United Nations UNW/2020/3/Add.1

Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women

Distr.: General
20 April 2020

Original: English

Annual session of 2020
22–23 June
Item 5 of the provisional agenda
Audit and investigation matters

Report of the Advisory Committee on Oversight for the period from 1 January to 31 December 2019

I. Introduction

1. Pursuant to item 32 of the terms of reference of the Advisory Committee on Oversight (ACO) the eighth report of the Committee to the Under-Secretary-General/Executive Director of the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) provides a summary of the activities undertaken and the advice given by the ACO in 2019. The present report is made available to the Executive Board, and upon request, the Chair presents the report to the Board.

2. In February, 2019, the Under-Secretary-General/ Executive Director approved revised terms of reference for the ACO, which are available from https://www.unwomen.org/-/media/headquarters/attachments/sections/about%20us/accountability/un-women-advisory-committee-on-oversight-terms-of-reference-en.pdf?la=es&vs=5630. The new terms of reference recognize the establishment of the internal audit function within UN women and clarify the ACO's responsibilities related to the oversight functions of UN Women.

3. In 2012, the Under Secretary-General/Executive Director of UN-Women established an independent audit advisory committee, (now called the ACO).

The purpose of this body as outlined in Item 1 of the terms of reference is to provide the Under-Secretary-General/Executive Director with independent, external advice based on good practice regarding the organization's accountability framework and systems, including risk management. The Committee assists the Head of the Entity in fulfilling her oversight responsibilities in accordance with relevant best practices in risk and financial management, and the promotion of high ethical standards. The Committee has an advisory role and is not a governance body; no language or clauses in the terms of reference are intended to imply otherwise.

4. 2019 was a year of transition in Committee membership, as changes occurred in line with term limit provisions outlined in the terms of reference. In February 2019, the Under-Secretary-General/Executive Director appointed two new members to the

Please recycle

Committee to begin serving in 2019. They are Aicha Pouye (Senegal) and Mei Kit Wan (Singapore). William Fowler (United States of America) and Elizabeth MacRae (Canada) served during 2019 for purposes of transition and left the Committee at the end of its second and third meetings respectively. In September 2019, the Under Secretary-General/Executive Director appointed Mr. Robert Lahey, (Canada) and Ms. Amalia Lo Faso (Italy) to serve three-year terms, starting in 2019. Mary Ann Wyrsch (United States of America), was reappointed to a three-year term. With its new members, the Committee membership represents expertise in financial reporting and programme matters, accounting, governance, internal audit and investigation, evaluation, external audit, internal control, and risk management practices and principles, as well as United Nations intergovernmental and normative work and processes.

5. In accordance with item 7 of the terms of reference, all Committee members are independent of and external to UN-Women. Additionally, Committee members complete an annual confirmation of independence for the Under-Secretary-General/Executive Director that assures the transparency of Committee members fulfilling their roles, without compromising any interests.

II. Advisory Committee on Oversight activities as at 31 December 2019

6. In 2019, the Committee held three face-to-face meetings, from 26 to 28 February, from 16 to 18 July and from 15 to 17 October. It also held two teleconference meetings. The first teleconference in January 2019 was held with the newly appointed Director of the Independent Audit and Evaluation Service, (IEAS) to go over workplans for 2019. The second teleconference was held on April 24, 2019 to review the UN-Women financial statements prior to their submission to the Executive Director. UN-Women participants in the face to face meetings included the Under-Secretary-General/Executive Director, Deputy Executive Directors and relevant representatives of programme and operational senior management. As required, the Committee also met without management present and had separate in-camera meetings with the Under-Secretary-General/Executive Director, and the Board of Auditors. The Committee also held private sessions with the Director of the IEAS without management present as needed.

7. The Committee also met with the Director of the Investigation Division of the Office of Internal Oversight Services (OIOS) of the United Nations, which in 2018 began investigation services under a Memorandum of Understanding with UN-Women. In line with its mandate to advise on the internal ethics function, the Committee met in camera with the Director of the UN Ethics Office, as well as the Ombudsman for the United Nations Funds and Programs at its July session.

8. The Chair of the Committee participated in the annual session of the Executive Board in June 2019. In addition to formal meetings, Committee members continued their internal consultations and deliberations, document review and provision of advice to UN-Women management via telephone and e-mail interaction.

9. Minutes from the meetings were prepared and approved. The Committee was not always able to interact directly with the Under-Secretary-General/Executive Director after each meeting. It did however prepare summary points of advice for her that were shared with one of the two DEDs and follow up actions were circulated to relevant managers through the ACO Secretariat.

III. Advisory Committee Review and Advice: Oversight Functions

10. This section of the report will address the Committee's review of and advice on the various oversight functions relating to UN-Women. For purposes of this section, there will be separate discussions of Audit and Evaluation, although these functions are now located under the umbrella of the Director of the Independent Audit and Evaluation Service. IEAS)

11. The Committee believes that the joint office which began 2019 with its new leadership, is functioning as envisioned, and that the synergies anticipated from joint location of these two functions are coming to fruition. While the functions of the two entities under IEAS remain distinct, as do their identified resources, there are benefits derived from some joint engagements, and data sharing.

12. In line with advice provided in the past, the ACO observes that the head of the joint IEAS office has opportunities to discuss audit and evaluation findings with senior management on a regular basis, including findings on improvement needed in governance, risk management or internal controls. The Director of the IEAS and her senior staff have guided the office to be a respected independent resource for UN-Women.

The Committee has reviewed the Report on internal audit and investigation activities for the period from 1 January to 31 December 2019 to be submitted to the Executive Board at its annual session and has taken note of the significant audit findings contained in it, as well as the results of investigation activities.

Similarly, the Committee has also reviewed the Report on the Evaluation function in line with the mandates of its TOR.

A. Internal Audit: The Internal Audit Service (IAS)

13. The Committee notes that 2019 activities of the IAS continued the change in focus outlined in its 2018 charter, moving from an emphasis on financial coverage to providing assurance on key risks in governance, risk management and control.

14. In working towards systematic assessment of and suggestions for improvement in the effectiveness of these risk areas, IAS is better positioned to develop the audit opinion required by Executive Board decision 2015/4. This approach also results in identification of areas of improvement in risk mitigation or controls that will result in better achievement of program and financial results.

15. The Committee was kept apprised of the progress of implementation of the IAS workplan in 2019, and notes that it was substantially completed with carryover to completion of three audits into the next year. The Committee has also been apprised of the overall results of the audits, and the key issues they have addressed. The ACO notes in particular the results of the two thematic audits completed i.e., Implementing Partner Management and Travel Management, and the assurance results that "major improvement is needed" in both processes.

16. The Committee has advised IEAS that going forward it will be interested in more information on the mapping of identified risk areas to the workplans it has developed. The Committee will be interested in methods for and frequency of audits of low risk offices as well as optimum timetables for reviews of high-risk offices.

17. The ACO also notes the significant workload undertaken for advisory engagements in the areas of an operational review for the Haiti Country office, a maturity review of the Enterprise Risk Management system, and a Gap analysis of

the Project cycle. The Committee was briefed on the results of the maturity review of Risk Management and noted the intention of UN-Women management to address the steps needed to advance to higher levels of organizational maturity in this important management area. Similarly, the Committee received the advisory report on the project cycle gap analysis, which also resulted in an assessment that key project cycle processes were at a lower level of maturity and recommended a work plan for achieving higher levels of maturity. The Committee will address these issues further in Section IV.

18. The Committee advised the heads of IEAS and the Internal Audit Service that while its advisory work has been very valuable to the organization, it may need to examine the ratio of the number of advisory engagements to audit engagements to maintain a good balance in its workplan in future.

19. The Committee notes that in both the thematic audits and the advisory engagements noted above, IEAS has worked to map various governance functions to see how they provide assurance within the Entity. It has noted in several instances the lack of clear accountability centers, business owners and/or risk managers for key operations. IAS's work plans call for continuation of these kinds of audits and advisory engagements in 2020.

20. The examinations of various functions for the maturity of their governance arrangements are designed to help UN-Women management complete the assurance mapping that is a precursor to development of a new Statement of Internal Control. It is noted that the AAC called for the development of such a statement in its 2018 Annual Report. The IAS work, together with the Change management efforts undertaken in the past year by UN-Women, should contribute to more clarity about assignment of accountability and the management decision structures which should be reflected in assurance mapping. However, a number of impediments exist to full assurance mapping, and these will be addressed in Section IV below.

21. The ACO notes that the IAS has consulted with the UN Board of Auditors on planning and coordination of audit activities. As noted in its 2018 report, this interaction remains important in terms of the overall assurance available to UN-Women.

B. Evaluation function: Independent Evaluation Service (IES)

22. At each of its meetings in 2019, the Committee met with IES staff and was provided information on work towards completion of its workplan. In line with IEAS's overall commitment to work towards synergies between the two offices and increased use of in-house capacity, IES piloted a new role in serving as lead on Country Portfolio Evaluations in three geographic areas, utilizing the skills of audit staff where needed. This pilot effort resulted in a strengthened look at operational effectiveness of the reviewed entities in addition to the criteria normally covered by these evaluations. The Committee encourages the continuation of this kind of coordination, as well as the continued efforts of IES to bring its skills and leadership to the assessment of country office activities, as wells as building skills and knowledge of the decentralized environments.

23. The Committee also notes that mainly through its Regional Evaluations Specialists, IES provides technical support to some, but not all, decentralized evaluations conducted by the Country offices, the Regional offices or HQ program managers. The Committee will want to explore in future how IES's standards setting and quality assessment roles impact all efforts at evaluation in the organization. It will be interested in IES' role in terms of planning, and capturing lessons learned for all UN-Women evaluations.

24. The Committee emphasized to IES the need to help focus evaluations more on outcomes versus outputs and suggested the possibility of synergies with the Research and Data office to enhance the capacity for measuring outcomes.

25. The ACO also notes the corporate evaluation work of the IES, including the completion of the Governance and National Planning Evaluation, the Evaluation of UN Women's Contribution to Humanitarian Action, and the Meta-synthesis of evaluation findings for 2017/2018. The Committee considers the meta-synthesis a most useful tool for management and a complementary tool to audit findings in terms of identifying risk areas needing attention of management.

26. As part of its responsibilities under its TOR to promote the effectiveness of the evaluation function, the ACO is interested in how the various corporate reporting systems, GATE, GEOS, and evaluation KPIs found on Country office assessment systems, work together to provide an overall picture of the uses of evaluation findings in programme improvement or management accountability.

27. In its Annual Reports of previous years, the audit committee has commented on the recommendation in the evaluation policy that 3 per cent of UN-Women's total plan/programme budget be dedicated to evaluation. It has noted that this percentage seems high and put forth the alternative view that the total expenditures used in this target might include expenditures related to strengthening monitoring or results management. The Committee wants to further emphasize that it supports adequate resources for the Evaluation function, but that in its view the effectiveness and relevance of evaluation activities within UN-Women are not related to a targeted percentage of programme funds devoted to the function. The ACO would recommend that the KPI related to this percentage be eliminated or modified to reflect a possible range of expenditures. Some enhanced measures of quality or impact of evaluations on the UN-Women operations would be optimum substitutes for this measure.

C. Investigation Function

28. During 2019 The Committee received regular briefings from the OIOS Investigations Division on allegations received, the nature of allegations, assessment of allegations, and the disposition of cases and completed investigations.

29. The Committee has continued to affirm the key role that the head of IEAS plays as the responsible official in UN-Women for interactions with OIOS on investigation findings. The Committee has continued to raise the concern noted in its 2018 Report that the demands of this function are not properly resourced in IEAS and that added capacity be added for it.

30. In its briefings, the Committee was again provided information on the number of allegations making their way to OIOS which are related to workplace issues that more appropriately require management attention rather than investigation. The Committee notes that training in communications and conflict resolution for all staff has been provided to address these issues, and urges that it continue on a regular basis. Related observations can be found in the section on Ethics below.

D. Ethics Function

31. In 2011, UN-Women established an institutional arrangement with the UN Ethics Office to provide ethics services to the Entity. During 2019, the ACO met privately with the Head of the UN Ethics Office in line with item 19 of its TOR. The purpose of the meeting was to gain an understanding of how the work of that office

relates to UN Women's internal ethics functions, giving due recognition to the requirements for confidentiality.

32. The ACO advised UN women that the liaison to the UN Ethics Office should be at a high enough level in the organization that it is in the reporting line to or has clear and regular access to the Executive Leadership Team. It further advises that in addition to regular interaction with the UN-Women ethics function, an internal ethics function/officer. would have the responsibility for assuring development of internal ethics policies, their dissemination and awareness raising throughout the organization. The Committee has been briefed on a number of policies on prohibited behaviours developed in 2019 and noted in Section IV. The Committee also looks forward to the findings of the Ethics and Integrity Benchmarking Review undertaken by IEAS in 2019, with a report due in 2020.

33. The Committee recommended to UN Women that it take full advantage of ethics training available from the UN Ethics Office, and in particular that UN-Women make its managers and staff available for the annual Leadership Dialogue training provided by the UN Ethics office each year.

E. Board of Auditors

34. The Committee met in each of its sessions with the UN Board of Auditors (UNBoA) to share relevant information and understand the strategies implemented to ensure overall audit coverage for UN-Women, which includes the work performed by the Internal Audit Service.

35. The Committee was given regular updates by UN-Women management on the implementation status of the recommendations contained in the UNBoA management letters and reports. The Committee advised UN-Women that these reports on the UNBoA findings should include an assessment by UN-Women of the root cause of the finding and the actions or steps taken to address the root causes, e.g. to provide training, establish clear policy, or emphasize accountability, and management control awareness. Without such analysis the problem may continue to exist. The Committee also recommends that management responses to audit recommendations which reflect lack of compliance with established procedures, include a discussion of the chain of command or responsible official for oversight of those procedures, such as Regional office heads, or heads of offices. This discussion should include some references to how management control weaknesses will be addressed.

IV. Advisory Committee Review and Advice: Internal Control and Accountability, including Governance, and Ethical Standards, Risk Management and Control Systems

36. In this section of its Annual Report, the ACO will provide summaries of the advice it has provided to the Entity and to the Executive Director in line with its overall purpose to advise on good practices regarding UN Women's accountability framework.

This section will include discussions of the effectiveness of governance, risk management and control functions, as well as financial statements.

A. Change Management and Organizational Realignments

37. In 2019, the Committee was briefed at each of its sessions on the change management efforts first undertaken in 2018, designed to address internal organizational arrangements, such as the optimum footprint of UN Women, country office typologies, the alignment of HQ functions, and Regional office responsibilities. At the same time, the ACO was kept informed of work underway in UN Women in cooperation with the UN Development system to meet the requirements of the UN Reform Agenda.

38. The results of the 2019 change management efforts continued to unfold through the calendar year, with the filling of both DED positions, and some realignment of functions at Headquarters offices.

39. The ACO has consistently advised UN Women as regards certain risks related to the change management effort. These are that: (1) the plans should recognize the continued shortfall of resources against budget, and UN Women should design an organizational footprint which operates under more realistic resource estimates; (2) the Change management efforts should be resourced appropriately in order to provide the optimum staff communications tools, and training in new roles and common missions; and (3) the efforts should work to rationalize similar tasks performed at the various places in the organization.

40. As regards the typology of Regional and Country offices, decisions were shared with the Committee at its July meeting. The ACO noted to the Entity its impression that the scope of changes in field footprint could be even greater and that the challenges and risks inherent in not properly resourcing these offices were likely to continue. The Committee noted the issues of understaffing and under resourcing offices that have been identified in external reports, as well as internal audit and evaluation reports over several years. As a result it had anticipated more adjustments to the footprint, and to the organization of UN Women's field resources to better achieve its objectives. In the current scheme, risks to achievement of delivery and objectives have not been significantly addressed.

41. The final Headquarters realignments had not been determined as of the Committee's last meeting. However, as part of its Change Management briefings, the Committee was provided with information related to proposals for changes in current governance structures or new bodies at HQ designed to bring increased coherence to decision processes and serve as accountability centers. These changes included a reemphasis on the role of the Executive Leadership Team (ELT) and creation of a new Business Review Committee, (BRC). The ACO has not seen TORs for the new BRC and looks forward to more detailed information on it and how UN Women is organizing for these governance mechanisms.

42. With regard to the functions that should be sited in and clarified for these new accountability bodies, the Committee will repeat here advice provided to UN Women management in 2019, which had also been made in previous years. That advice relates to the following: (1) as regards liaison with the UN Ethics office discussed in paragraph 32 above, the Executive Director should assure that this function is at the ELT level, or is at a high enough level to be present in ELT discussions of ethics and integrity on a regular and systematic basis; (2) as regards Enterprise Risk Management efforts, (further discussed in paragraph 44 below) UN Women has lacked a Senior level Corporate Risk Officer, who assures that the risks identified in risk management exercises, and in oversight mechanisms actually inform decisions about mitigation activities, and that risk owners are clearly identified and accountable for addressing both financial and program risk. Ideally this officer would be at the

ELT level, or report to the ELT. A Chief Risk officer was appointed for a time in 2018, but the official was reassigned with no replacement appointed in 2019.

B. Organizing for Accountability

43. In its 2017 and 2018 Annual Reports, the AAC referenced the need for UN women to assess the need for strengthening its second line of defense at Headquarters and in the Field. In 2019 UN Women was provided and briefed on a number of IEAS generated reports on various aspects of UN Women operations and controls, which provided the Entity with significant assessments regarding its overall governance and compliance oversight. In addition, the report of the Multilateral Organization Performance Assessment Network, (MOPAN) received in early 2019, noted areas for improvement in partner engagement. These reports call for improvements in both the second line of defense, (internal risk controls and compliance oversight), and the first line of defense, (the operational management systems that govern basic programme planning and delivery.) The strength of the first and second lines of defense would contribute to an effective ERM framework, and to an overall understanding of and management of internal controls.

44. The following IEAS reports are of note in terms of the key governance and assurance issues outlined for UN Women in the past year.

(a) A maturity assessment of the Enterprise Risk Management (ERM) System conducted by IEAS resulted in a number of findings regarding how far UN Women has progressed in developing an ERM framework. However, it resulted in an assessment that the risk culture in the Entity needed to move towards greater risk-based decision making. A plan of action was developed, and a new Risk Management Policy was drafted and is under review.

(b) A Gap Analysis of the Project Cycle resulted in conclusions that the maturity level of UN Women's discipline and framework for addressing project implementation only at initial stages and not a repeatable process. The study reported the need for an organization wide effort to move from a simple awareness of the need for these processes to a sustained program and project process with defined process owners. An action plan has been developed under the leadership of the ELT and the two DEDs, with initial goals for action in Q1 and Q2 of 2020.

(c) An Implementing Partner Management Process audit was concluded by IEAS in November of 2019, resulting in the summary conclusion that major improvement was needed in the UN Women systems for managing partners and projects. The study resulted in 13 recommendations, three of which were high priority. Among the high priority recommendation was that UN Women needed to define and assign accountability for end-to-end processes involved in partner management as it was currently diffused. It called for designation of business process owners who would be accountable for aspects of partner management.

In addition, internal Audit Reports and Evaluation Meta-analyses Reports released in 2019 show issues with programme and project management in reviewed offices and programs, and a lack of coherence in project management. The audit report on Travel Management showed lack of an established business process owner for this function which could monitor and enforce travel policy and manage accountability for the significant expense that travel represents in the Entity.

45. In November, the Committee was provided with information shared with UN Women staff from the Deputy Executive Director for Resource Management, Sustainability and Partnerships regarding planned improvements in internal governance. These included plans for finalizing the TOR for the BRC and the start of

a pilot for Portfolio Reviews. The communication notes that these reviews are designed to ensure a new level of oversight and to respond to some of the issues identified in the above referenced studies and the conclusions of the change management study.

46. The Committee advises that the development of such systems, and common understandings of accountability, and rationalization of roles of business owners is critical to reducing risk to the organization. This work is needed to remove impediments to assurance mapping, which result from lack of clarity about ownership and oversight of basic processes. As noted above, IEAS has had as a goal the facilitating and coordinating the mapping of assurance in UN Women, and has promoted the eventual development of a new Statement of Internal Control. The ACO has also encouraged the completion of assurance mapping. However, such work is heavily dependent on management efforts at defining assurance and responsible business owners and holding the staff accountable for performance in these roles.

C. Ethics and Integrity

47. As noted in Section III above, the ACO received briefings from the UN Ethics Office, and the Office of the Ombudsman for the funds and programs.

In related briefings from the Legal Office and the Human Resources office, the Committee was briefed on development of policies on prohibited behaviours, including sexual harassment and abuse of authority. The ACO was made aware of the Independent Review of UN Women's policies and procedures for tackling Sexual Exploitation and Abuse, (SEA) and Sexual Harassment presented to the Annual Session of the Executive Board in June. It takes note of the management response to this report and its recommendations. Two of those recommendations relate to clarifying roles and responsibilities for information on and enforcement of these policies, and manifesting accountability in the organization. In addition to noting the work on policy documents, the ACO will be interested in following these and other recommendations going forward.

48. The Committee notes The Report of the Executive Director of UN-Women on 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 behaviour 2013-2018 provided at the Annual Session of the Board in June 2019. The Committee considers this report to be a positive indicator of the seriousness with which UN Women takes its obligations to enforce compliance with United Nations Standards of Conduct.

49. The ACO has previously been briefed about UN Women Fraud policy by the Legal Office. While these efforts and related efforts at outlining expected behaviours are valuable, the Committee advises that UN Women may want to consider developing a Code of Conduct that outlines expected behaviours, certain prohibited behaviours, and provide training on what constitutes conflict of interest. Many UN agencies have such codes which build on staff rules and regulations and the UN Standards of Conduct for the International Civil Service but are much more accessible in terms of what is expected behaviour and what is prohibited conduct.

D. Funding framework and resource mobilization

50. The ACO was briefed on the work of the Strategic Partnership Division at its February meeting. As a result, the ACO provided advice to UN Women similar to that provided in its 2018 report. That is, that it is important to communicate a Resource

mobilization strategy throughout the organization, so that there is buy-in not only for important roles outlined in the strategy, but for overall understanding of funding goals. Risks to the success of UN Women's resource mobilization efforts include numerous disparate communications efforts from various parts of the Entity. The ACO assumes that these issues will be addressed as the Entity works to rationalize the roles of HQ offices and Regions as relates to mobilization of resources. It looks forward to receiving further information on this issue in 2020.

E. Financial statements and financial systems

51. The ACO regularly received updates from DMA on budget and financial issues, and particularly about improvements in financial reporting. The financial policies for reporting on and oversight of partner advances are a set of tools noted as positive aspects of partner management. However, these policies need to be coordinated with programme policies calling for the overall partner management policy framework recommended in the partner audit.

52. The ACO has received positive feedback from the UNBoA on the cooperation received from the finance function and management in the process of reviewing the financial statements. The Committee reviewed the draft financial statements for the year ended 31 December 2018. The Committee commends UN-Women on receiving an unqualified audit opinion from the UN Board of Auditors for the eighth consecutive year since its inception in 2010.

F. Information and Communication Technology

53. The ACO was briefed on Information and Communication Technology (ICT) issues in its October meeting. The Committee notes the following with relation to this key support function for UN Women.

(a) *Cybersecurity*. Information security has been identified as a high risk area in corporate risk registers. The ICT function received additional resources to work on cybersecurity in the Entity, and to increase awareness and understanding of risks related to this issue. In addition, IAS is undertaking a cybersecurity audit, the results of which will be available in 2020. The ACO looks forward to the results of this audit, and to further briefings on cybersecurity.

(b) *Data Protection*: The ACO also notes that the Implementing Partner audit discussed above identified as a high-risk area the lack of policies on protection of data acquired by UN Women in the conduct of its operations. Both the Policy, Programme and Intergovernmental Division and the Division of Management and Administration have the responsibility for developing needed policies. The ACO will be interested going forward in these policies and the systems solutions developed for them.

54. In its 2018 Report the AAC noted the array of IT systems and tools that had been developed for reporting on various aspects of performance in UN Women programs. The usefulness of one key report, the Results Management System (RMS) which tracks resources against outputs and outcomes had been hampered by disconnects with the financial data in the ATLAS system. ICT reports that fixes to this system will be rolled out in 2020 to allow UN Women to better assess results.

55. In its February 2019 meeting, the ACO received a briefing on the Scorecard dashboard from DMA and Programme staff which includes several measures of project delivery that are available to management. The ACO noted in 2018 that it would be important to align the variety of performance information tools and integrate

systems for better accountability. The ACO again notes the opportunity that the improved governance and accountability efforts will provide for assessments of how these various measures are utilized.

V. Executive Summary

56. The ACO report has a two-fold purpose. The first is to address the oversight functions available to UN Women and how they are working to identify and risks to achievement of the objectives of the organization. The sense of the ACO is that while there is always room for improvement, and the ACO has noted these in this report, and in comments after each of its sessions, these functions are serving the Entity well.

57. The second purpose of this report is to address the key areas of risks identified in the oversight mechanisms, so that they can be addressed, and that the important work of UN Women, and the best use of its resources can be assured. The ACO has noted some of its recommendations in the body of this report, as well as provided feedback at each of its meetings on these risks.

A summary for 2019 is that the overall effectiveness of UN Women will be enhanced by attention to internal governance processes that help staff and managers of offices have clarity about their responsibilities, and how they fit into a set of corporate goals. The ACO is encouraged about some steps taken to position UN Women to establish robust internal processes for the first and second lines of defense. However, a number of studies, audits, and evaluations show gaps in understanding about this way of working and key elements are not completed, such as identification of business owners or clear management ownership of corporate risk. The ACO recommends that clear goals for completion of assurance maps and related Statements of Internal Control be established for 2020.