

**ANNEX 5 – STATUS OF IMPLEMENTATION (1 APRIL 2014) OF THE 15 RECOMMENDATIONS
ISSUED BY THE DIVISION FOR OVERSIGHT SERVICES (DP/FPA/2011/5)**

| | Recommendation | Management status update | DOS assessment |
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| #1 | <p>Building on the midterm review of the UNFPA strategic plan, 2008-2013, the Executive Director should elaborate a vision statement that would reorder the priorities and guide UNFPA for the subsequent strategic plan and results framework. This vision statement should be supported by a strategic communication approach targeted at the public and UNFPA employees.</p> | <ul style="list-style-type: none"> ▪ This recommendation was assessed as implemented in 2012, following the development of a revised strategic focus building on the mid-term review of the Strategic Plan 2012-2013. In addition, the Strategic Plan 2014-2017 has sharpened the focus by further consolidating the outcomes at four, and integrating development and management results into a single framework. The development results are captured in line with the guidance from the Quadrennial Comprehensive Policy Review, at the levels of impact, outcome, and output, harmonized with other United Nations organizations. | Implemented (2012) |
| #2 | <p>UNFPA should ensure that:</p> <ul style="list-style-type: none"> ▪ Vacant positions are filled without delays by competent staff; ▪ Staff have the necessary UNFPA-related competencies and skills in management, programming, monitoring and evaluation and operations as required; ▪ A programme is launched to ensure succession planning, develop young talent within the organization, and develop and provide career paths and training. The recourse to temporary personnel (retirees, officers-in-charge) should be discouraged. | <p>During 2012 and 2013, the Division for Human Resources introduced a number of initiatives to strengthen the human resources landscape at UNFPA.</p> <p><u>New Human Resources Strategy</u></p> <ul style="list-style-type: none"> ▪ UNFPA has adopted a new Human Resources Strategy aimed at enhancing processes, services and culture related to human resources, and to create a more agile, efficient and client focused human resources function through the restructuring of roles, responsibilities and workflows. ▪ Specific objectives include: becoming a strategic business partner, where the main clients are the business owners; championing leading-edge solutions in areas such as reward, learning, engagement and talent management and ensuring speedy, excellent and client-driven service delivery. <p><u>Succession planning and talent management</u></p> <ul style="list-style-type: none"> ▪ UNFPA will leverage the use of a leadership pool as a more sustainable approach to succession, better aligned to business needs. The leadership pool, made up of pre-assessed highly qualified candidates who are ready for immediate placement, will allow UNFPA to: <ul style="list-style-type: none"> – Integrate planning for succession of critical posts and fill core business roles in a more proactive and timely manner; – Improve the readiness of candidates to take up rotational positions; – Provide a better defined career path and further development opportunities for staff members; and – Reduce vacancy rates in rotational positions. ▪ The first group of candidates to the leadership pool was assessed in December 2013 and included in the pool for the first rotation exercise of 2014. Assessment of applicants for inclusion in the pool will continue through further workshops to be held each year. <p><u>Vacancy management</u></p> <ul style="list-style-type: none"> ▪ The Division for Human Resources plans for upcoming vacancies due to natural attrition, and liaises closely with organizational unit managers to advertise vacancies. Positions to be vacated due to retirement that cannot be filled through the leadership pool and/or rotation are advertised at least six | Under implementation; with significant progress achieved since 2012 |

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| | | <p>months in advance. A new ‘Hiring Manager Job Status’ report is available to help hiring managers track at which stage of the recruitment process their open job postings stand.</p> <ul style="list-style-type: none"> ▪ During 2013, the vacancy rate for institutional budget posts has continued to decline from 11.9 per cent as at 1 January 2013 to 10.3 per cent as at 1 December 2013. While the vacancy rate for programme posts rose during 2013, this is largely attributable to 137 new programme posts established in the course of the year. <p><u>Human Resources processes</u></p> <ul style="list-style-type: none"> ▪ UNFPA has engaged the UNDP Management Change Team to support UNFPA in streamlining its business processes, thereby increasing organizational effectiveness. The Management Change Team has completed their assessments and made a number of recommendations around actions to make UNFPA’s recruitment process more effective and efficient. <p><u>Development of staff competencies</u></p> <ul style="list-style-type: none"> ▪ Extensive efforts have been made to develop staff competencies and skills. In 2013, 121 staff members attended four Regional workshops of the "LEAD UNFPA" programme to improve leadership and management skills, and which was developed in partnership with a prestigious university. ▪ In addition, the Results-Based-Management on-line training programme, with nine different modules, and the Distance Learning on Population Issues course, which provides training on UNFPA’s core mandate, continued to be offered to staff. ▪ Certification processes are available for Human Resources and Procurement, and an additional Process for Finance will be launched in 2014. ▪ Additionally, training requests by individual staff members continue to be managed by the regions and the LEAP Programme continues to be managed by the Division for Human Resources. | |
| #3 | <p>UNFPA should comply with Executive Board decisions 2008/12, paragraph 2; 2009/18, paragraph 4; and 2010/26, paragraph 11. UNFPA should further elaborate an evidence-based methodology to be applied at corporate level for making investment decisions and at country level for designing the programme in 2011. UNFPA should also develop and implement a comprehensive training in 2012 on evidence-based programming.</p> | <ul style="list-style-type: none"> ▪ The UNFPA new Strategic Plan and Integrated Budget 2014-2017, approved by the Executive Board in September 2013, will serve as the centerpiece for organizational, programme and management accountability for the period 2014-2017. ▪ The substantive focus -addressing the unfinished agenda of Cairo, with a particular concentration on sexual and reproductive health and reproductive rights- is captured by the “bull’s eye”, originally introduced in the midterm review of the previous Strategic Plan, and refined in the course of the development of the new Strategic Plan. ▪ The new Strategic Plan has sharpened the focus of UNFPA by consolidating outcomes, now only four, and integrating development and management results into a single framework. ▪ Outcome and output theory of change documents have been developed to facilitate the choice of programme interventions relevant for each country context, either for Country Programme development or for the revision of Country Programme Action Plans. The purpose of the theories of change is to have a common, harmonized understanding across the organization of the interventions through which | Implemented (2013) |

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| | | <p>outputs and outcomes can be achieved and the evidence that drives the selection of these interventions. The ultimate goal is the ability of every country programme to demonstrate measurable and meaningful results that are directly attributable to UNFPA financial and technical investments in line with the Integrated Results Framework of the Strategic Plan.</p> <ul style="list-style-type: none"> ▪ Efforts in this area have been supported by the development of guidance and tools on strengthening results-based management, evidence-based management and evaluation, including the online training programme referred to in the update to Recommendation No. 2. Such efforts have contributed to an improved performance in this area, as evidenced by the positive results of the assessment of new country programmes performed by the Programme Review Committee. | |
| #4 | <p>UNFPA should encourage country offices to focus their programme priorities, thus developing no more than eight outputs and reducing the number of implementing partners and AWP to a manageable size.</p> | <ul style="list-style-type: none"> ▪ All UNFPA business units (country and regional offices, headquarters) are expected to align their programmes to the new Strategic Plan direction, which has further sharpened the focus of UNFPA as mentioned above. ▪ Activities to be completed to ensure alignment will be documented in business unit alignment plans that will be monitored by UNFPA management. The alignment exercise is being conducted in two phases. <ul style="list-style-type: none"> – By December 2014: alignment with essential Strategic Plan elements, including mapping of programme activities and interventions to the new Integrated Results Framework outcomes and outputs and developing partnership plans; and – By December 2015: full alignment of all new and on-going programmes with all components of the Strategic Plan. ▪ The review of new country programmes by the Programme Review Committee has also contributed to the development of programmes focused on a smaller number of outcomes and outputs relevant to national priorities., ▪ In addition, efforts continued during 2013 to further reduce the number of Implementing Partners engaged for programme delivery. | Implemented (2013) |
| #5 | <p>While complying with Executive Board decision 2000/19: Review of the system for the allocation of UNFPA resources to country programmes, UNFPA should develop a flexible process to better align programme resource allocation with beneficiaries' needs.</p> | <ul style="list-style-type: none"> ▪ The new Resource Allocation System, which was developed to attain the goals of the Strategic Plan 2014-2017 in line with the new business model, has been put into operation as at 1 January 2014. All country and regional offices, as well; as headquarters business units have been assigned their revised resource allocations and have aligned their programme plans in accordance with the funds allocated. ▪ The resource allocation system will progressively unify over time, through 2017, regular resources planning and decision making and integrate other resources allocation processes to the maximum extent possible to ensure resources are optimized across the organization. | Implemented (2013) |
| #6 | <p>At the Board's second regular session 2012, UNFPA should submit an assessment report on the new structure after a review of</p> | <p><u>Headquarters organizational structure</u></p> <ul style="list-style-type: none"> ▪ UNFPA management accelerated the restructuring of the organization in parallel to the development of the new Strategic Plan 2014-2017, in line with a more focused | Under implementation |

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| <p>the headquarters, regional offices and country offices. This report would also inform the design of the new strategic plan, 2014–2018.</p> | <p>programme approach and the new business model.</p> <ul style="list-style-type: none"> ▪ The Programme Division (PD) was reorganized into four branches in 2012, to optimize quality programming and to make the PD more client-focused. The new structure is comprised of the Strategy, Policy and Standards branch, the Humanitarian and Fragile Contexts branch, the Strategic Information and Knowledge Management branch, and the Operational Support and Quality Assurance branch. ▪ The Division for Management Services has undergone a structure review at the end of 2013, with the purpose of improving client service delivery -primarily support to field offices, as well as responding to new internal and external reporting requirements This review came as a result of the feedback provided by clients across the organization, including country and regional offices, and UN partners. A new Quality Management Unit, which includes the key functions undertaken by the former National Execution Unit, has been established to streamline quality assurance in the area implementing partner management and operations capacity development, as well as to contribute to the continuous improvement in operations processes and compliance with associated policies and procedures. Also, a new unit was created to support the International Aid Transparency Initiative (IATI) reflecting UNFPA's commitment to transparency and frequent reporting for stakeholders and the public at large. ▪ A Resource Planning and Budgeting Branch was established as a result of the expanded responsibility for overall integrated resource planning and distribution, particularly in light of the formulation and implementation of the Integrated Budget and new cost recovery methodologies. ▪ The Division for Human Resources started its transformation in 2013 following the endorsement by the Executive Committee of the new Human Resources Strategy and the related corporate project. The new structure will consist of four units: <ul style="list-style-type: none"> – <i>Governance</i>: responsible for establishing global direction and policy and acting as a strategic interface between human resources senior management, interagency counterparts and governing bodies; – <i>Strategic Partnering</i>: responsible for assessing and responding to organizational change management needs, capacity building, providing advice and support to line managers and to human resources focal points and the implementation of human resources policies and processes throughout the organization; – <i>Talent</i>: responsible for managing the talent life-cycle of employees; sourcing, developing, measuring and enhancing the performance and separating (when required) the talent in the organization; and – <i>Services</i>: Responsible for providing responsive operational support on day to day human resources needs and questions. ▪ The transformation will be completed by the second quarter of 2014. ▪ Additionally, an independent Evaluation Office was formed | |

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| | | <p>in line with the approval of the revised Evaluation Policy in 2013.</p> <p><u>Field Offices</u></p> <ul style="list-style-type: none"> ▪ Structural changes have been initiated in response to the new business model, part of the Strategic Plan 2014-2017. ▪ Efforts continued in 2013 for the strengthening of the two Regional Offices established in 2012, one based in Dakar to serve West and Central Africa and the other based in Johannesburg, serving East and Southern Africa plus the African Union Liaison. ▪ All Regional Offices were further strengthened with the recruitment of Resource Mobilization and Communication Officers. The ongoing recruitment of human resources Business Partners for each regional office is also part of this process. ▪ Changes to Country Office organizational structures, in accordance with the new business model, will start following the realignment of the Country Programmes to the new Strategic Plan outcomes, which will be completed by the end of the second quarter of 2014. After that, office re-profiling exercises will be undertaken on a needs basis, to match the skills needed with the resources. For the new business model to bring expected benefits, the deployment of UNFPA resources – both human and financial – must be aligned with it. Therefore, ideal staffing components for each country setting were determined and a model was built to quantify the implications of the proposed changes, which revealed that it will be financially viable for UNFPA to realign its staffing to support the business model. | |
| #7 | <p>UNFPA should take the opportunity of the midterm review of the strategic plan, 2008–2013, to streamline indicators, improve their relevance, specificity and measurability, and simplify the results framework.</p> | <ul style="list-style-type: none"> ▪ This recommendation was assessed as implemented in 2012, following the changes to the results framework in response to the mid-term review of the Strategic Plan 2012-2013. In addition, a new streamlined Integrated Results Framework, that integrates both development and management results, has been developed as part of new the Strategic Plan 2014-2017. Development results are captured in line with the guidance from the Quadrennial Comprehensive Policy Review, at the levels of impact, outcome, and output, which is harmonized with other UN organizations. | Implemented (2012) |
| #8 | <p>UNFPA should:</p> <ul style="list-style-type: none"> ▪ Review job descriptions and identify skills and expertise required for key positions. This review should start first at country level. The review should take into consideration the various types of operations and depart from the old business model based on country office typology; ▪ Define in a transparent manner lines of responsibilities, supervision and accountability, as well as key performance indicators; ▪ Use the PAD system to promote | <p><u>Competency framework</u></p> <ul style="list-style-type: none"> ▪ A revised competency framework was launched in the first quarter of 2014 to ensure that staff has the necessary skills and competencies to work successfully for UNFPA. Post profiles were updated in the Performance Assessment and Development (PAD) system in 2013. A career fitness programme, including an online portal, was launched already in 2012 to help staff to take charge of their careers and strengthen their capabilities in requisite areas. <p><u>Performance assessment process</u></p> <ul style="list-style-type: none"> ▪ UNFPA has continued to take steps to enhance the quality of performance assessment through better use of performance indicators, more consistent inclusion of external feedback sources, and more substantiated and specific performance feedback. A performance system update was launched in the first quarter of 2014, concurrently with the launch of the revised competency framework, to provide useful advice and | Under implementation; with significant progress achieved since 2012 |

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| | <p>accountability of performance as measured by key performance indicators;</p> <ul style="list-style-type: none"> ▪ Develop or outsource the development of standard training packages and organize annual training sessions for newly appointed professionals. The use of e-learning may be developed as a complement to these institutional trainings. | <p>learning on all aspects of managing staff. Accompanying webinars for each phase of performance planning and assessment and a guide on managing underperformance have been made available to all staff members.</p> <ul style="list-style-type: none"> ▪ The PAD system has been qualitatively reviewed to help address performance issues more effectively. Performance rating distributions have become healthier and action has been taken to address instances of non-performance. ▪ Individual staff member accountability has been more clearly established through the use of key performance indicators and enhancements to the Office Management Plans (OMPs), including the linkage, established as from 2014, of the OMPs and individual performance plans created in the PAD system. <p><u>Induction of new staff</u></p> <ul style="list-style-type: none"> ▪ Orientation workshops have been regularly conducted as from 2011; in 2013, 97 new staff members from headquarters as well as regional and country offices participated. The induction of newly recruited staff has also been enhanced through the creation of an orientation workshop community of interest in Fusion, one of the knowledge management systems used by UNFPA. Further, a special briefing for new Directors, Representatives and Deputy Directors took place for the first time in the first quarter of 2014. ▪ The management status update for Recommendation #2 above provides additional information on other training activities for staff members and contract personnel. | |
| #9 | <ul style="list-style-type: none"> ▪ UNFPA should integrate the M&E function within country offices' cycle of operations. The effective recruitment of M&E officers has yet to be seized as an opportunity and necessary step towards the creation of a more formalized results-oriented M&E system to support evidence-based programming and evidence-based management of country offices' programmes and activities. ▪ UNFPA should also pursue its efforts to develop a solid country programme evaluation methodology to better contribute to the evidence required for making informed programming decisions, better respond to evaluation questions that are of interest to stakeholders while enhancing the involvement of programme countries. | <ul style="list-style-type: none"> ▪ The revised Evaluation Policy (DP/FPA/2013/5), was adopted in the 2013 annual session of the Executive Board and the new Evaluation Office started to operate from 1 July 2013. ▪ The revised policy ensures that the roles and responsibilities related to evaluation tasks are clearly and unambiguously articulated. The independent Evaluation Office, reporting directly to the Executive Board, will serve as custodian of all evaluation functions at UNFPA, for corporate and programme level evaluations as well as other evaluation related core tasks. Strategic planning, quality assurance and prioritization and resourcing of evaluation have been given stronger emphasis. ▪ The first country programme evaluation methodology was issued in 2012; it was revised in 2013 by the Evaluation Office. Trainings on its use were conducted in 2012, 2013 and in early 2014, with more scheduled later in the year. ▪ In line with the revised evaluation policy, the regional monitoring and evaluation advisers will support country offices in strengthening their monitoring systems, as well as the evaluation activities at country level. ▪ At the same time, the Programme Division continues working on strengthening programme monitoring through development of results tracking tools, including the Strategic Information System, as well as linking country programme to achievement of Strategic Plan outputs and outcomes through defining milestone (interim) results. Other work includes strengthening quality assurance in results monitoring. | Under implementation; with significant progress achieved since 2012 |
| #10 | UNFPA should adopt a more rational, integrated and strategic approach to management, | <ul style="list-style-type: none"> ▪ Starting in 2012, Executive Committee members were assigned sponsorship responsibilities over corporate projects developed to ensure delivery of both internal and external | Implemented (2013) |

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| | <p>following the logical approach recommended by the International Organization of Supreme Audit Institutions (INTOSAI) to better articulate risk management, internal controls and policies. This would help to assess priorities, timing and resources needed for these important internal reforms.</p> | <p>corporate commitments in a transparent and accountable manner. All corporate projects provided monthly progress reports to the Executive Committee through a PRINCE2 derived methodology. The overall and individual project progress was discussed in detail at two Executive Committee retreats during 2013. The annual progress of the projects was discussed during the November 2013 Executive Committee retreat and 11 of the projects were closed since they had reached their outcomes. For 2014, the Executive Committee came to a consensus on 10 corporate projects, including the continuing projects from 2013. The projects will again have Executive Committee members as sponsors and will be reporting progress on a monthly basis.</p> | |
| #11 | <p>UNFPA should comply with Executive Board decisions 2006/8, paragraph 3; 2006/13, paragraph 6; 2007/10, paragraph 5; 2008/13, paragraph 14; 2009/15, paragraph 16; and 2010/22, paragraph 14; and ensure that risk management is a systematic approach embedded in the culture of UNFPA and drives decision-making, the design of control activities including those in the ERP system.</p> | <ul style="list-style-type: none"> ▪ An external consulting company was engaged in January 2014 to assist in: <ul style="list-style-type: none"> – Operationalizing a repeatable process to assess risks based on impact and level of management preparedness / control; – Prioritizing top risks with supporting risk definitions and understanding of risk factors; – Assigning risk owners with defined expectations and templates for risk plans; – Identifying emerging issues and trends; and – Identifying longer-term ERM development plans. ▪ As a first step in the process, the consulting company started working collaboratively with UNFPA to conduct an Enterprise Risk Assessment to help identify key risks that may limit the achievement of UNFPA’s strategic goals, following a process that fits with UNFPA’s culture. Individual interviews were conducted with senior managers, including regional directors, and an online risk survey was completed with over 56 per cent participation rate of the over 130 Country Representatives and managers surveyed. The results of the risk assessment and the way forward will be discussed by the Executive Committee in May 2014. ▪ Increased focus has been maintained on implementing outstanding internal and external audit recommendations and addressing organizational risks through the work of the Audit Monitoring Committee. | <p>Under implementation; with some progress achieved</p> |
| #12 | <p>UNFPA should comply with Executive Board decisions 2007/10, paragraph 4; 2007/29, paragraph 3; 2008/13, paragraph 16; 2009/15, paragraph 16; and 2010/22, paragraph 14; and should continue to develop an internal control framework following international guidance and standards. UNFPA should also ensure that staff is fully trained in using and monitoring internal controls.</p> | <ul style="list-style-type: none"> ▪ Early in 2014, UNFPA adopted the 2013 COSO¹ framework for internal control, covering operations and programme areas. UNFPA’s Internal Control Framework (ICF) is going to be revised to align it to the revised COSO framework, effective December 2014. ▪ To support the ICF implementation, staff is required to undergo mandatory on-line training, which is customized for managerial, programme and operational roles. In 2013, more than 450 UNFPA staff members completed one of the four online modules available. ▪ The Programme Division prepared and submitted a road map for updating the ICF for Programming, for consideration by the Executive Committee. ▪ The new Information and Communications (ICT) strategy | <p>Under implementation; with some progress achieved</p> |

¹ Committee of the Sponsoring Organizations of the Treadway Commission.

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| | | (2014-2017) prepared by the Management Information Services Branch and endorsed by the ICT Board on 15 April 2014, also aims strengthening the ICT ICF. | |
| #13 | <p>Given the rapid changes in technology, UNFPA should undertake a complete reassessment of its ICT architecture, including the organization, management and staffing of the MIS Branch. Failure to invest in information and communications technology will prevent UNFPA from implementing an organization-wide solution to its systemic operations and controls issues. More importantly, the assessment will also support UNFPA in identifying strategic opportunities in enhancing and aligning the ICT strategy, organization and governance arrangements.</p> | <ul style="list-style-type: none"> ▪ A new ICT strategy (2014-2017) was developed under the lead of the Management Information Services Branch, through a participatory approach, and endorsed by the ICT Board on 15 April 2014. ▪ The new strategy extends beyond the traditional support of UNFPA's operations and internal management processes to provide ICT solutions and services to enhance programme delivery in collaboration with internal and external partners, in support of the organizations mandate. ▪ The ICT Strategy is supported by four core principles: (i) drive continued innovation; (ii) achieve effectiveness and efficiency through integration and interoperability; (iii) practice lean ICT through best practices, and (iv) champion mission-driven ICT initiatives. ▪ The Strategy revolves around four strategic goals, namely: (i) increase focus on ICT as vehicle for programme delivery (this will start by concentrating on ICT related interventions that had been clearly defined in the Outcome Theories of Change); (ii) strengthen the ability to collaborate and share information; (iii) enhance support to management reforms and transformations, and (iv) optimize ICT systems and infrastructure. ▪ An initial list of initiatives corresponding to the ICT strategic goals and objectives have been identified in the ICT Operational Plan for the 2014-2017 period | Under implementation; with some progress achieved |
| #14 | <p>UNFPA should address the root causes of deficiencies pertaining to programme implementation and execution modalities while continuing to follow up on the recommendations of the external auditors (See also recommendations No. 3 and 4).</p> | <ul style="list-style-type: none"> ▪ This recommendation was assessed as implemented in 2012, based on the actions undertaken to improve AWP management, IP capacity assessment and OFA management. In addition, the Global Programming System (GPS), which is being developed under the leadership of the Programme Division for implementation as from 2015, has been designed to systematically link Annual Work Plans to financial information in ATLAS (UNFPA's ERP system), contributing to ensure the alignment between programme and financial information. The GPS is now in testing phase and expected to be fully operational by the end of 2014. | Implemented (2012) |
| #15 | <p>Para 64. UNFPA should clearly identify the implications of the adoption of IPSASs for the Fund's programme and operations; review the project implementation plan; assign sufficient resources; and enhance project governance and oversight to minimize the risks that could prevent an effective IPSASs implementation by the established deadline of 1 January 2012.</p> | <ul style="list-style-type: none"> ▪ This recommendation was assessed as implemented in 2012, based on the successful execution of the IPSAS implementation plan. It should be noted that the 2012 financial statements were assessed as IPSAS compliant by the UN Board of Auditors, who issued an unqualified opinion on those statements and did not identify any significant issues related to the implementation of IPSAS by UNFPA. | Implemented (2012) |