Secretariat Update:

Board of Auditors (BOA)
2023 report (A/79/5/Add.7)

UN environment programme

www.unep.org

UNEP 2019 - 2024: audit recommendations

Recommendations Flow Over The Years

Closed Recommendations — Issued Recommendations — Total Outstanding Recommendations
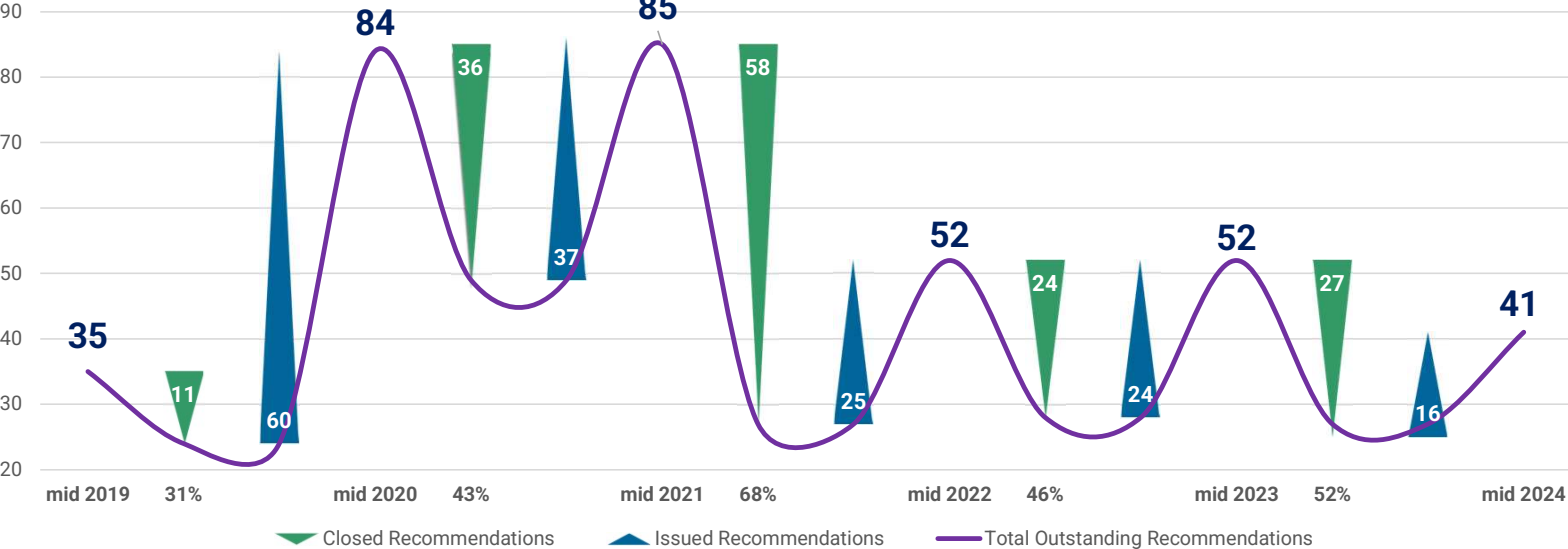
Board of Auditors - Year ended (YE) 2023 Report (A/79/5/Add.7)

A/79/5/Add.7

United Nations

Fund of the United Nations
Environment Programme

**Financial report and audited
financial statements**

for the year ended 31 December 2023

and

Report of the Board of Auditors

General Assembly
Official Records
Seventy-ninth Session
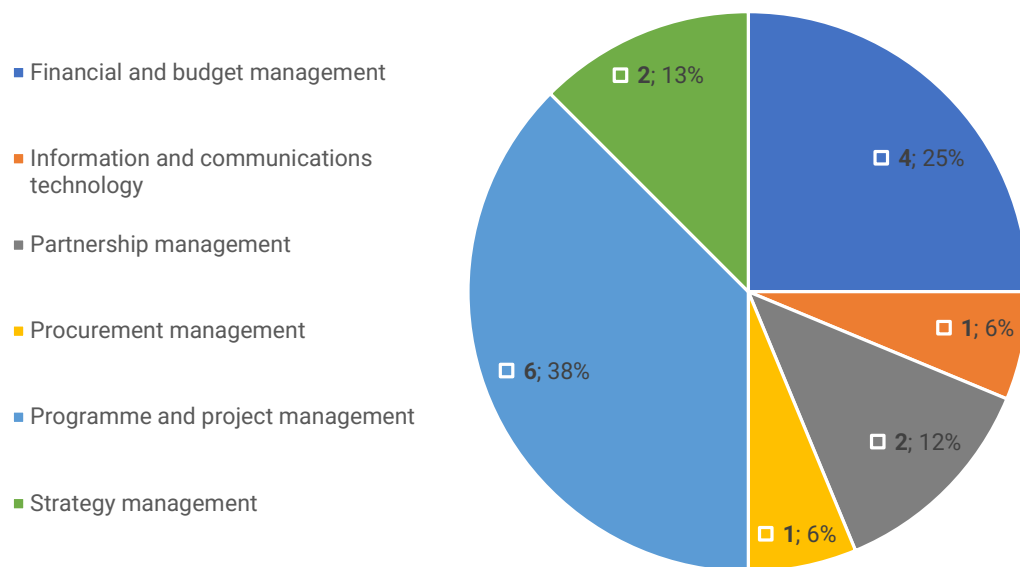Supplement No. 5G

Please recycle
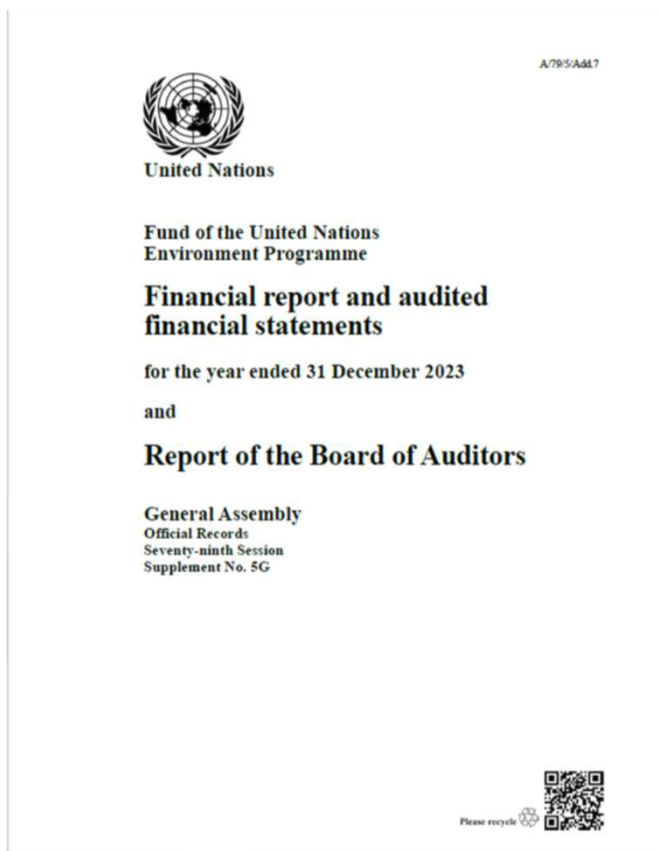
16

- **New Audit Finding**
(6 with high priority)

25

- **Outstanding
Prior Year
Recommendations**

2023: New (key) Audit Findings
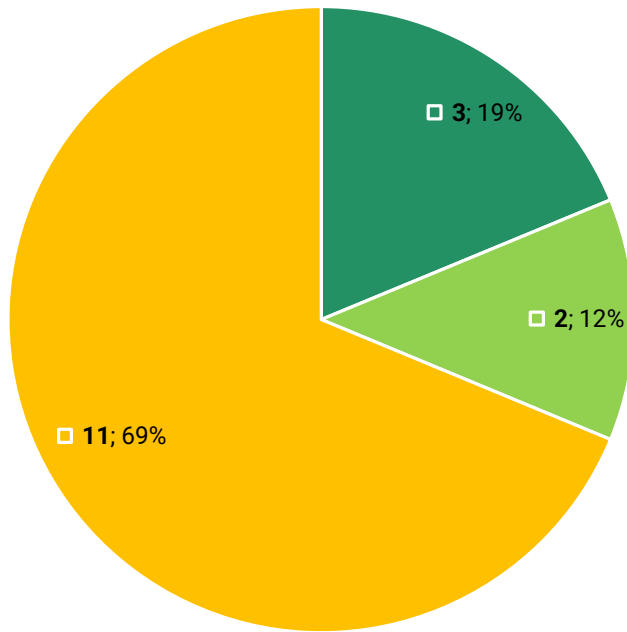
YE 2023 Report (16 rec) per topic

- Financial and budget management
- Information and communications technology
- Partnership management
- Procurement management
- Programme and project management
- Strategy management

4; 25%

1; 6%

2; 12%

1; 6%

6; 38%

2; 13%

YE 2023 Report (16 rec) per priority

16

6

10

YE 2023

■ Medium ■ High ◆ Total

2023: New Audit Findings (16)

Closure requested during interim 2024 audit for:
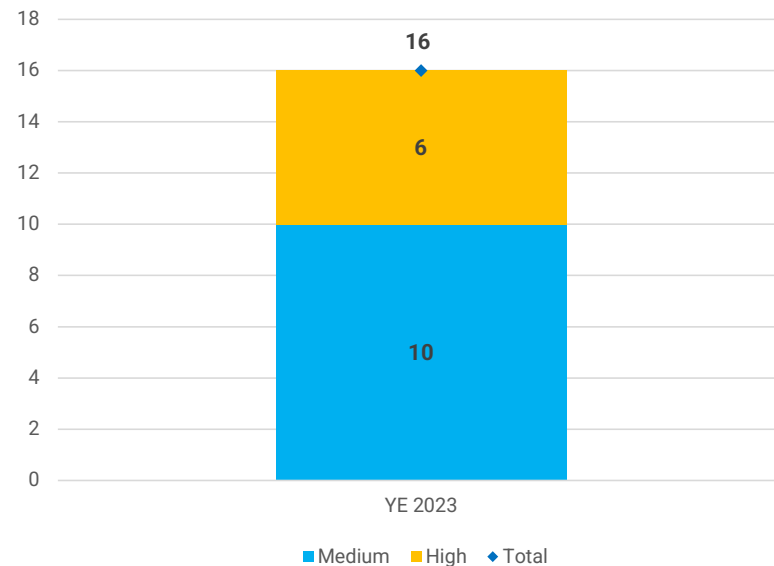
11 /16 Recommendations Currently Under Active Implementation

- **3**; 19%
- **2**; 12%
- **11**; 69%

- ■ Closure requested: verbally confirmed auditors
- ■ Closure requested: under review auditors
- ■ Under active implementation

Para 32 — 1. Programme support costs approved by controller

Para 58 — 2. Sendai Framework inventory

Para 64 — 3. Operational Closure of Projects

Para 124 — 4. WESR data handover

Para 132 — 5. SOP procurement planning
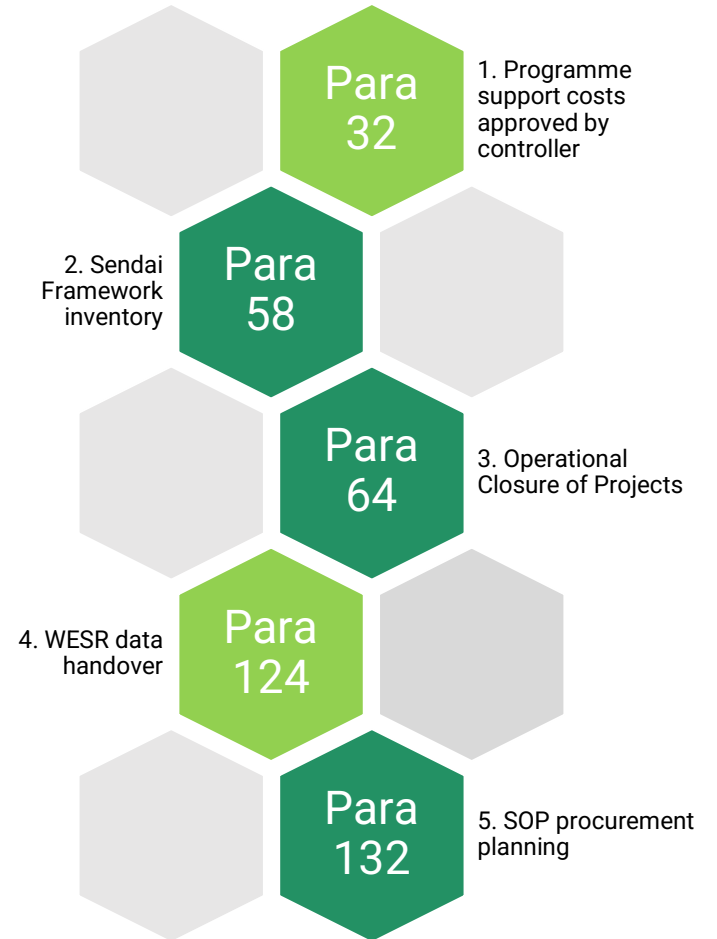
2023: New Audit Findings (11 Under Active Implementation)

4/11 of 2023 Recommendations - High Priority (Key Findings) Under Active Implementation

Reference	Summary of recommendation	Topics	Priority
para. 25	25. The Board recommends that UNEP undertake an **investigation to clarify the procedures for managing open long outstanding commitments and enhance review of open commitments** within the year end closing processes.	**Financial and budget management**	High
para. 50	50. The Board recommends that UNEP review the **implementation plans for UNEA resolutions 5.4, 5.5, 5.7 and 5.8 to include implementation timelines, data accuracy and clear internal accountability**, and that Resolution Focal Points upload them in the Monitoring and Reporting Portal.	**Strategy management**	High
para. 65	65. The Board also recommends that UNEP **reduces the percentage of projects pending financial closure** for more than two years.	**Programme and project management**	High
para. 108	108. The Board recommends that **UNEP formulate framework to regulate its engagement with Collaborating Centers** including their establishment, management, and operation issues.	**Partnership management**	High

2023: New Audit Findings (11 Under Active Implementation)

7/11 of 2023 Recommendations - Medium Priority Under Active Implementation

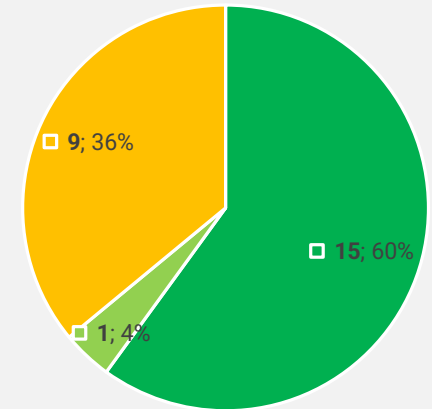| Reference	Summary of recommendation	Topics	Priority
para. 38	38. The Board recommends that UNEP review the **24 items on a case-by-case basis and identify the reasons for the lack of compliance with the provision of installments and financial reporting**, accelerate the implementation of 24 agreements and increase UN entities' awareness of financial reporting.	**Financial and budget management**	Medium
para. 44	44. The Board recommends that UNEP document, in form of Standard Operation Procedures, **the process for the estimates provided by programme managers, record the expenditures and document any exceptional cases**.	**Financial and budget management**	Medium
para. 71	71. The Board recommends that UNEP **update guidance on the project asset management and develop a tracking tool for monitoring the submission of the inventory of non-expendable equipment by implementing partners**, in line with the requirements of the respective legal instruments.	**Programme and project management**	Medium
para. 77	77. The Board recommends that UNEP ensure management actions **to track the implementation status of UNEP-wide evaluation recommendations**.	**Programme and project management**	Medium
para. 85	85. The Board recommends that UNEP consider a targeted training session or seminar to **raise the awareness and competency of its technical staff in integrating sustainability further in GEF projects** within the available resources.	**Programme and project management**	Medium
para. 91	91. The Board recommends that UNEP specify in **its Programme of Work document that the detailed evaluation plan for a subprogramme** is in the form of a Term of Reference, which will be prepared annually and will cover the requisites of an evaluation plan.	**Programme and project management**	Medium
para. 116	116. The Board recommends that UNEP prepares an update report on the implementation of the **Interim Memo on the Integration of the Digital Monitoring and Reporting Mechanism in the Partners Portal for Private Sector Partnerships**, including monitoring of risk elements.	**Partnership management**	Medium

Prior Year Recommendations

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Prior Year Recommendations (25)

Closure Requested For 16/25 Prior Year Recommendations

|	Financial and budget management	Partnership management	Procurement management	Programme and project management	Secretariat management
	3	3	1	6	3
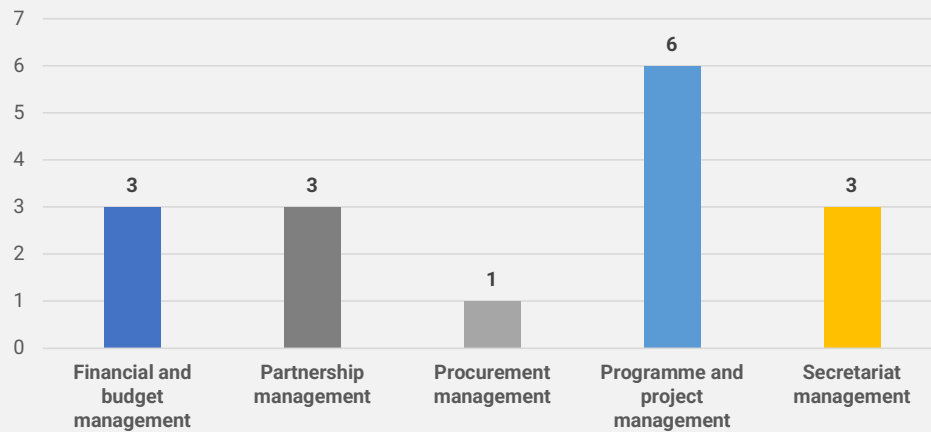
9/25 recommendations Currently Under Active Implementation

- Closure requested: verbally confirmed auditors — 15; 60%
- Closure requested: under review auditors — 1; 4%
- Under active implementation — 9; 36%

9/25 Prior Year Recommendations Under Active Implementation Per YE Report & Priority

	YE 2019	YE 2021	YE 2022
Total	1	3	5
High		2	1
Medium	1	1	4

Medium ■ High ■ Total ◆
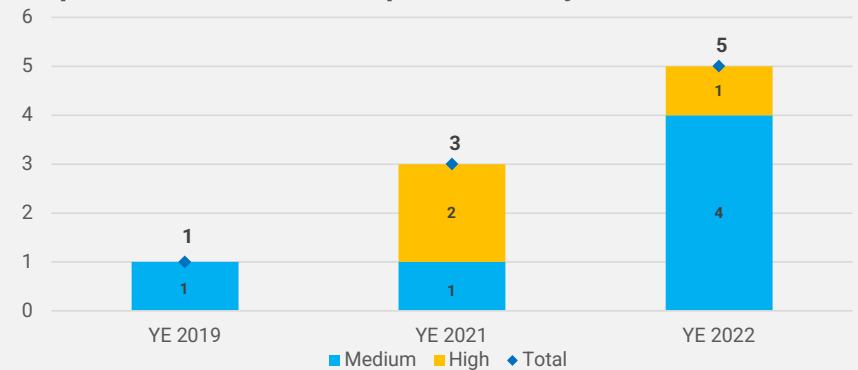
Prior Year Recommendations Under Active Implementation

Year	Reference	Summary of recommendation	Topics	Priority
2021	para. 28	28. The Board recommends that UNEP develop **corporate guidance in the monitoring policy** on when and how to collect relevant data to establish baselines for PoW indicators.	**Strategy management**	High
	para. 78	78. The Board recommends that SCBD actively communicate with donors in a timely manner and **expedite the process of clearing up the outstanding balance of closed grants**.	**Financial and budget management**	High
2022	para. 118	118. The Board recommends that UNEP assess the **workload of incumbent Task Managers of GEF projects** and mitigate potential imbalance of project allocations.	**Programme and project management**	High
2019	para. 221	221. The Board recommends that UNEP assist and liaise with the secretariat of the Convention on Biological Diversity to coordinate with the Conference of the Parties to the Convention in order to agree on the implementation of a **more effective resource mobilization mechanism for the secretariat.**	**Secretariat management**	Medium, long outstanding
2021	para. 133	133. The Board recommends that UNEP take effective actions to accelerate the **pre-inception activities of UNEP-GCF projects** and promote the approved projects' implementation.	**Programme and project management**	Medium, long outstanding

Total Recommendations Under Active Implementation

11 New Findings + **9 Prior Year** = **20 Recommendations**

The ACABQ and 5th Committee hearing

Long outstanding commitments

End of service liabilities

Clean fleet management