United Nations Industrial Development Organization

Industrial Development Board
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Item 9 of the provisional agenda
Activities of the Joint Inspection Unit

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Report by the Director General

The present document provides information on the activities of the Joint Inspection Unit (JIU) in accordance with the follow-up scheme to recommendations in accordance with decision IDB.24/Dec.11.

Contents

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I. Introduction

1.   The Joint Inspection Unit (JIU) became a subsidiary organ of the Industrial Development Board by its decision IDB.1/Dec.22. A system of follow-up to JIU recommendations was outlined in document IDB.24/18 and subsequently approved in decision IDB.24/Dec.11. In accordance with the provisions therein, JIU reports will be considered by each regular Board session.

II. Reports and notes submitted by the Joint Inspection Unit

2.   A total of four JIU reports[1] and one management letter were received[2] by the Organization since the previous Board document covering this subject (IDB.44/14). Four reports as listed below are of relevance to UNIDO:[3]

JIU/REP/2016/6:   Meta-Evaluation and Synthesis of United Nations Development Assistance Framework Evaluations, with a particular focus on Poverty Eradication;

JIU/REP/2016/7:   Comprehensive review of United Nations system support for small island developing States: final findings;

JIU/REP/2016/8:   State of the internal audit function in the United Nations system; and

JIU/REP/2016/9:   Safety and security in the United Nations system.

3.   The present document includes hyperlinks to the JIU reports and hyperlinks to the relevant comments on said reports by the United Nations System Chief Executives Board for Coordination (CEB). It is recalled that recommendations and statistics applicable to UNIDO are available through the web-based tracking system (WBTS).[4] The WBTS also includes UNIDO's compliance and comments on recommendations. A summary of recommendations for the consideration by the UNIDO executive head and UNIDO legislative bodies as well as UNIDO comments is included in the annex to the present document.

4.   The reports contain a total of 21 recommendations relevant to UNIDO. UNIDO accepted 16 of these recommendations, while five were not accepted.

III. Implementation of Joint Inspection Unit recommendations at UNIDO

5.   The Unit enhanced its follow-up system through the WBTS, which is available at the JIU website. Since then, Member States can be granted "read-only" access to yearly consolidated data on the status of implementation of recommendations. Interested Member States can register with the JIU through the Focal Point for JIU matters in UNIDO, the Office of Internal Oversight and Ethics.[5]

6.   UNIDO updates the WBTS with pertinent information on recommendations issued in the last three years. This includes information on the status of acceptance, which is either accepted, rejected, or under consideration, the status of implementation, which is categorized as not started, in progress, or implemented, and the impact.

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[1] JIU reports and notes, as well as the JIU Annual Report to the General Assembly, in all official languages can be accessed via the JIU website www.unjiu.org.

[2] At the time this report was prepared.

[3] See Annex I for further details.

[4] Please refer to paragraph 5 for information regarding access to WBTS.

[5] Via e-mail: IOS@unido.org.

7. The status of acceptance and implementation for UNIDO for the period 2014-2016 is presented in the table below. It is shown in percentage of recommendations issued.

Table[6]

	Acceptance					Implementation			
	Not relevant	Accepted/ approved	Rejected	Under consideration	No information provided	Not started	In progress	Implemented	No information provided
UNIDO	2.67	85.33	12	0	0	1.56	10.94	85.94	1.56

8. It should be noted that with an acceptance of 85 per cent and above, UNIDO remained one of the organizations showing a consistently strong performance in this regard.

IV. Work programme 2017

9. As in previous years, the Unit invited participating organizations to submit their proposals. Further to these and to internal consultations, the programme of work for 2017 includes eight new projects. Seven of the new projects are of system-wide or multiple-organization coverage and one relates to a management and administrative review of a participating organization.

10. Of the eight topics on the 2017 work programme, the below seven would be of interest to UNIDO:

(a) Review of the United Nations-private sector partnership arrangements in the context of the 2030 Agenda for Sustainable Development;

(b) Improving efficiency and effectiveness in administrative support service delivery through inter-agency cooperation;

(c) Mainstreaming disaster risk reduction strategies in the work of United Nations system organizations;

(d) Review of mechanisms and policies addressing conflict of interest in the United Nations system;

(e) Review of the acceptance and implementation of JIU recommendations: lessons learned;

(f) Review of donor reporting requirements across the United Nations system; and

(g) Review of whistle-blower policies and practices in United Nations system organizations.

11. UNIDO continues to note with appreciation the close cooperation between JIU and the Secretariat of the CEB.

V. Action required of the Board

12. In compliance with the provisions of the Statute of JIU Article 11(4), resolution 48/221 of 23 December 1993 of the United Nations General Assembly, and paragraph 9 of the system of UNIDO follow-up to JIU recommendations, the Board may wish to take note of the information contained in the present document and provide guidance on this document and on any of the recommendations addressed to UNIDO in the corresponding JIU reports, as summarized in the annex.

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[6] As per information contained in WBTS.

Annex

Consideration of recommendations by the UNIDO executive head and UNIDO legislative bodies

JIU/REP/2016/6 Meta-Evaluation and Synthesis of United Nations Development Assistance Framework Evaluations, with a particular focus on Poverty Eradication		
JIU hyperlink: https://www.unjiu.org/en/reports-notes/JIU%20Products/JIU_REP_2016_6_Final_English.pdf	*CEB comments hyperlink — when available:* https://www.unjiu.org/en/reports-notes/CEB%20and%20organisation%20documents/A_71_533_Add1_English.pdf	
Recommendation	**Responsibility**	**UNIDO comments Accepted/implemented**
4 The Secretary-General should, in consultation with the Chief Executives' Board for Coordination as appropriate, request other United Nations agencies to coordinate their evaluation activities at the country level so that such activities can be better integrated into the United Nations Development Assistance Framework (UNDAF) evaluation process.	Executive head	Accepted — UNIDO country level evaluation activities includes involvement of United Nations Country Teams (UNCTs) and tries to synergize its integration and/or coordination within the UNDAF evaluation process.

JIU/REP/2016/7 Comprehensive review of the United Nations system support for small island developing States: final findings		
JIU hyperlink: https://www.unjiu.org/en/reports-notes/JIU%20Products/JIU_REP_2016_7_English.pdf	*CEB comments hyperlink — when available:*	
Recommendation	**Responsibility**	**UNIDO comments Accepted/implemented**
1 The governing bodies of the United Nations system and of the multilateral environment agreements, taking into account the findings of the comprehensive review, should give precise system-wide coordinated guidance to the organizations so as to ensure that the priorities of the SAMOA[7] Pathway are mainstreamed in the strategic plans, within the realm of the organizations' mandates, and should encourage all stakeholders to make sufficient and predictable resources available for the effective and accelerated implementation of the Pathway.	Legislative body	Accepted — the priorities of the SAMOA Pathway is being mainstreamed in UNIDO's strategic plans in line with UNIDO's mandate.
2 The governing bodies of the United Nations system should ensure that the strategic plans and work programmes of the system organizations include specific objectives related to the implementation of the SAMOA Pathway, within the realm of their respective mandates, to be measured against a set of established key performance indicators to monitor and report on the achievements.	Legislative body	Accepted
3 The governing bodies of the United Nations system, in adopting the strategic plans and work programmes of the organizations, should encourage the organizations to ensure that the activities in support of sustainable development of small island developing States (SIDS), within the realm of the mandate of each organization, are aligned with the regional and national priorities identified by the Governments of those States, regional organizations and SIDS development partners, so as to foster the implementation of the SAMOA Pathway, as the blueprint of the 2030 Agenda for Sustainable Development of SIDS.	Legislative body	Accepted

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[7] SIDS Accelerated Modalities of Action (SAMOA).

	JIU/REP/2016/7 Comprehensive review of the United Nations system support for small island developing States: final findings		
4	The governing bodies of the United Nations system should request the organizations to coordinate the planning and implementation of their capacity-building activities in close consultation with the small island developing States and all partners for development so as to strengthen effectiveness and efficiency in providing support to achieve the goals defined in the SAMOA Pathway, while avoiding saturation of the absorptive capacity of SIDS at the country level.	Legislative body	Accepted
5	The executive heads of the United Nations system should ensure the participation of their organizations in the process led by the Inter-Agency Task Force on Financing for Development to actively contribute to addressing the specificity of SIDS as a special case with tailor-made solutions, and should also ensure that new parameters of eligibility are designed for better access to financing for development for SIDS.	Executive head	Accepted
6	The governing bodies of the United Nations system organizations should encourage the allocation of predictable multi-year funding to facilitate the effective implementation of programmatic activities in support of the small island developing States, based on needs assessments prepared by the United Nations system organizations in consultation with SIDS and their relevant partners.	Legislative body	Accepted, subject to availability of financial resources.
7	The legislative and governing bodies of the United Nations system organizations should ensure, based on the ongoing work of the United Nations Statistical Commission and, when relevant, on the work of the inter-agency forums and expert groups created to advise Member States, that the specificity of SIDS is explicitly considered in defining the elements of monitoring and accountability frameworks to report on progress made on the Sustainable Development Goals, so that processes and indicators are adapted to their needs and priorities identified at the national and regional levels.	Legislative body	Accepted
8	The governing bodies of the United Nations system organizations should coordinate their efforts in designing monitoring and accountability frameworks and tools adapted to the capacity of SIDS to monitor and report on the implementation of the SAMOA Pathway and other sustainable development-related global mandates, while avoiding the burden of multiple reporting frameworks.	Legislative body	Accepted

	JIU/REP/2016/8 State of the internal audit function in the United Nations system		
	JIU hyperlink: https://www.unjiu.org/en/reports-notes/JIU%20Products/JIU_REP_2016_8_English.pdf	*CEB comments hyperlink — when available:*	
	Recommendation	**Responsibility**	**UNIDO comments Accepted/implemented**
1	Governing bodies should direct executive heads of United Nations system organizations to ensure that their heads of internal audit/oversight and oversight committee Chairs attend the meetings of the governing bodies at least annually and are given the opportunity to respond to questions raised about their respective annual reports.	Legislative body	Accepted — under implementation.

	JIU/REP/2016/8 State of the internal audit function in the United Nations system		
2	Executive heads of United Nations system organizations should involve the oversight committees and consult with the governing bodies in the hiring of the heads of internal audit/oversight, and in the termination of their tenure.	Executive head	Not supported. The terms of reference for the audit committee as approved by the Board do not include provisions for hiring and/or termination of the head of internal oversight, as appointment of staff is a responsibility of the Director General, who is appointed by the General Conference of UNIDO in accordance with the Constitution.
3	In consultation with the executive heads and the oversight committees, the heads of internal audit/oversight in United Nations system organizations should develop, if they have not yet done so, internal audit strategies in order to provide vision and direction as to how internal audit should be strategically positioned within their organizations and operationalized to achieve their mandates, no later than December 2018, with periodic updates thereafter.	Executive head	Accepted
4	Heads of internal audit/oversight in United Nations system organizations who have not yet done so should consolidate in their annual/periodic or other report findings of recurring issues emanating from individual internal audit reports that cut across various offices, units or departments so as to enable the executive heads to systematically address them.	Executive head	Accepted — implemented.
5	Executive heads of United Nations system organizations should ensure that their internal audit services have adequate financial and human resources to expand the use of information technology (IT) auditing techniques, and to employ, as appropriate, advanced data analytics and remote auditing, with a view to leveraging technology to provide more economical and comprehensive audit coverage.	Executive head	Accepted — implementation is subject to availability of financial resources.
6	Executive heads of United Nations system organizations, on the advice of their oversight committees, should allocate adequate financial and human resources to the internal audit services to ensure sufficient coverage of high-risk areas and adherence to established auditing cycles, as identified by the heads of internal audit/oversight during risk-based audit planning.	Executive head	Accepted — implementation is subject to availability of financial resources.
8	Executive heads of United Nations system organizations that have not yet done so should provide adequate funding for professional development, as requested by the heads of internal audit/oversight, including coverage of costs for maintaining professional certification, with key performance indicators established to monitor training and certification goals for internal audit staff.	Executive head	Accepted — implementation is subject to availability of financial resources.
9	Governing bodies of United Nations system organizations should ensure that the conditions for effective, independent, expert oversight committees are in place, and that the committees are, and continue to be, fully functional in line with previous Joint Inspection Unit (JIU) recommendations, as reinforced in this report.	Legislative body	Accepted — under implementation.

JIU/REP/2016/9 Safety and security in the United Nations system			
JIU hyperlink: https://www.unjiu.org/en/reports-notes/JIU%20Products/JIU_REP_2016_9_English.pdf		*CEB comments hyperlink — when available:*	
	Recommendation	**Responsibility**	**UNIDO comments Accepted/implemented**
1	The Executive Heads of United Nations system organizations, through the respective designated officers and in coordination with the Department of Safety and Security and the Office of Legal Affairs, should ensure that, by no later than April 2018: • Existing host country agreements within their respective organizations reflect the current security threats and contain commensurate security measures necessary to protect United Nations system organizations' personnel and premises; • Future host country agreements contain a security annex reflecting the main responsibility of the host country with respect to the security of United Nations system organizations' personnel and premises; • Existing and future host country agreements are regularly reviewed to reflect and adapt to changes in the respective security environments.	Executive head	This recommendation is not supported by the underlying analysis in the report and is considered not relevant.
2	The Executive Heads of the United Nations system organizations, through the Inter-Agency Security Management Network (IASMN) and the Department of Safety and Security, should ensure that, by no later than January 2018, a comprehensive system-wide policy for road safety is finalized and ready for implementation within each of their respective organizations.	Executive head	Not relevant — IASMN is already working out a general Road Safety Policy as guidance for all United Nations Security Management System organizations.
3	The Executive Heads of the United Nations system organizations that have not yet done so should ensure that, by no later than January 2018, appropriate security compliance mechanisms commensurate with the risk level assessed in each particular duty station are included in the individual performance appraisal systems in place for all staff within their respective organizations.	Executive head	Not accepted — UNIDO´s individual performance appraisal is competency- and compliance/key performance indicator-based, and the compacts thereto are developed in consultation with the staff member and supervisor. Security compliance in general might be a possible parameter to be assessed for some staff deployed to duty stations with important security risk levels, but not for all staff.
5	The Executive Heads of the United Nations system organizations that have not yet done so should, by no later than January 2018, incorporate safety and security compliance indicators in the performance assessments at every management level, including senior management.	Executive head	Not accepted — as mentioned above, it is not useful to include in the performance assessments at every management level; this should only apply for those managers who have specific security and safety responsibilities.