

## Management response to the 2019 annual report on Internal Audit and Investigations activities

1. UN-Women's management appreciates the Internal Audit Service (IAS), Independent Evaluation and Audit Services (IEAS) for their independent and objective assurance and advisory services conducted for 2019. Since the establishment of the in-house Internal Audit Service, UN-Women has benefited from a readily accessible independent internal audit technical advice and service focused on the needs of UN-Women.
2. UN-Women wishes to acknowledge the Office of Internal Oversight Services (OIOS) of the United Nations for its provision of investigation services to UN-Women.

### INTERNAL AUDIT

3. UN-Women is pleased to receive the annual overall opinion which states that *“based on the internal audit work performed in 2019, IAS’s overall opinion is that **no significant weaknesses were identified** in the Entity’s governance, risk management, and control processes that would seriously compromise the achievement of UN-Women’s strategic and operational objectives.”* This confirms UN-Women’s steady growth with its operational maturity and strength of its fiduciary capacity to steward contributions received for the successful execution of its triple mandate.
4. UN-Women acknowledges that IAS, within available resources, has conducted 13 internal audit and advisory engagements that “generally covered governance, risk management and controls in the selected offices or were related to UN-Women processes.”
5. UN-Women is pleased to receive another year of **99 per cent** implementation rate for prior year’s internal audit recommendations. This implementation rate remained above the corporate target and consistent with the high implementation rates achieved **for the past five years**.
6. UN-Women accepts the key issues identified in Section VIII of the report, “Significant internal audit results” and wishes to highlight below the actions taken to address the recommendations and improvement impacts made to operations. UN-Women endeavors to take the needed actions to implement all audit recommendations to maximize operational effectiveness and efficiency.

### *Management response to IAS’ overall recommendation on Second Line of Defense and Statement of Internal Control*

7. UN-Women’s actions to consider the pursuit of preparing a Statement on Internal Control is ongoing. The Advisory Committee on Oversight advised UN-Women management to first complete an assurance mapping as a precursor to the development of a new Statement on Internal Control. In line with the Change Management Strategy to build a powerful UN-Women 2.0 and within Pillar II of the Change Programme, UN-Women will analyze how best to consider strengthening its Second Line of Defense at Headquarters and in the Field.

***Management Actions to address significant internal audit results including high priority recommendations***

8. UN-Women takes note that out of the total 110 internal audit recommendations received in 2019, 29 recommendations or only twenty-six per cent were rated as high priority. UN-Women received ninety-three per cent or 27 of these high priority recommendations between November 2019 and February 2020, to which implementation actions were immediately started and are on track with progress. To-date, UN-Women has completed actions for five high priority recommendations where three of them have already been assessed as closed by IAS.
  9. Below are the updates to the management actions taken to address the 2019 internal audit recommendations received and where the high priority recommendations have been appropriately identified and marked with “HP”.
- (a) *Management of implementing partners: To address recurrent findings related to implementing partners management, actions were taken to consolidate the fragmented responsibilities under a main process owner; conduct end-to-end process risk assessments; strengthen policies, management accountability and controls; devise a system to manage the process; protect sensitive implementing partners’ data (1 Headquarters Section) with the details as follows:*
10. UN-Women has already identified and delegated the office that has the overall accountability of managing implementing partners. Other functions contributing to the management of implementing partners will be defined in the monitoring framework and policy document to be issued soon. This new policy will clearly define the roles and responsibilities in line with the Three Lines of Defense Framework of the organization. A focus group has been tasked to analyze and deliberate on the practicability of the draft policy and the procedures within UN-Women operational context prior to the usual quality review in accordance with the corporate Policy, Procedures and Guidelines framework. (HP)
  11. The implementing partner management process risk assessment and mapping has been initiated. This will map the risks against controls outlined in the current policy and procedure and allow for identification of gaps or duplications in policies and controls. (HP)
  12. UN-Women will address the issue on treatment of poor performance and audit findings of partners with the forthcoming implementation of the “Procedure for the Resolution of Audit Recommendations Arising from Project Partner Audits” under quality assurance review prior to promulgation. In addition, the new Partner Agreement template establishes the conditions where partners can be terminated due to poor performance.
  13. The development of a system to manage end-to-end implementing partner processes including reporting of key controls, workflows and milestones will be informed by the revised policy, procedures and related workflows. In the meantime, UN-Women has put in place a partner grant agreement management system to facilitate monitoring of partners.
  14. UN-Women is in the process of implementing a policy and related framework to govern data protection and privacy that will include handling of Implementing Partners’ data. This project is

part of a wider information disclosure and data protection initiative by the interagency UN Privacy Policy Group. It will address the controls to be put in place as part of the monitoring, oversight and capacity building mechanisms for partners and other third parties. Simultaneously, UN-Women has revised its Information Security Policy that applies to all UN-Women information assets in 2019. (HP)

*(b) Programme and project management: To improve on programme and project management, UN-Women is taking steps as part of the Programme and Project Life Cycle revision work to: a) ensure for programmes and projects clear definitions of its upstream and downstream dependencies, roles and responsibilities, and; b) enhance support systems, tools and embed risk management discipline (1 Regional Office and 1 Country Office in Asia and Pacific region, 1 Country Office in East and Southern Africa region, 1 Country Office in Americas and Caribbean region). Efforts made towards these improvements are the following:*

15. UN-Women follows the Results-Based Management principles. To ensure compliance, all project managers were trained and required to design and formulate projects using the UN-Women Results Management System. UN-Women office designed programme implementation strategy that clearly outlined exit strategies for project sustainability towards national ownership when selecting and engaging implementing partners. (HP)
16. UN-Women ensures that projects are developed within feasible duration, scope, location and budget. For short-term funded projects, UN-Women office considers the feasibility and scalability of results and impact of interventions as well as implementation capacity of partners, government actors and civil society organizations.
17. UN-Women office has put in place a well-structured project reporting schedule that facilitates close monitoring for timely submission of reports. Annual reviews are held with donors to strengthen programme performance monitoring. Additionally, a dedicated project specialist has been engaged to monitor project implementation and ensure that the office meets the reporting requirements. (HP) This recommendation is implemented and closed.
18. UN-Women is finalizing the development of an enhanced project document template and project appraisal quality assurance mechanism for projects with targeted interventions and short-term funding. In this template, project risks and mitigation measures will be linked to the field office level risks. Additionally, UN-Women office has established a specific risk register for the Spotlight Initiative Projects to identify and closely manage key risks, particularly on implementation delays. (HP)
19. UN-Women office has developed a country level programme monitoring tool combining information on current delivery and future planning. This tool is updated monthly and used to analyze programme performance across projects to identify corrective actions if needed. This recommendation is implemented.

*(c) Travel management: To improve on the management of travel expenditures and in line with available resources, UN-Women is assessing feasible changes to clarify the travel management*

*process owner; enhance the Duty Travel Policy; streamline any redundant procedures by standardizing systems and further automating controls (1 Headquarters Section)*

20. UN-Women highlighted that travel services are procured from travel agencies through established Long-Term Agreements and managed by the headquarters. However, the management of travel transaction is decentralized. Moving forward and in response to the organization's evolution, UN-Women will allocate resources to the function and ensure accountability, authority and capacity to monitor compliance with the policy is strengthened. (HP)

21. Upon enhancing the travel management function, UN-Women will update the Duty Travel Policy to further focus on results, prudence, cost consciousness, duty of care, as well as leverage on good practices of other UN agencies. Additionally, the updated Policy will also reconcile the risks to current controls to eliminate duplication or inefficiencies while addressing control gaps. (HP)

22. UN-Women will globally roll out the use of the Atlas Travel System, i.e. Travel and Expense module, which is currently used only at the headquarters. This automated system has controls in place to facilitate document storing and reporting that includes an exception reporting tool to facilitate effective monitoring.

*(d) Setting up and implementation of strategic priorities: Cognizant of the need to continuously enhance strategic planning at all levels of activity, UN-Women have initiated steps to develop feasible and concrete results frameworks at Strategic note and project level; develop corporate guidance to improve results-based reporting; take into account Change Management and UN reform; analyze for clear guidance on roles and responsibilities of Regional Offices to enhance Second Line of Defense; formalize a strategy on advocacy, communications and resource mobilization; identify comparative advantages for advocacy and communications; ensure awareness of the office transition and evolving presence; secure funds for the Programme Presence Office to transition to a Country Office; assess the cost of office presence in the country; improve resource mobilization (1 Regional Office and 1 Country Office and 2 Programme Presence Offices in Asia and Pacific region, 2 Country Offices in West and Central Africa region, 1 Country Office in East and Southern Africa region, and 1 Country Office in Americas and Caribbean region)*

23. UN-Women office undertook a rigorous review of the Strategic Notes results framework as part of the mid-term review. This review included internal contextual analysis, partnership perception survey, and consultation with partners and UN agencies to promote a strategic and collective decision-making process. The results and proposed revisions will be included in 2021 Annual Work Plan. (HP)

24. UN-Women office ensured that all projects under the portfolio have a Monitoring and Evaluation framework. The responsibilities for monitoring programmatic results at a Strategic Notes level are mapped and clarified. These management actions have been assessed by the auditors and the audit recommendation considered as implemented and closed. (HP). UN-Women offices have provided training to staff to ensure that programme data are systematically collected and

validated for accuracy. In addition, programme portfolio reviews are conducted periodically to include Data Quality Assessment as part of the robust Monitoring and Evaluation framework.

25. UN-Women clarified in its updated AWP Guidance Note that unearmarked funding that supports the Strategic Notes must have clearly defined results matrix including outputs, outcomes, indicators, targets, baselines, and milestones. (HP)
26. UN-Women follows the regional architecture framework where the roles and responsibilities of the regional offices are defined. Additional guidance was sent out to all regional offices and further disseminated to their respective country offices to ensure common understanding of regional offices' roles. (HP)
27. UN-Women office have held and continues to hold bilateral and group briefings with development partners to build awareness of the UN-Women Strategic Plan. (HP) The Regional Office established a Gender Equality Bilateral Partners Group with donor governments as co-leaders, on a rotational basis, to ensure better alignment of donors' funding with the regional priorities. The first quarterly meeting took place in late 2019. This recommendation is implemented and closed. (HP)
28. UN-Women office has developed the communication plan and resource mobilization plan consistently with the new Strategic Notes. (HP)
29. UN-Women Programme Presence office, with the appropriate Delegation of Authority, has engaged with the Resident Coordinator to facilitate the dialogue with the Regional Office, host government and permanent mission to complete the registration process and become a full-fledged Country Office. The new UNSDF and Beijing+25 activity provided an excellent business case for the office to become Country Office. (HP)
30. UN-Women office established a business case for each sub-office, including an analysis of the operating costs and sources of funding. This analysis and justification were included in the office's Annual Work Plan. This recommendation is implemented. (HP)
31. The Regional Office of UN-Women has established, under its Strategic Notes, regional programmes that have cross-border implication and contribute to results at the country level. This ensures complementarity among country offices within the region rather than counter-productively bring about a competition in resource mobilization. The Regional Office actively supported the country offices' resource mobilization efforts by establishing the Responsible, Accountable, Consulted, Informed (RACI) model. This model clarified how various actors of the region smoothly coordinate with partners over resource mobilization. Finally, a proper mapping of programmatic partners has been done to have a better sense of both funding prospects and priorities. This recommendation is implemented and closed. (HP)
32. UN-Women office has a resource mobilization plan guided by the country specific donor mapping developed by the Regional Office. UN-Women further strengthened the resource mobilization capacity by developing a strategy covering the entire Strategic Notes period linking

specific impact areas. A Resource Mobilization Specialist has been recruited to ensure that resource mobilization efforts are sustained. (HP)

(e) *Capacity needed to implement strategic priorities:* UN-Women's committed and highly motivated work force is its most valuable asset to achieve its strategic objectives and fulfill its triple mandate. To promote effective human resource management, UN-Women has taken initiatives to better match field office capacity with the ability to deliver; better plan to ensure appropriate staffing capacity and technical skill; enhance capacity for monitoring and coordination activities in support of advocating for the implementation of UNCT finding on Gender Scorecard and promotion of gender responsive UNSDCF (1 Regional Office and 1 Country Office and 1 Programme Presence Office in Asia and Pacific region, 2 Country Offices in West and Central Africa region, 1 Country Office in East and Southern Africa region, and 1 Country Office in Americas and Caribbean region)

33. In line with the ongoing UN Reform, UN-Women is implementing the results from the change management review exercise. A human resources strategy and recruitment plan has been developed for the offices with due consideration for the capacity needed to implement programme and projects. (HP) Further, UN-Women office has conducted analysis and resource mobilization efforts to establish longer-term key positions that are aligned with the Strategic Notes. Recruitment is ongoing to identify qualified candidates.
34. UN-Women Regional Offices are adequately resourced with positions to effectively undertake core mandate as per the regional architecture. However, with limited funding and the evolving environment, UN-Women is required to be flexible and agile to find innovative ways to ensure resources available were used in creating key positions for priority countries while maintaining the capacity for core functions. Following the Change Management exercise, policy guidance will be decentralized to the regional offices. (2 recs HP)
35. UN-Women office has implemented protocols to expedite recruitment and onboarding of new staff members. A user-friendly system and tools have been developed for handover and facilitate backstopping arrangements during unavoidable instances of gaps in staffing. Finally, UN-Women office has signed a new Service Level Agreement with UNDP local office for their timely support of recruitment and administration of staff.
36. UN-Women is leading the development of the UN Country Team's work plan to implement the gender score card in the country. The new gender scorecard within the country context will be presented to the Resident Coordinator once completed. (HP)
37. UN-Women office provided technical support and training for gender capacity development of the UN Staff in the country through interagency effort involving UN-Women, UNICEF, OHCHR and UNFPA to implement the recommendation from UNDAF. This was the first gender and human rights training in the country conducted for UN development system and technical support to develop a gender profile for UN Sustainable Development Cooperation Framework (UNSDCF).
38. Finally, UN-Women is closely coordinating with the Resident Coordinator and the UN Country Team to ensure that the new UNSDCF is fully gender responsive. (HP)

(f) Procurement management: UN-Women continues to make better its effective procurement management by creating practical procurement plans and strategies, ensuring adequate monitoring control and oversight of procurement activities; keeping emphasis on cost consciousness; establishing wide selection of potential vendors; maintaining confidentiality in tendering process (1 Regional Office, 1 Country Office and 2 Programme Presence Offices in Asia and Pacific region, 2 Country Offices in West and Central Africa region, 1 Country Office in East and Southern Africa region)

39. UN-Women has rolled out the e-Procurement platform which provides secure and efficient management of procurement processes. This new platform has embedded best practices and streamlined solicitation, evaluation, and contracting activities. In addition, UN-Women office has developed a tracking system for procurement and contract monitoring. Inter-office collaboration is enhanced to secure more Long-Term Agreements and sharing of vendor database. (HP)

40. UN-Women office limits the access to vendor confidential records and information to procurement focal point and key staff. To secure confidential procurement documents, UN-Women controls access to documents stored on the corporate cloud system. In line with UN-Women's global procurement practice, UN-Women office continues to maximize efficiencies by participating in the UNCT procurement working group and leveraging on the available common Long-Term Agreements for procurement. These recommendations are implemented.

41. Finally, UN-Women office has developed realistic procurement strategy and plans. Training on procurement policies and procedures as well as certification from the Chartered Institute of Procurement & Supply (CIPS) continued to be provided to staff who are involved in procurement activities to ensure adequate monitoring and oversight of procurement activities.

(g) Risk management process: Embed risk management in strategic planning and programme implementation to achieve greater risk-informed decision-making (1 Headquarter function)

42. The link between risk management and annual work planning and reporting process have been reflected in the revised Risk Management Policy. UN-Women is formalizing the escalation protocols of risks between business process offices and senior management. In the revised Risk Management Policy, the two-way communication protocols will be introduced along with an enhanced risk management system.

(h) UN-Women has addressed other recurrent issues noted by the auditors as follows:

*Strengthen the internal control system and compliance with corporate policies (1 Country Office in West and Central Africa Region)*

43. UN-Women office improved its control environment by training staff on the operations of established internal controls and by raising staff awareness through training on the importance of compliance with promulgated policies and procedures, practice of fraud prevention and detection, and risk mitigation. Additionally, the office developed a new checklist to facilitate

oversight and for effective monitoring of compliance to key operational controls in place at the office. (HP)

*Compliance with HR policies and procedures (1 Country Office in Americas and Caribbean region)*

44. UN-Women office worked with the HR Business Partner and provided training on HR policies and procedures to staff. To ensure adherence to policies and procedures, a standard operating procedure and a checklist with all required steps and supporting documents have been formalized. (HP)

*Compliance with recording and verification of assets (1 Country Office in East and Southern Africa region)*

45. UN-Women office has reviewed and tagged existing non-capital assets. All newly purchased non-capital assets were also tagged before year end.

*Compliance with testing of business continuity and disaster recovery plans (1 Country Office in Americas and Caribbean region, 1 Country Office in West and Central Africa region, 1 Programme Presence Office in Asia and Pacific region)*

46. UN-Women office has completed the necessary Business Continuity Plan and Disaster Recovery Plan testing from the new office premise located within the common UN House. The new office premise's security is under the oversight of common security function provided by the United Nations. In addition, UN-Women is also in a process of onboarding a dedicated security staff to the office. (HP)
47. UN-Women office liaised with UNDSS and the headquarters to implement security measures, which include a standard operating procedure and checklist for all required security steps and supporting documents. (HP)
48. UN-Women office has migrated the data stored in local drives of each staff onto the cloud data storage as per the corporate requirement. The Disaster Recovery Plan was timely updated and effectively implemented under the current Business Continuity management of remote working arrangements due to the COVID-19 crisis.
49. UN-Women office actively uses the corporate online facilities for its main data storage and back-up. A new version of the system has been installed to staff laptop in line with the corporate information security initiative. This new version of operating system automatically synchronized data for each user and periodically required password change. The yearly Disaster Recovery Plan testing was successfully conducted for 2019.

*Compliance with timely updating and monitoring of internal control framework (1 Country Office in Asia and Pacific region, 1 Country Office in West and Central Africa region)*

50. UN-Women office has completed a mapping of Delegation of Authorities. The Head of Office template has been updated to reflect the new Procurement Delegation thresholds.

51. UN-Women office has updated its Internal Control Framework and ensured that all duly signed Delegation of Authority letters have been uploaded to the official corporate repository. This recommendation is implemented.

*Compliance with management of data protection (1 Country Office in Americas and Caribbean region)*

52. UN-Women office has migrated project data into the corporate cloud platform for better maintenance and data security. Project information residing in this corporate platform has been made securely accessible to respective implementing partners.

***Status of Implementation of prior years' audit recommendations***

53. UN-Women has a 99 per cent implementation rate for prior years recommendations. Of the three recommendations reported as long outstanding by the IAS, only one remain outstanding to-date. The root cause for the longer time needed to implement the recommendations are due to the extensive consultation and execution process required for major IT system interface improvement and revision of corporate policy and procedure. The status of the three recommendations and improvements made to-date are elaborated below.

*Establishing corporate guidance on quality assurance of data for quarterly monitoring report; improving donor contract coordination and protocols; testing a disaster recovery plan (2 Headquarters Sections and 1 Country Office in West and Central Africa region)*

54. UN-Women has initiated the system improvements on the mapping of Results Management System with the corporate ERP system, Atlas. The fundamental issues associated with the manual mapping that caused the data inconsistencies between the two systems will be addressed. In addition, UN-Women is revising its Programme and Project Life Cycle Policies and Procedures which will include the quarterly monitoring and reporting requirements of programmes and projects. In line with the required reporting criteria, the Results Management System will also be adjusted. UN-Women has revised the target implementation date for this recommendation due to the reassessment and realignment of limited resources and corporate priorities to be agile and remain responsive to the more urgent needs of emerging issues from the COVID-19 global pandemic.
55. UN-Women has now promulgated its Resource Mobilization Partnership Policy which outlines roles and responsibilities of resource mobilization and an improvement in donor contact coordination and protocols. This policy underwent extensive consultations and rigorous review to ensure its robustness and practicability to UN-Women operational context.
56. Amid the global COVID-19 pandemic, UN-Women office has timely updated the office's Business Continuity Plan and Disaster Recovery Plan. Both plans have been successfully tested.

***Management Actions to address results of advisory services***

57. In the tables in Annex 1 are the management actions taken following IAS’s recommendations from their three 2019 advisory engagements (i.e., 1] operational risk assessment of the Haiti Country Office; 2] maturity assessment of UN-Women’s Risk Management process, and; 3] gap analysis of the Project Cycle).

***Response to the Executive Board Decision (2019/3)***

*The Executive Board “Requests UN-Women to address areas of recurring issues and the high number of audit recommendations related to implementing partners;”, and*

58. UN-Women is pleased to report that all 2018 audit recommendations identified as recurring under the area of implementing partners management has been assessed as implemented and closed by the auditors.

59. UN-Women’s actions to address the root cause of the recurring issues and recommendations resulted to the following:

- i. An enhanced and practicable process for the selection of implementing partners in line with the updated policies and guidance. This ensured the engagement of partners with the appropriate capacities to implement UN-Women projects and/or the inclusion of necessary partner capacity development activities within the project to ensure project sustainability towards national ownership;
- ii. More rigorous review of partner advances liquidation that increased the assurance on the proper use of UN-Women funds by partners. This capacity was strengthened through the extensive training of programme and operations staff;
- iii. Additional capacity assessment and review of implementing partners were conducted before any new project agreement was signed with existing implementing partners. This effectively minimized risks to UN-Women and ensured that partners are entrusted with projects within their capacity and capability for successful implementation;
- iv. UN-Women office has provided clarification and criteria to correctly identify the type of contract modality to use when engaging third parties for the specific activity. This practicable process in place has ensured that the correct contract modality is used for the proper engagement, monitoring and reporting by third parties engaged to carry out UN-Women activities;
- v. Prudent use of limited resources with better monitoring of UN-Women programme activities for successful implementation is carried out with risk-based and focused programme monitoring missions and spot checks.

*The Executive Board “Notes with concern that there is one long outstanding and three high-priority audit recommendations and requests UN-Women to address these.”*

60. UN-Women has implemented the one long outstanding recommendation noted in the 2018 Annual Report. The Small Grants Policy and Procedure have been approved and promulgated in line with the corporate Policy, Procedure, and Guidance framework.
61. Finally, the following positive impacts have been observed with the implementation of three high priority audit recommendations:
- i. With focused efforts, UN-Women has continued to explore and steadily expand its private sector resource mobilization in line with the carefully crafted and approved corporate resource mobilization strategy. In addition, the elimination of any ambiguities on the roles and responsibilities around resource mobilization has resulted to synergized and complementary efforts working harmoniously towards a common resource mobilization goal;
  - ii. There is a marked improvement on the Gender Scorecard among UN Agencies in the country to advocate gender equality and women empowerment. This is a notable result of the number of trainings conducted by UN-Women to educate staff of sister UN Agencies on data collection, resource tracking and monitoring and evaluation of gender related issues; and
  - iii. The uninterrupted and resilient operations of the country office under COVID-19 pandemic is the valuable dividend from the invested time and resources to earlier successful testing of the Business Continuity Plan and timely update of security equipment by the country office. In addition, staff members have completed all security training.

## **INVESTIGATIONS**

62. Of all the allegations received by OIOS in 2019, it is noted that 8 were investigated. Of those, 4 were substantiated and 4 were found unsubstantiated. Out of the 8 cases investigated, 5 were inter alia related to prohibited conduct<sup>1</sup> (i.e. harassment, sexual harassment, abuse of authority and discrimination). Of the substantiated cases, 2 related to prohibited conduct.
63. Following preliminary assessment, OIOS determined that investigation was not warranted and referred 25 cases back to UN-Women (subject to consent by the complainant, where applicable) for management action of which 21 were further referred for interventions by Human Resources. These matters were addressed comprehensively under the management referral protocol that was developed to ensure prompt handling of the referrals with input from all stakeholders involved including IEAS, Legal Office, and Human Resources.

---

<sup>1</sup> one case may include more than one type of alleged misconduct

64. To ensure that workplace concerns are prevented and dealt with in a holistic manner and that the root causes are addressed, UN-Women has developed an Inclusive Workplace Strategy. The strategy aims at strengthening leadership, focusing on people's management and promoting diversity, inclusion and standards of conduct. This initiative includes an internal campaign on UN-Women's Values and Competencies, the conduction of a Team Culture survey and the roll out of the Respectful Workplace Facilitators pilot program coordinated by the Ombudsman for Funds and Programs. The partnership with the Ombudsman for Funds and programs provides informal avenues of early assistance. In addition, the policy on Prevention of Harassment, Sexual Harassment, Discrimination and Abuse of Authority was recently revised and it has inter alia strengthened UN-Women's position on a zero-tolerance approach to Sexual Harassment and to a victim-centered approach. It has imposed new and more detailed roles and responsibilities and has added requirements for Regional Directors, Heads of Office and Directors of Division to provide annual certification on the implementation of the policy in their offices to the Executive Director. The policy also expands on the informal and formal processes of reporting prohibited conduct; includes provisions on prevention and support for personnel; and reinforces confidentiality and the monitoring of implementation.
65. Specific actions on preventing, addressing and reporting on sexual exploitation and Abuse and Sexual Harassment are highlighted in the Management Letter submitted to the Executive Board.
66. The Executive Director has issued the attached report setting out disciplinary measures and other actions taken in response to misconduct and wrongdoing by UN-Women staff members, other personnel or third parties and cases of possible criminal behavior for the period 1 January-31 December 2019 in accordance with UN-Women Legal Policy for Addressing Non-Compliance with United Nations Standards of Conduct.
67. In 2019, UN-Women took prompt and appropriate action to implement its zero-tolerance policy in substantiated cases following an investigation. As set out in the report, in 2019, one case resulted in disciplinary measures against staff member. A staff member was found to have committed sexual harassment and the staff member was dismissed.

**Annex 1: Management Response to Advisory Engagements**

IAS advise	UN-Women Actions	Action Status
<b>Operational Risk Assessment: UN-Women Country Office in Haiti</b>		
<i>1] Periodically test the UN Country Team’s Business Continuity Plan</i>	UN-Women office has successfully completed the testing of Business Continuity Plan which is in line with the UN Country Team’s business continuity plan.	Implemented
<i>2] Develop an advocacy and communication plan and resource mobilization strategy.</i>	A resource mobilization strategy that aptly considered the opportunities to work with key development partners have been established. To diversify the funding sources, concept notes have been finalized in line with the strategic priorities of the office. In addition, the office has crafted its realistic communication plan and will put in place a dedicated office website to promote with stakeholders and elevate awareness of UN-Women activities in the country.	Implemented
<i>3] Review office structure and staffing model to ensure that it has adequate capacity to deliver.</i>	UN-Women office continues to advocate for a permanent Deputy Representative position to oversee the high humanitarian needs given the office’s highly fragile operating environment with recurrent violent and political crisis combined with high vulnerability to natural disasters. The optimal business model and a staffing structure will be aligned with the revised Strategic Notes.	In Progress
<i>4] Revisit the Strategic Note and Annual Work Plan results matrix to develop a monitoring and evaluation framework to enable more effective reporting on results and impact.</i>	UN-Women office has developed a Monitoring and Evaluation toolbox to standardize the collection, design, flow, analysis and reporting of programme data. The office’s staff have been trained on the Monitoring and Evaluation, and programme management. Additionally, the office will train staff on the use of the corporate document sharing tool to allow the secured maintenance of documentation online. The new Strategic Notes and Annual Work Plan, coherent with current programming and adapted to the new UNDAF priorities, will be developed.	Implemented
<i>5] The country office should carefully monitor how it works with implementing partners, to ensure that they have adequate capacity to deliver, safeguard funds and report on results.</i>	UN-Women office has strengthened the capacity assessment of existing and potential partners in line with the corporate policy. Capacity assessment criteria has been expanded and stronger monitoring mechanisms have been put in place for those partners with identified capacity gaps. The Annual Work Plans are monitored on a quarterly basis; payments are made to implementing	Implemented

	partners only after the deliverables have been satisfactorily performed. Finally, the office will share the programme knowledge with its implementing partners to promote sustainability and national ownership.	
<b>Risk Management Process: Maturity Assessment</b>		
<i>1] The current process needs to continue to move from a mainly compliance exercise (yet to be fully embedded in strategic planning, and programme and project implementation), towards even greater risk-informed decision-making</i>	UN-Women incorporated the link between risk management and annual work planning and reporting process in the revised Risk Management Policy. UN-Women is formalizing the escalation protocols of risks between business process offices and senior management.	Implemented
<i>2] The key objective of risk management – to assist managers in making decisions, justified by the assessment of existing and potential risks and opportunities – is not yet fully embedded throughout UN-Women’s culture</i>	UN-Women has included a two-way communication protocol in the revised Risk Management Policy. An enhanced risk management system will also be developed.	In Progress
<i>3] The Entity re-appoint a Senior Risk Manager to act as a champion at executive/senior management level and to strongly advocate for risk management to be part of key management decision-making</i>	UN-Women has identified the Director of Strategy, Planning, Resources and Effectiveness Division as the Chief Risk Officer. Strategy, Planning, Resources and Effectiveness Division is the new Division where the Enterprise Risk Management Function resides.	In Progress
<i>4] Identifying an appropriate committee that would consider risk management regularly on its agenda, with regular reporting to the Senior Management Team, and include risk management responsibilities as a key management competency in performance management documents and/or terms of reference</i>	UN-Women has defined roles and responsibilities for effective risk management and re-defined the Terms of Reference for the Risk Management Committee in the revised Risk Management Policy.	In Progress
<i>5] The Entity should revise the risk management function’s</i>	UN-Women’s Enterprise Risk Management Function resides in the Strategy, Planning, Resources and	In Progress

<p><i>organizational position, role, accountability, authority and capacity.</i></p>	<p>Effectiveness Division. Funding is required to separate the role into two distinct position for Risk Management Function and Policy, Procedures, and Guidance Function.</p>	
<p><b>Project Life Cycle Gap Assessment</b></p>		
<p>1] <i>Achieve Level 3 (defined process) of the P3M3 uniformly across all components of the Project Cycle</i></p>	<p>UN-Women engaged a consultant to review the gaps in current programme policies and procedures. The results of the review, along with key recommendations of the IA gap assessment on the UN-Women Programme and Project life Cycle, have been incorporated into a draft Programme and project life cycle business case and project plan that are for approval. Upon the approval of the programme and project life cycle plan and business case, detailed actions to achieve level 3 of the Portfolio, Programme and Project Management Maturity Model (P3M3) will be initiated.</p>	<p>In Progress</p>
<p>2] <i>Governance of Project Cycle: Establish clear definitions; clarify roles and responsibilities of key stakeholders for quality assurance during project design, formulation and implementation of project results; standardize requirements for project implementation and monitoring</i></p>	<p>UN-Women has engaged senior management and key stakeholders to clarify the roles and responsibilities on project governance, business case and project plan. As part of the comprehensive Project Life Cycle plan, the P3M3 oriented quality assurance during project design, formulation and implementation of project will be finalized. UN-Women is simultaneously finalizing the revised Project Document template and the Project Appraisal Committee checklist to standardize the requirements for project implementation and monitoring.</p>	<p>In Progress</p>
<p>3] <i>Project Design and Formulation: Ensure a solid Theory of Change and Business Case based on a beneficiary needs assessment, expected benefits and risks; ensure a Project Document with clear arrangements for monitoring, an exit strategy for sustainability, and environmental and social safeguarding</i></p>	<p>UN-Women’s revised Project Document template includes well-defined processes to facilitate beneficiary needs assessments, identification of effective monitoring arrangements, formulation of exit strategy and feasible environmental safeguard principles. This draft Project Document template is presently undergoing rigorous quality assurance review prior to promulgation.</p>	<p>In Progress</p>
<p>4] <i>Project Appraisal and Approval: Ensure process and workflows for appraisal and approval are based on clearly</i></p>	<p>UN-Women will be reviewing and drafting the End State Programme and Project Life Cycle Policies and Procedures in line with the P3M3 model. Simultaneously, UN-Women has also strengthened the Project Document</p>	<p>In Progress</p>

<p><i>defined criteria for confirming a project's technical, operational, legal and financial feasibilities, relevance and sustainability of results</i></p>	<p>template to reflect the technical, operational, financial, relevance and sustainability of project results upon appraisal and approval.</p>	
<p><i>5] Project Implementation and Monitoring: develop an integrated system that captures implementation progress of programmatic and financial delivery against plans and that supports a cost-effective monitoring framework</i></p>	<p>UN-Women is designing and developing the end state integrated Programme and Project management system following the finalization of the Programme and Project Life Cycle Policies and Procedures revision. In the absence of a comprehensive and integrated system for project monitoring and reporting, an interim system has been developed. This interim system allows for project monitoring and reporting and is now in its testing phase.</p>	<p>In Progress</p>
<p><i>6] Project Closure, Monitoring and Knowledge Management: Ensure project results are sustainable and benefits have been achieved through ex-post monitoring and evaluation; collect best practices from both challenging and successful projects for corporate knowledge management</i></p>	<p>In line with its corporate Knowledge Management Policy, UN-Women has strengthened the management of accumulated valuable information and knowledge from completed programmes and projects.</p>	<p>In Progress</p>