. In 2022, ACRO sold its two cars through public bidding (reviewed by the Regional Procurement Review Committee but not reviewed headquarters) and had documented the write-off of a stolen computer.

As explained by ACRO, although most of its programme partners were research institutions or 'think-tanks' and usually did not purchase assets as part of partner agreements, ACRO did not have a monitoring procedure for any assets that might be maintained by programme partners (e.g., in NRAs). IAS noted that total partner

expenditure on asset purchases was insignificant at US$ 11,160 in 2022. *As an advisory note, the Regional Director to ensure updated asset records in Quantum; retention of local inventory of any other valuable assets; timely documentation of asset verifications for attractive or high value assets; disposal of obsolete or unnecessary assets; individual accountability for access to storage of high-value assets; and, if and where applicable, a monitoring procedure (for example, during monitoring missions) for any assets maintained by programme partners.*

III. RECOMMENDATIONS AND MANAGEMENT ACTION PLAN

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
1: Advocacy and communications	Recommendation 1: The Regional Director to expedite completion of the communications, advocacy and knowledge management strategies (including rolling out a dissemination plan for knowledge products) that align with the new Strategic Note 2023–2025; and implement and monitor the strategies to measure their effectiveness against the targets.	ACRO	Medium	The recommendation is agreed. ACRO's knowledge management strategy has tools that are implemented for the planning, elaboration, dissemination and monitoring of knowledge products under Teams and Planner. This channel is open and available for all Americas and Caribbean personnel through the COP LAC PROGRAMME team, but its use is still limited at Country Offices yet fully used by all ACRO programme teams. All the information on knowledge products under production since its planning phase has open access across ACRO. An additional effort to continue to socialize the tool among personnel in the region would contribute towards a more effective and transparent tool. 2024 calendar for dissemination of knowledge products is being developed since all knowledge product plans were discussed in MERP planning meeting in January 2024 with all programme and communications teams. This will be widely shared for inputs and validation with Country Offices via COP LAC PROGRAMMES in teams. In response to the lack of a corporate global communications and advocacy strategy (to be shared by HQ), ACRO have developed a Media strategy and Social Media Strategy 2024-2025 to be implemented from 2024. Additionally, the co-creation of a joint Resource Mobilization and Communications and Visibility plan is going to be developed by Partnership and Resource Mobilization and Communications and Advocacy unit by the end of Q1 2024, as planned in ACRO Partnership & Resource Mobilization Strategy 2022-2025, aligned with the SN 2023-2024. Targets on advocacy and communications are reported via RMS accordingly to corporate indicators and additional targets are monitored by the communications team. Campaigns' impact reports are produced on a timely manner. In 2024 all these reports will be shared with all personnel through COP LAC PROGRAMMES and not only to senior personnel or communications teams.	31 December 2024
2: Coordination	Recommendation 2: The Regional Director to expedite revision of the coordination strategy in alignment with the new Strategic Note 2023–2035 (including the required emphasis on Caribbean countries), also considering the feedback from external parties received during the audit.	ACRO	Medium	The recommendation is agreed. The coordination strategy will continue to be developed and revised in the following months. It will be done including an emphasis on the Caribbean countries, NRAs and wider Country Offices and considering the feedback from external parties with clear and distinct work plans to identify optimal implementation. However, it is important to have the global coordination strategy before finalizing the regional, to ensure alignment and coherence. The final version of the regional strategy will draw benefits from the draft corporate strategy, once approved. Therefore, the timeline has been extended to ensure that the global coordination strategy is finished and can be revised to align regional coordination priorities. At a minimum, the UNCT-SWAP work will continue to provide an entry point to ensure strong integration of gender equality concerns in the CCA and Cooperation Framework. The engagement with UNRCs through UNDCO to ensure system-wide ownership of UNCT SWAP will be encouraged.	30 September 2024
4: Resource mobilization	Recommendation 3: The Regional Director to increase transparency concerning the distribution of resources from the Regional Office to Country Offices and NRAs; involve Country Offices more in the design of resource mobilization for regional programmes; and measure Regional and Country Office resource mobilization targets to ensure complementarity between and alignment of ACRO and Country Office resource mobilization efforts.	ACRO	Medium	The recommendation is agreed. The corporate core allocation tool has been used for comparison to annual allocations. However, other criteria are used in the allocation of regular resources: tap on larger offices non-core mobilization, support smaller offices with potential to grow, as well as absorption capacity and delivery from the previous year and staff commitments. Every year the allocation matches the previous year and there is room for exchanges with those Country Offices that are facing deficit challenges (e.g., Mexico or Uruguay) or have broader or particular needs (e.g., Brazil in the past). Regarding the W0007 core programmable allocation, the timeframe set by Headquarters did not allow for broad consultative process, but from ACRO extended efforts were done to do so: (1) sending a survey to every Country Office to respond on their needs and budget request based on Executive Director' priorities; and (2) reviewing the full proposals several times with Country Offices. Resource Mobilization targets are measured periodically via monthly report and meeting with Country Representatives led by the Regional Director, with special attention to all the Country Offices that are behind targets, QBR reports and discussions with the entire region. In December 2023, the ACRO revised the Partnerships and Resource Mobilization (P&RM) Strategy based on consultations with NRAs, Country Offices, Multi-Country Office and the ACRO Communications, Programme and other teams; analysis of the UN Women Americas and Caribbean funding trends in 2022-2023 by public and private sector; analysis of the lessons learned and experience, institutional mechanisms for partnerships, resource mobilization, challenges and opportunities, and progress with achievement of the 2022-2024 resource mobilization targets. Among the rest, the revised Strategy includes: • a mapping of the regional, multi-country, NRAs and country, needs, priorities, and opportunities for 2024-2025. • RM targets, baselines and indicators validated with country teams. • Action plan for RM for the identified needs for ACRO and Countries. The Strategy and the Plan include a set of actions to ensure integrated planning and co-design of the resource mobilization efforts, led by ACRO, as well as a coordination mechanism for coherent and transparent partnerships-building and mobilization of resources in the region, both by ACRO and LAC countries.	30 September 2024

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
				The revised approach aims to improve a strategic prioritization of the partnerships and resource mobilization in the region, ensure full transparency, and improve engagement of the Country Offices, NRAs and Multi-Country Office.	
5: Project portfolio planning	Recommendation 4: The Regional Director to continue to strengthen the dedicated regional monitoring function (which could also support smaller Country Offices and NRAs without a dedicated monitoring function). This could include expediting implementation of projects and maintaining supporting evidence for reported project results (potentially with the help of strengthened regional and Country Office monitoring functions); and ensuring effective beneficiary feedback or grievance mechanisms for all relevant projects (also by replicating good practices among offices and projects).	ACRO	Medium	The recommendation is agreed. Within the recently created Strategic Support Unit, the PM section has provided targeted support to small Country Offices, NRAs and Multi-Country Office. This year, the unit is finalizing recruitment processes to ensure its team's consolidation. This year, PM unit will develop a proper workplan that will include close monitoring, technical assistance, and oversight to ensure smooth project implementations. New mechanisms and strategies will be used to closely monitor implementation and provide timely assistance. Also, within Microsoft Teams, a channel on Programme Management has been created to host a COP that ensures the sharing of good practices, project highlights, and the enabling of cross-country conversations.	31 December 2024
6: Regional Office structure and sustainability of functions	Recommendation 5: The Regional Director to (a) consolidate an accountability framework (who does what among regional technical teams) and ensure needs-based coherent technical support and oversight to the Country Offices and NRAs in the region; (b) when approaching the expansion of the regional presence, focus on longer-term opportunities, the implications for sustainability and impact, and regularly monitor the validity of the original assumptions. This could include workplans by technical leads in overseeing and supporting the Country Offices, using these plans in the performance management of the technical leads; working on better contractual arrangements for core/critical functions if longer-term funding is available; and considering whether to close some NRAs that do not generate the expected impact and which are not financially viable.	ACRO	Medium	The recommendation is agreed. The accountability framework is set according to corporate tools via ICF, DoA, organigramme, ToRs, PMDs, risk management and financial targets and the SP, SNs and BWPs on the other hand. However, at the regional level the differentiated roles of programme and operational support to the field and the oversight role that ACRO has with the field, imply a dual accompaniment, that has increased responsibilities when ACRO is responsible for delivery and oversight in some NRAs-NPPs. The current regional strategy is based on the adaptative efforts carried from Covid-19 pandemic and the definitions made under the SP and the regional SN. The additional ad-hoc document produced by ACRO to further explain capacities and services offered to Country Offices is summarised in the live document ¨ACRO services¨. The Regional Director will ensure this is updated annually and broadly disseminated and shared with Country Offices and NRAs. Between Q4 2023 and Q1 2024 every specialist is engaging with Country Offices and NRAs to identify potential demands and needs for support or accompaniment to agree joint workplans for 2024 and balance the support needed. All PMDs of specialists include the number of Country Offices/NRAs they have supported, projects, results and initiatives they contributed to. Additionally: • the annual online survey to Country Offices/NPPs will be launched again in 2024 to assess ACRO services to the field. • All products and services provided to every Country Office/NPP will be tracked in an internal new tracking system to be developed to report the number of products and services produced for the field by ACRO team. Assumptions for country presence and corporate investment are reviewed on an annual basis for budget allocation of regular resources, when IB has been fixed and perpetuating unbalances across Country Offices. There is no easy solution to review in the mid-term IB investments, thus, the approach for 2024 is to review which functions can be funded by non-core and explore future rebalancing of IB funding across countries. There is no plan in the short term to close any NRA, but this would be assessed by the Regional Director in the future depending on the capacity to mobilize resources via multi-country or national proposals and the impact of the existing investments via non-core and regular resources. ACRO is following closely the transition of SSAs to PSAs-IPSAs and supported previous explorations with other agencies to enable a smooth transition and work on better contractual arrangements for SSAs across the region.	Currently in effect Survey by 31 August 2024 Tracking system: by 31 March 2024 By 31 August 2024.
	Recommendation 6: The Regional Director to ensure that the minimum office presence policy is implemented for personnel in ACRO in line with local UN practices and headquarters advice, exceptions to be approved by special derogations. For personnel that will not return to their duty station, ACRO to monitor expiry dates of flexible working arrangements, revise their staff entitlements or structure of fees for consultants to align with the locations where the personnel would be based.	ACRO	Medium	The recommendation is agreed. With the Covid-19 pandemic, ACRO started pivoting within the field, decentralizing some functions from Panama, building regional networks, and tapping into existing capacities across the region. This proved to be a cost saving modality during the pandemic (2020, 2021). Post-Covid, ACRO implemented a cost-effective solution for 20+ personnel based in Panama by renting offices in Ciudad del Saber, since March 2022. ACRO rented 37m2 of office space (two offices), with seating for 8 people. Current office space is within a UN facility and is supporting the current hybrid working arrangements for the personnel in Panama. Should additional office space be needed, this is easily procured from the same provider hosting the office. In short term, based on the analysis of use of the offices space and financial cost estimates, ACRO will initiate search for alternative premises for Panama based personnel.	Currently in effect, with new offices being procured between November 2024 and January 2025.
8: HR processes	Recommendation 7: The Regional Director to track completion of mandatory and non-mandatory training; assign specific and timebound deliverables for all consultants accordingly; and improve the recruitment	ACRO	Medium	The recommendation is agreed. ACRO will conduct the following: **Regarding Mandatory Courses** The following follow-up actions are currently being carried out and will be continued:	30 June 2024

Observation	Recommendation	Responsible Unit	Priority	Action Plan	Implementation date
	process to expedite filling of vacancies (including support to Country Offices and NRAs in this regard).			• Inform the personnel about the compliance reports of mandatory courses generated by headquarters, in order to monitor them properly. • Inform each supervisor about the status of compliance of courses by personnel in their area and to allocate enough time for team members to complete the courses. • Periodic messages to raise awareness/remind personnel of the importance of compliance with mandatory courses. **Regarding SSA**: 1. Mandatory courses: currently in each consultant contract request process, information is provided to the hiring unit and supervisor, to be shared with the consultant on the due compliance of the mandatory courses and the UN Women intranet link with all the information related to these. This practice will continue to strengthen compliance with the courses and their monitoring. 2. Deliverables for consultancies: We have the SSA channel as a support and orientation tool for the Hiring Unit, which contains all the procedure information and support formats related to these processes. Among these, the template of TORs for SSA is available, which indicates/guides the hiring unit on how to establish the table of deliverables of the consultancy and in which is requested to describe: (a) the activity to be carried out to achieve the stated objective; (b) concretely define the deliverable to be received in the compliance of the activity; and (c) the specific deadline of the deliverable. Efforts will be strengthened to remind the hiring unit to comply with the proper use of the TDR template and the indicated for the specific establishment of the deliverables.			Currently in effect Currently in effect Immediately

Annex 1: DEFINITIONS OF AUDIT TERMS, RATINGS AND PRIORITIES

A. AUDIT RATINGS

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

B. PRIORITIES OF AUDIT RECOMMENDATIONS

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

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

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

GENERATION EQUALITY

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