



Financial Regulations and Rules Update

24 February 2025

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Purpose of Financial Regulations and Rules (FRRs)

Overarching Governance Framework

The FRRs are **high-level regulatory framework** that govern financial management. Policies and procedures are designed to provide further clarification and direction in implementing the FRRs. It is essential that policies align with the FRRs – it is the higher-level enabling legislation for our financial policies and procedures. The FRRs should remain high-level and principled.

Regulations – These are the high-level financial governance requirements that UN Women must abide by.

Rules - Operational requirements for financial administration are contained in the Financial Rules.

Amendments

Amendments and exceptions to the regulations may be made only by the Executive Board, as specified in Assembly resolution 64/289 on system-wide coherence.

Financial Regulations- Background

Extract from founding resolution: 79. *Also decides* that the operational activities of the Entity shall have financial regulations and rules similar to those of other operational United Nations funds and programmes, and consistent with the Financial Regulations and Rules of the United Nations [A/RES/64/289]

FRRs (as currently in place):

- These regulations shall govern the financial management of the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and shall, unless otherwise provided by the General Assembly or the Executive Board and except as specified in these regulations, apply, mutatis mutandis, to all resources administered by UN-Women. **[Regulation 1.1]**
- Amendments and exceptions to the regulations may be made only by the Executive Board, as specified in Assembly resolution 64/289 on system-wide coherence. **[Regulation 1.1]**

Financial Rules as are detailed and procedural unlike the Financial Regulations.

- The Under-Secretary-General/Executive Director shall :
 - (a) Establish detailed financial rules and procedures in order to ensure effective financial administration and the exercise of economy [**Rule 24.4**]
- The Under-Secretary-General/Executive Director may amend the financial rules, if necessary, and shall circulate such amendments to the members of the Executive Board for information at least 30 days before they become effective. [**Regulation 1.4 (b)**]

Financial Rules- Background



Planned approach to the review

- Identifying points requiring clarification, redundancies between the FRRs and Executive Board decisions.
- Identify inconsistencies within the FRRs.
- Identifying gaps between the FRRs and IPSAS as well as the objectives of the Organization.
- Proposing a harmonized, clear, and coherent revision of the Financial Regulations and Rules that are consistent with the UN Financial Regulations and Rules and like the Financial Regulations and Rules of UNICEF, UNDP and UNFPA.
- Elaborating a proposal for changes required to the Financial Regulations and Rules prepared collaboratively with all relevant internal and external stakeholder; and
- Prepare an integrated set of Financial Regulations and Rules for consideration by the Executive Board.



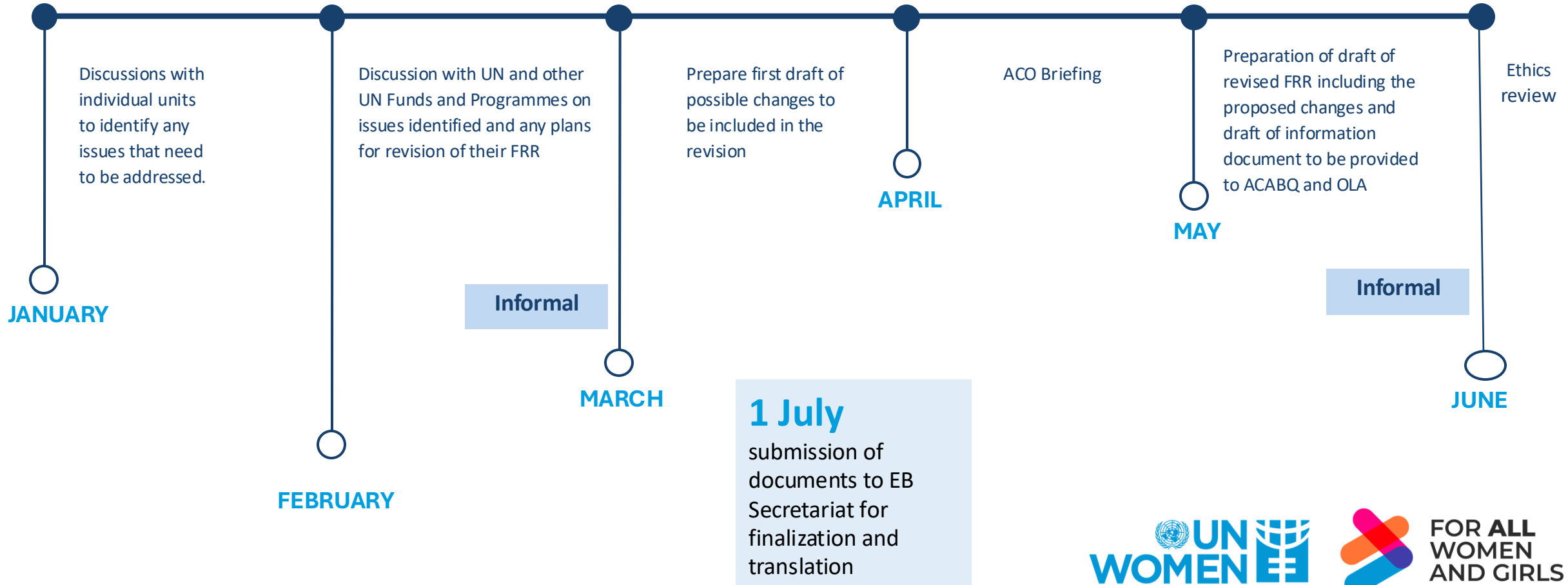
Workplan

Review of UN and other UN Funds and Programmes FRRs to identify issues that might need consideration based on consistency requirement

Review of the draft of possible changes with individual departments and preparation of revised draft

UNBoA discussions

June - Complete revised version of FRR and information documents





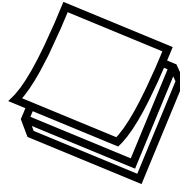
Work performed so far

- Review by Ethics Advisor of the current FRRs
- Comparison of Regulations and Rules to UN, UNFPA, UNDP and UNICEF
- Comparison of definitions to UN, UNFPA, UNDP, UNICEF and UNOPs proposed revised FRRs
- Identification of gaps e.g. Grant modality, definition of grant
- Stakeholder consultations on thematic areas on findings e.g.
 - IAES – ensuring consistency and inclusion of a regulation
 - Consultations on budget, resources and trust fund areas on going
- Identification of updates needed for inconsistent language (e.g. staff & personnel)

Planned documentation



For Submission to the Executive Board



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- Revised Regulations with proposed changes for EB approval
 - Revised Rules with proposed changes for issuance by Executive Director for information of EB
 - Summary of differences between current and proposed Financial Regulations and Financial Rules
 - Reasons for making each change
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FOR ALL WOMEN AND GIRLS

Rights. Equality.
Empowerment.

Annex - Background



BACKGROUND

- UN Women Financial Regulations and Rules (FRR) adopted initially in 2011 [UNW/2011/2]
- Amended by Executive Board in 2012 [UNW/2012/6] to provide for the adoption of International Public Sector Accounting Standards by the UN system
- Rules amended in 2023 to update references to Internal Audit Services