



## **Management response to the 2020 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 objective assurance and advisory services conducted for 2020. Since the establishment of the in-house Internal Audit Service, UN-Women has benefited from a readily accessible independent internal audit assurance and advisory 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 audit opinion which states that *“based on the results of internal audit and advisory work performed in 2020, IAS’s overall opinion is that the Entity’s governance, risk management and control processes were generally established and functioning but needed some improvement.”* This is a testament to UN-Women’s reliable operational capacity and ability to uphold its governance, risk management and control processes, as well as the agility with which the Entity has pivoted to respond to the unprecedented challenges experienced in 2020 as a result of the COVID-19 pandemic.
4. UN-Women acknowledges that IAS, within available resources and some scope limitations due to the COVID-19 pandemic, conducted 16 internal audit and advisory engagements related to the 2020 audit plan. These internal audits and advisory engagements provide independent assurance on the effectiveness of governance and management actions to identify and manage key risks to achieve UN-Women’s objectives.
5. UN-Women is pleased to note that the 93 per cent implementation rate for prior year’s internal audit recommendations exceeded the corporate target of 90 per cent for the sixth consecutive year. The high implementation rate is an attestation of UN-Women management’s commitment to address recommendations from internal audits.
6. UN-Women accepts the key issues identified in Section VIII of the report, “Significant internal audit and advisory results”, and wishes to highlight the following management actions to address the recommendations and their positive impacts on operations. UN-Women endeavors to complete the required actions and implement all audit recommendations to maximize operational effectiveness and efficiency.

### ***Management response to IAS’ identified overarching areas for improvement***

7. UN-Women is pleased to receive positive acknowledgement of the efforts made to enhance governance and risk management in 2020, despite the extraordinary operating circumstances of

the past year. While improvements have already been seen linked to the revised internal governance framework, the operationalization of the Risk Management Committee, and the embedding of audit and assessment recommendations into strategic planning processes, UN-Women recognizes that the process of strengthening governance, risk management and compliance is a continuous undertaking and therefore welcomes the overarching areas of improvement identified by IAS. These areas will serve as an outline to guide the Entity's prioritization exercise, aimed at ensuring that UN-Women's human and financial resources are dedicated to implementing recommendations which will yield the largest efficiency and effectiveness gains for the organization.

8. Enhanced Second Line of Defense: The Strategy, Planning, Resources and Effectiveness Division (SPRED) is leading the analysis to establish a workplan for a strengthened Second Line of Defense at Headquarters and in the Field. Planning and budgeting processes have already been integrated within a single division to foster more holistic planning and provide more effective, efficient, and delivery-oriented guidance and support.
9. Increase management absorption capacity: UN-Women acknowledges that the pace of audits, advisory engagements, and evaluations occasionally outpace the absorptive capacity of the organization, particularly in the COVID-19 context, and that the nature of many findings and recommendations arising from these requires organizational investments and changes to be prioritized, implemented and assessed over time. To address this issue, the Entity will analyze gaps and explore options within available resources to address findings from audits, advisory engagements, and evaluations and will develop a prioritized list of critical areas requiring increased attention and manage ensuing risks.
10. Strengthen capacity, particularly in the field: In line with the ongoing Change Management initiative, UN-Women promulgated the Presence Governance Framework which sets out the country office typologies and functional setup required to strengthen capacity at field level. This is a growth/focused model which reinforces the capacity and sustainability of UN-Women's field footprint. This will better align to office needs and enhance segregation of oversight functions. To further clarify support functions in the field, UN-Women is finalizing a Regional Menu of Service document taking into consideration the role of technical officers in the Regional Office as well as HQ typologies. As part of the creation of a networked knowledge organization, UN-Women is working towards greater decentralization and matrixing of policy guidance capacity to the field for closer ground support to the implementation of strategic priorities.
11. Development of a Statement on Internal Controls: UN-Women has started looking into the feasibility of issuing such a statement and whether the existing level of human and financial resources would be sufficient to do so, including specific technical expertise to develop the process, conduct the validation/quality assurance, prepare representation letters and the eventual Statement of the Internal Control, as well as the necessary changes in business processes and reporting requirements to roll this out. Initial analysis shows that additional resources would be required, and UN-Women is conducting further analysis to determine specific gaps and requirements.

### ***Management Actions to address key internal audit and advisory results***

12. UN-Women initiated key actions to address audit findings and recommendations in 2020. Of the eight offices audited, seven were assessed as ***some improvement needed*** while one was assessed as ***major improvement needed***. UN-Women is pleased to note that there were no unsatisfactory audits of units or processes. Below are the updates to the management actions taken to address the 2020 internal audit recommendations.
13. **Programme and project management:** UN-Women takes note of the key and recurrent issues in the area of programme and project management and is prioritizing management actions through a holistic approach to project and programme design, including by embedding risk management in the design phase of global programmes. To improve results monitoring, UN-Women developed revised narrative reporting templates, which will facilitate more analytical and comprehensive results-oriented reporting.
14. Despite the challenges linked to the COVID-19 pandemic, UN-Women demonstrated agility by urgently re-focusing programmes and resources to be responsive to the compelling needs of beneficiaries from the unexpected consequences resulting from COVID-19. To ensure the delivery of agreed-upon results, offices adhered to the Monitoring, Evaluation and Research Plans and overcome restrictions imposed by lockdowns by pivoting to virtual monitoring of partner activities for uninterrupted vital interaction and guidance.
15. To further improve this area, UN-Women will further improve its RBM (Results Based Management) approach and further integrate planning, budgeting, expenditure recording and reporting on results at the country, regional and global levels, including in the context of the new ERP (Enterprise Resource Planning) Cloud Solutions.
16. **Governance arrangements:** UN-Women articulates its vision, direction and operational strategies with clarity and to a level of specificity that guide managers, in a decentralized management approach, within delegated authority. The Strategic Plan 2022-2025 provides additional opportunities to advance this work, with its articulation of corporate strategic results and measurements and corresponding management arrangements, in line with findings and evaluations from independent evaluations and assessments of UN-Women's work. In the context of programme implementation, management committed to developing a Responsibility Assignment Matrix (RACI framework) as a comprehensive accountability framework with clear roles and responsibilities. UN-Women intends to adopt this approach for other key business processes as well.
17. In 2020, UN-Women promulgated key pieces of internal legislation aimed at strengthening governance arrangements. The Presence Governance Policy guides the organizational footprint, sets out common criteria for establishing, changing or closing UN-Women presences, and defines decision-making process and accountabilities in decisions relating to UN-Women's country presence. The Internal Management Framework strengthens UN-Women's existing internal management bodies to create a streamlined structure for clearer and timely decision-making. Additionally, the revised structure strengthens oversight without hampering decentralized decision-making authority.

18. **Cybersecurity, Information System integration and data management**: All UN-Women's information systems are integrated through the OneApp framework and are built to meet specific business process needs. As the organization matures and continues to strengthen its processes, this may allow further integration of process steps and hence better system integration. Review of improvement options in systems is an on-going process with business process owners. Business process and data input-output analyses are always carefully done for optimum efficiency prior to the development of new systems. UN-Women ensures that no incompatible data is extracted nor inputted in UN-Women systems.
19. Improved support for project management is one of the expected benefits of the new ERP project currently being undertaken. In line with industry best practices, it may however not always be cost effective nor user friendly to attempt to fit all processes into one system. Specifically, systems or technologies appropriate for financial donor reporting may not always be appropriate to facilitate narrative reporting.
20. UN-Women is updating its Records Management Policy and will establish a procedure that may include digitalization as part of the process, with due consideration to local capacity as well as costs and benefits of digitalization and electronic approvals within the context of available resources.
21. UN-Women continues to advance the Entity's efforts on cybersecurity through a comprehensive set of initiatives, especially given the virtual working arrangements as a result of COVID-19. In this regard: (i) Network firewalls were ramped up to further enhance cybersecurity; (ii) cybersecurity webinar trainings are conducted globally to educate and elevate awareness of staff, especially on common scenarios of hacking, email phishing attacks and online scams; (iii) existing system development tools and frameworks have the necessary features to detect and diagnose security related exceptions and risks; (iv) the System Development Life Cycle (SDLC) Documentation Standards on change management, design, development and release processes are regularly updated to incorporate latest best practices on cybersecurity; and (v) UN-Women's Information Security Compliance Programme at Field Offices is in place, closely monitored and regularly reported.
22. In response to the remote working arrangements imposed by the COVID-19 pandemic, UN-Women operations swiftly adapted, largely due to the Entity's ability to leverage new and existing technologies. Using the Global Service Tracker, Microsoft Teams and SharePoint systems, documents clearances and approvals were made fully electronic, with automatic document repositories and record keeping.
23. **Effectiveness and compliance with policies and procedures**: UN-Women notes the areas identified through the audit and advisory engagements and will continue to establish, consolidate and revise its policies, procedures and guidance as appropriate and applicable, ensuring alignment with ongoing workstreams wherever possible to avoid duplication and gaps.

24. UN-Women agrees in principle with the IAS recommendation to develop an overarching Ethics and Integrity Policy Framework to clarify roles and responsibilities at the organizational level, as well as the ownership of the function, presently serviced by the UN Ethics Office. There will be, however, a need for dedicated resources and capacity to initiate this undertaking. UN-Women currently has a cohesive accountability framework and a comprehensive set of policies and procedures in place related to workplace ethics and integrity standards, including the following: “Legal Policy for Addressing Non-Compliance with UN Standards of Conduct”, “Special measures for protection from Sexual Exploitation & Abuse”, “Prevention of Harassment, Sexual Harassment, Discrimination & Abuse of Authority Policy”, and “Protection Against Retaliation for Reporting Misconduct and for Cooperating with Duly Authorized Audits or Investigations Policy”.
25. With regards to trust fund and grant management, UN-Women is on track with the development of a corporate policy and procedure on the establishment of UN-Women Trust Funds, through a risk-informed corporate protocol for UN-Women’s engagement in new Trust Funds. UN-Women is also incorporating specific elements relating to the grants mechanism financed through the UN-Women Trust Fund in the overarching grant management policies and procedures.
26. To improve oversight and monitoring on the use of delegated authority in functional areas such as travel, procurement and human resources, a business case to automate the Internal Control Framework (ICF) and Delegation of Authority (DOA) processes is under development and will move to specification and consultation phases soon. Depending on the associated cost and benefits of the business case as well as the implications of the new ERP system, development and roll-out of the automated tool will be subject to available resources. As part of UN-Women’s planned assurance mapping exercise, it is envisioned that roles and responsibilities for business process owners and Regional Offices will be clarified in support of effective oversight and compliance monitoring.
27. UN-Women is revising the Policy, Procedure and Guidance (PPG) Policy to include needs identification, integrated end-to-end process mapping, risk assessments, and risk tolerance levels and exceptions, as a precursor to the development or revision of internal legislation, where relevant. In many instances, business process owners conduct information-sharing webinars for newly promulgated policies and this approach will be instituted as a best practice moving forward.
28. **Responsibilities, capacity, skills and structure needed to implement strategic priorities:** UN-Women continues to strengthen internal governance structures and country presences in line with the ongoing Change Management Initiative. Following an extensive review of its global presences, a revised UN-Women country typology was introduced to support efficient and effective deliver of the next Strategic Plan.
29. The Presence Governance Framework sets out the rationale, criteria and funding principles which should be met in decisions to establish or change country presences and establishes the typologies of presence and functional setup of UN-Women country presences. These are aligned with UN-Women’s Regional Architecture and ensure alignment with United Nations Development System (UNDS) Reform. Through Resource Mobilization targets and an accompanying focus on more

aggressive Direct Project Management Costing (DPMC), UN-Women will ensure adequate implementation capacity for non-core funding. UN-Women is in the process of reviewing the structure, capacity, and staffing to better align to the needs of the offices and enhance segregation of oversight functions.

30. UN-Women is finalizing the Regional Menu of Service document taking into consideration the role of technical officers in the Regional Office as well as HQ typologies, which will further clarify support functions to the field. As part of a networked knowledge organization, UN-Women is transitioning towards greater decentralization and matrixing of policy capacity to the field to support implementation of strategic priorities.
31. **Risk management:** UN-Women is pleased to report considerable progress in our efforts to effectively embed risk management across the organization's decision-making, activities, systems and processes. UN-Women enhanced the Entity's risk management governance in 2020 through the overhaul of the Risk Management Policy Framework, the establishment of a Risk Management Committee and the designation of the Director of Strategy, Planning, Resources and Effectiveness Division as the organization's Chief Risk Officer. Taken together, these actions amplify management accountability and ownership of governance and risk management and provide a pathway for timely escalation of issues to higher management, where needed. A dedicated Risk Manager post was established and will be responsible for providing technical expertise and guidance to advance the Entity's risk maturity and risk management culture organization wide.
32. To promote risk management as a meaningful managerial tool as opposed to a compliance-driven activity, efforts are ongoing to embed risk management practices at all levels. This includes the linking of annual risk assessments to the annual work planning cycle, clear identification of risks and opportunities as part of the 5-year Strategic Note cycle and strengthening the application of risk management in the project design and formulation. At the project level, offices will be expected to enhance efforts to identify, assess and prepare project-specific standardized risk registers as part of the Project Document.
33. **Human resources management:** UN-Women maintains the Entity's commitment to people management and highlights that empowered people will be a focus area under the next Strategic Plan.
34. Through the decentralized Human Resources Business Partners in the Regional Offices, UN-Women will continue to provide guidance on changes in procedures, guidelines and overall processes for the management of temporary staff assignments and will clarify roles and responsibilities as part of the Detailed Assignment guidelines review. In addition, the revised Individual Contractor/ Consultant Management Policy is currently undergoing iterative consultations and will be promulgated once these activities are finalized.
35. As part of the annual Performance Management Development process, learning needs are identified and UN-Women offices develop a learning plan to respond to those needs.

36. In the ongoing project for a new ERP system, discussions are underway to explore the feasibility of an integrated system for the management of all personnel types of UN-Women for a comprehensive and accurate tracking and reporting.
37. **UN system coordination:** UN-Women has taken steps to support greater performance and accountability for gender equality and enhanced gender mainstreaming in the UN system, at the global, regional and country level, including through the development and roll-out of standardized tools. The 2022-2025 Strategic Plan will further leverage UN-Women's UN system coordination mandate, including in the context of UNDS reforms. In this context, UN-Women has brought on expert capacity to capture the results from the implementation of its UN system Coordination mandate at the global, regional and country levels, and identify examples to standardize and scale-up across different regions through evidence collection and analysis for the different dimensions of the organization's UN system Coordination role. In addition, following an assessment of the current approaches to coordination at the field level, UN-Women Regional Offices are developing coordination outlines to establish a common understanding of support services offered to the field offices. Regional Offices and HQ will continue to support field offices in their active engagement with the Common Country Assessment (CCA)/UN Sustainable Development Cooperation Framework (UNSDCF) development processes, including through the UN Gender Working Groups and Opportunity and Issue-Based Coalitions (OIBCs), to influence the mainstreaming of gender equality outcomes.
38. **Development and implementation of Strategic Note priorities:** Each year, UN-Women issues updated guidance on the preparation of Strategic Notes, drawing on lessons learned from previous years and adapting to the changing operating contexts. The 2020 Strategic Note guidance (issued for Strategic Notes being prepared in 2021) includes a section on Resource Mobilization, with linkages UN-Women's Corporate Resource Mobilization and Partnerships Strategy 2018-2021 as well as the Resource Mobilization Partnerships Policy, to support well defined resource mobilization strategies with realistic targets.
39. **Management of programme partners:** UN-Women acknowledges the recommendations made in this area and commenced a wide range of initiatives aimed at strengthening the management of programme partners, within available resources. In 2020, UN-Women promulgated the Procedure for Selecting Programme Partners, including clear instructions and a practical toolkit of templates to select the 'best fit' partners, deliver better equality results and strengthen internal compliance. Additionally, UN-Women introduced the Handbook on How to Manage Partner Agreements as a key resource to support Project Managers identify problems and challenges early to minimize risks and ensure that implementation remains on track to deliver agreed results and promulgated the responsible party's capacity assessment online tool. The Partner and Grant Agreement Management System (PGAMS) was launched as the corporate repository for all partner agreements to support stronger monitoring and oversight of commitments and milestones.
40. Work to strengthen the management of programme partners will continue in 2021 through an end-to-end process risk assessment, which will map roles, responsibilities and existing controls to identify and address any gaps or duplications in a holistic manner.

41. **Travel management:** As part of the action plan to address findings and recommendations from the IAS travel management audit, UN-Women identified the business process owner for the function who will be responsible for implementing the actions set out in the management action plan. As part of the new ERP system, UN-Women will launch an e-Travel module as a global system for travel processing and approval, replacing the current manual system in field offices. To continually achieve best value for money, UN-Women promotes advance travel planning through the submission of the quarterly Mission and Leave Plans.
42. **Procurement management:** UN-Women provides guidance to field offices and monitors the status of initial procurement plans which are prepared annually as part of the Annual Work planning Cycle. UN-Women works closely with other sister UN agencies to harmonize UN System procurement by establishing a shared list of vetted vendors engaged under Long Term Agreements. Internally, UN-Women successfully rolled out the E-Procurement module to promote procurement efficiency: In 2020, this enabled offices to deliver 90% of the procurement needs. To enhance overall procurement management, UN-Women provides periodic staff trainings and guidance in support of procurement monitoring activities.

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

43. For recommendations issued prior to 2020, UN-Women's implementation rate is 93 per cent, exceeding the corporate target of 90 per cent. Of the four long-outstanding recommendations, UN-Women is pleased to note that three were recently assessed as implemented and only one recommendation remains outstanding to-date.
44. The one remaining outstanding recommendation relates to the delayed closure of projects due to the ongoing reconciliation and communication with donors to resolve the outstanding balances. The challenges imposed by the COVID-19 pandemic, as well as reprioritization of workloads, contributed to the delay. The final closure of these projects is expected to happen following the resolution of the balances.

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

45. Annex 1 outlines status of management actions to address recommendations from three advisory engagements completed in 2020: (i) Ethics and integrity benchmarking assessment; (ii) HeForShe: limited review of governance, risk management and control processes; (iii) rapid assessment of governance of the UN system coordination function.

#### ***Response to the Executive Board Decision (2020/5)***

*The Executive Board "Encourages UN-Women management in its continuous efforts to further strengthen its second line of defense, including on accountability for key processes highlighted in the report and the establishment of a Statement of Internal Controls"*

46. UN-Women's Strategy, Planning, Resources and Effectiveness Division (SPRED) is leading the initial analysis to establish a workplan for a strengthened Second Line of Defense at Headquarters and in the Field. This work will be complemented by the planned assurance mapping exercise which will match roles and responsibilities for key businesses processes against the UN-Women



Three Lines of Defense Model, to support management in properly attributing, monitoring and reporting on accountability and performance across the organization. In addition, this assurance mapping can help UN-Women identify areas of overlap and duplication, thereby potentially freeing up needed resources which can be redeployed elsewhere. Taken together, this work will enhance UN-Women's ability to deliver on the new Strategic Plan.

47. UN-Women is assessing the feasibility of issuing a Statement of Internal Control, including whether existing levels of human and financial resources would be sufficient to do so. The work will require specific technical expertise to develop the process, conduct the validation/quality assurance, prepare representation letters and the eventual Statement of the Internal Control, as well as the necessary changes in business processes and reporting requirements to roll this out. Initial analysis shows that additional resources would be required, and UN-Women is conducting further analysis to determine specific gaps and requirements.

*The Executive Board "Requests UN-Women to address areas of recurring issues and the high number of audit recommendations related to managing implementing partners, project/programme management, travel management, risk management, structure and capacity and procurement, including by ensuring the availability of high-competent staff and relevant control mechanisms in order to manage these areas of recurring concern"*

48. UN-Women has implemented seven of the eight 2019 identified recurring issue recommendations with one remaining management action in progress. The remaining management action is linked to update the Head of Office Delegation of Authority (DOA) to include the latest procurement delegation thresholds.
49. UN-Women invested significant efforts and resources to improve the management of implementing partners, including updates on related corporate policies, frameworks and systems. UN-Women identified the following as positive results of this work: (i) simplification of the partner selection process; (ii) facilitated the strategic engagement of programme partners through the use of a decision tree model; (iii) new standardized Partner Agreement template responsive to UN-Women needs; (iv) accelerated dissemination of knowledge on the provisions of the new Partner Agreement, and; (v) structured and more transparent assessment and identification of partner's risks, capacity gaps that supports UN-Women's mandate of building national capacity for sustained programme results.
50. In 2020, UN-Women implemented several key recommendations from the 2019 risk maturity assessment as noted in paragraphs 31 and 32 above. In addition to these governance improvements, UN-Women continues to promote the two-way communication protocol in risk management. The positive impact noted from the implemented recommendations are: (i) progress in the adoption of a comprehensive and proactive approach to managing risks and issues through the Risk Management Committee, with an enhanced process of identifying and managing cross-cutting and individual risks; (ii) aligned risk management processes with planning and performance management for improved achievement of objectives; (iii) optimized resource allocation through the consistent identification of risks and opportunities for risk and reward decision making, and; (iv) facilitated analyses for business resilience and sustainability.

51. To address issues related to structure and capacity, UN-Women notes that the country typology and Presence Governance Framework will guide the organization’s global footprint to enable more efficient and effective delivery of results, as further described in paragraphs 28 to 30 above. The implementation of the Framework already has provided: (i) clarity to offices on the functions, functional set-up and human resource expectations for offices; (ii) managed expectations internally and externally on what stakeholders can expect of UN-Women presences in the field, and (iii) clear guidance for a fair and equitable basis for targeted revenue and delivery.
52. UN-Women implemented all recommendations related to procurement issued in 2019. Positive improvements are the establishment of clearer procurement strategy, robust vendor management, and strengthened compliance to procurement policies and procedures.

## **INVESTIGATIONS**

53. Of all the allegations closed by OIOS in 2020, it is noted that 10 were investigated. Of those, 4 were substantiated, 3 were found unsubstantiated and 3 were reported as merged with another investigation case. Out of the 10 cases investigated and closed, 2 were *inter alia* related to sexual harassment and 1 to prohibited conduct. Of the 4 substantiated cases, 1 related to sexual harassment and 1 to prohibited conduct<sup>1</sup>.
54. Following preliminary assessment, OIOS determined that investigation was not warranted and referred 10 cases back to UN-Women (subject to consent by the complainant, where applicable) for management action. 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.
55. UN-Women’s commitment to an inclusive and supportive workplace has continued to guide the Entity’s efforts to address workplace related concerns in a holistic manner, fostering a harmonious and respectful organizational culture. Key initiatives carried out in 2020 included, *inter alia*, an active organizational discussion on racism and discrimination against different groups; the second phase of the Respectful Workplace Facilitators pilot programme, a confidential and informal peer support system under the umbrella of the Ombudsman for Funds and Programmes seeking to develop decentralized capacity to promote a positive working environment and to enhance the psychological safety and support of colleagues; the development of a global recognition programme ; the roll-out of the 2020 annual UN Leadership Dialogue Programme on the topic of civility and dignity in the workplace , designed to drive and promote a robust culture of ethics in the organization. In addition, to aid the operationalization of our victim-centered approach to the prevention of sexual exploitation and abuse and sexual harassment (PSEAH), UN-Women has established a network of 42 country and 5 regional PSEAH focal points, who serve as the first line of support on the ground.
56. 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.

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<sup>1</sup> Sexual harassment also qualifies as “prohibited conduct” but is categorized by OIOS separately as per the 2020 Annual Report on Internal Audit and Investigations activities.

57. The Executive Director has issued the attached report (i.e., Annex 2) 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 2020 in accordance with UN-Women Legal Policy for Addressing Non-Compliance with United Nations Standards of Conduct.
58. In 2020, UN-Women took prompt and appropriate action to implement its zero-tolerance policy in substantiated cases following an investigation and disciplinary process. As set out in the report, in 2020 there was one case which resulted in a disciplinary measure where the staff member was found to have committed abuse of authority and failed to declare multiple conflicts of interest. The staff member was separated from service. Further, in 2020 there were two cases that did not result in disciplinary measures. One of those cases resulted in an administrative measure of a reprimand for a staff member who failed to observe the standards of conduct expected of a United Nations civil servant. In the other case, the staff member separated following an investigation, in which the staff member was found to have committed abuse of authority and harassment, and prior to the instigation of a disciplinary process. A letter was placed on the former staff member's official file.

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

IAS Advise	UN-Women Actions	Action status
<b>Benchmarking and Maturity Assessment of Ethics and Integrity in the UN-Women</b>		
<p>a) <i>UN-Women’s ethics and integrity maturity had some way to go before it could demonstrate, on a sustained basis, that behaviours and principles across the Entity were exemplary.</i></p>	<p>UN-Women takes note of this assessment and would like to reiterate its commitment to having a well-developed ethics and integrity culture across the organization, and as such, senior management has been fully committed to fostering an ethical organizational culture.</p>	<p>In progress</p>
<p>b) <i>UN-Women did not have its own unique corporate ethics and integrity culture or a dedicated in-house ethics function.</i></p>	<p>UN-Women acknowledges that it does not have a dedicated in-house ethics function. The UN Ethics Office provides ethics services to the organization with the Director of Human Resources together with the Workplace Relations Advisor being the primary liaison with the UN Ethics Office</p> <p>The organization will give due consideration of having a dedicated internal ethics function, subject to availability of adequate resources.</p>	<p>Under consideration</p>
<p>c) <i>Due to budget constraints and the absence of a dedicated process owner (ethics office), opportunities for training and development were limited.</i></p>	<p>UN-Women has been fully committed to driving the Leadership Dialogue initiative developed by the UN Ethics Office throughout the organization and rolled out the 2019 Leadership Dialogue on Conflict of Interest and the 2020 Leadership Dialogue “Acknowledging Dignity through Civility: How can I communicate for a more harmonious workplace?”</p> <p>Full consideration is given to the opportunities to conduct training sessions on ethics and integrity. These topics are already included in the organization training on Standards of Conduct. We will also include an ethics and integrity session in all regularly scheduled induction training.</p>	<p>In Progress</p>
<p>d) <i>Senior Management should consider bringing together the currently scattered components of UN-Women’s ethics and integrity management services; existing policies and procedures; performance management</i></p>	<p>UN-Women agrees in principle with IAS advice and will develop its own overarching policy framework which will clarify roles and responsibilities at the organizational level as well as the ownership of the function. There will be a need for dedicated resources and capacity to initiate this undertaking.</p> <p>UN-Women would also like to highlight that the Fraud Risk Assessment Guidance promulgated in October 2020</p>	<p>Under consideration</p>

IAS Advise	UN-Women Actions	Action status
<i>and training to identify any missing elements; determine roles, responsibilities and policy owner(s); and ensure that ethics and integrity-related risks are integrated into future policy work.</i>	includes a requirement to complete the Standardized Fraud Risk Register Template. A specific risk factor related to Ethical Risk has been included in this template.	
e) <i>A Deputy Executive Director should be designated to champion ethics and integrity all levels of UN-Women (both at headquarters and in the field).</i>	UN-Women takes note of the recommendation and is looking at how this could be implemented as part of the policy framework to be developed.	Under consideration
<b>Limited Scope Review of the HeForShe Campaign</b>		
1. <i>A longer-term shared vision for the campaign would have provided a platform for greater scale up and integration as an advocacy and resource mobilization tool, particularly for field offices.</i>	Phase 2 (2021-2025) strategy was developed under Strategic Partnerships Division (SPD) leadership that included extensive consultations with sister SPD units, Regional Office Directors, Policy Programme and Inter-governmental Division (PPID) and fully integrated into the Multi-Stakeholder and Engagement Section (MPES) and Strategic Partnerships Division (SPD) planning. The evaluation of Phase 1 was conducted in March 2020 and the results of the Internal Audit Service (IAS) exercise were key inputs into this new strategy. HeForShe activities are fully integrated and approved via MPES/SPD Annual Work Plan (AWP) starting in 2021.	Implemented
2. <i>A medium-term plan would have helped to develop clearer performance or success targets which may also have helped to mobilize more funding.</i>	Resource mobilization plan was developed and factored into the Annual Work Plan Quarterly planning. Project assurance reporting was done from Quarter-1 2021 and onwards.	Implemented
3. <i>As new and innovative programmes represent greater risks, a full and documented cost-benefit analysis and risk assessment should be carried out and 'piloting project' protocols established.</i>	The updated Due Diligence (DD) policy was completed undergoing quality assurance review for approval. All new private sector partnerships are following the DD in the Policy Procedure and Guidance (PPG) Framework.	In Progress

IAS Advise	UN-Women Actions	Action status
4. <i>A strategy for resource mobilization is required for campaigns</i>	Resource mobilization strategy was developed as part of the Phase 2 strategy (see point 1&2).	Implemented
5. <i>When private partners are committed to donations, UN-Women needs to ensure that formal agreements for the use of funding are in place.</i>	Legal and Finance are proactively consulted via the Agreement Clearance tool - for all new private sector partnerships while under negotiation.	Implemented
6. <i>Formal agreements are required between UN-Women, donors and National Committees to formalize and clarify the purpose of funding, roles and responsibilities and any conditions related to funding.</i>	The Recognition Agreement with National Committees is being amended to include a section on Third Party and Pass-Through Contributions. The section includes articles which clarify role and responsibilities of the National Committees vis-à-vis the donor and any reporting or other conditions. This will be fully in place in June 2021 when the current agreements end.	In progress
<b>Governance of UN-Women Coordination: Rapid Assessment</b>		
7. <i>A clear articulation and clear vision of what UN-Women executive management considers strategic and impact-focused coordination.</i>	In line with the draft 2022-2025 Strategic Plan, UN-Women plans to further leverage its coordination mandate moving forward, including by further embedding coordination capacity at the field level, and by articulating and measuring the impact of its UN system coordination work as a systemic outcome that spans across thematic impact areas.	Under consideration
8. <i>A strategy to operationalize the vision(s), mainstreamed in UN-Women's work, with a theory of change, a strong results framework with key performance indicators, clarity of roles and responsibilities, and time frames for implementation. UN-Women's coordination strategy needs to be mainstreamed into individual themes/programmes based on common standards.</i>	<p>In partnership between UNCD, PPID, SPRED, Regional Offices, and other business units, UN-Women will further articulate and standardize approaches and expected results of operationalizing the UN coordination mandate, including through a dedicated systemic outcome on coordination and corresponding indicators under the development results framework, to be duly defined, measured and reported on at the corporate level as well as within the key thematic areas.</p> <p>UN-Women's coordination strategy will seek to first pilot an approach based on common standards applicable to a given signature intervention/theme/programme and then refine the approach as necessary for both sound aggregation of result and broader thematic application.</p>	In progress

IAS Advise	UN-Women Actions	Action status
<p>9. <i>An internal UN-Women organizational governance and accountability framework of commonly agreed standards and results outlining who does what and when.</i></p>	<p>This recommendation is under consideration as the new Strategic Plan 2022-25 provides an opportunity to fully leverage the coordination mandate, which will require clarity on roles and responsibilities to facilitate the implementation, for example, through the establishment of a collaboration matrix within headquarters and between headquarters and the field to clarify and strengthen the accountability of all signature intervention/programme coordinators on UN coordination results. The tracking and reporting on results will take place as part of the reporting on the Strategic Plan targets. In this regard, one important development in the next Strategic Plan is the addition of a dedicated systemic outcome on UN system coordination under the development results section, in order to better measure the impact of UN Women’s coordination work across thematic impact areas.</p>	<p>Under consideration</p>
<p>10. <i>Defining and allocating sufficient budget and human resources dedicated to coordination, further tracking and reporting in terms of cost-effectiveness of results achieved and services provided.</i></p>	<p>It in addition to its established work to increase UN system-wide accountability for gender equality through the development of standardized accountability tools and guidance for gender mainstreaming, in the next Strategic Plan, UN-Women will also leverage its UN system coordination mandate to support the achievement and monitoring of results in its key thematic areas. Examples in this regard include leading and participating in joint programming to advance gender equality; supporting integrated policy support in line with UN Women’s thematic priorities; and advancing joint, inter-agency production of data, analysis and results measurement. Dedicated institutional arrangements, budgets and associated workplans on how UN Women’s coordination role will be operationalized across thematic areas will ensure that results are systematically advanced, captured and communicated.</p> <p>As decided by executive management, UN-Women will allocate resources (both financial and human (staff time or percentage of time) depending on the level of overall resources and track them for coordination efforts to be accounted for in Annual Work Plans, and reported to measure the cost-effectiveness and strength of results yielded from UN coordination.</p>	<p>Under consideration</p>

IAS Advise	UN-Women Actions	Action status
<p>11. <i>UN-Women should ensure that recommendations from the 2016 independent corporate evaluation on UN system coordination, from the Change Management process and other related reviews are implemented or, if some recommendations are no longer considered relevant, that this is justified and documented for accountability and knowledge management purposes.</i></p>	<p>All recommendations from the 2016 independent corporate evaluation on UN system coordination have been implemented or justified where no longer relevant.</p>	<p>Partially implemented</p>