

United Nations Office for Project Services (UNOPS)

UNOPS Management Response to the Activity Report for 2016 of IAIG and the Activities of the Ethics Officer in 2016

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A. Introduction

1. UNOPS offers the following response with respect to the Activity Report for 2016 of the Internal Audit and Investigations Group of the United Nations Office for Project Services (DP/OPS/2017/3) and the Activities of the Ethics Office in 2016 (DP/OPS/2017/4).
2. This report is organized in sections B-G. Section B and C provides an overview of the independent oversight and advisory bodies providing the UNOPS management with advice on areas of attention and strengthening in terms of risk and accountability. Section D provides an overview of reports and recommendations issues by IAIG during 2016, followed by a specific overview of the IAIG internal and project audits (DP/OPS/2017/3). In section E, the investigations function of IAIG is highlighted and in section F an overview of the UNOPS strategic response to audit issues is provided. Section G offers the management response to the 2016 Annual Report of the UNOPS Ethics Officer (DP/OPS/2017/4).

B. The UNOPS Audit Advisory Committee

3. The United Nations Office for Project Services (UNOPS) is committed to United Nations' harmonization and simplification of business processes, including those supporting the Executive Board, and subsidiary committees advising the Executive Director.
4. Pursuant to Executive Board decisions 2015/4 and 2015/12, the Audit Advisory Committee of the United Nations Office for Project Services was established on 2 March 2015, replacing the Strategy and Audit Advisory Committee (SAAC) for the purpose of further aligning the UNOPS governance and accountability arrangements with those of sister agencies governed by the Executive Board. As such, the roles and responsibilities of the AAC, as outlined in its Terms of Reference (DP/OPS/2015/CRP.1), are consistent with those of UN agencies that are under the purview of the Executive Board.
5. The Audit Advisory Committee provides external, independent, senior level advice regarding the Organization's internal controls, and audit and investigations objectives, including any significant risk management issues. The Committee has an advisory role and assists the Executive Director in fulfilling her oversight responsibilities in accordance with best practices and industry standards.
6. Management is pleased to note the significant contributions provided by the AAC in 2016 and its concurrence with the observations reflected in the Audit Advisory Committee 2016 Annual Report (DP/OPS/2017/3 – Annex 3). Management notes that the AAC, in its advisory capacity, continue its substantive engagement with the organization, demonstrating the value-add of executive advice on strategic risk management. Finally, management would like to extend its appreciation to the current and past members of the Committee.

C. Role and functions of the Internal Audit and Investigations Group

Role and functions

7. Management recognizes the important role the Internal Audit and Investigation Group (IAIG) plays in providing assurance, offering advice, recommending improvements, and helping to enhance the organization's risk management, control and governance systems.

8. Management also recognizes IAIG's role in promoting and supporting accountability by conducting investigations of potential violations of applicable regulations, rules and administrative or policy directives. Furthermore, IAIG's endeavours to support management in the application of UNOPS general policies and objectives as described in the UNOPS Strategic Plan, 2014-2017 (DP/2013/3) are highly appreciated. As such, IAIG is a central component of UNOPS accountability framework, adding valuable contributions to management of strategic and operational risks.

Mandate

9. The mandate of the UNOPS internal audit and investigation function is prescribed by Regulations 6.01, 6.02 and 6.03 and Rules 106.01, 106.02 and 106.03 in Article 6¹ of UNOPS Financial Regulations and Rules (FRRs), which took effect on 1 January 2012 in preparation for implementing the International Public Sector Accounting Standards (IPSAS).

Coordination and collaboration

10. Management encourages IAIG's continuous coordination with the United Nations Board of Auditors (UNBOA), the Office of Internal Oversight Services (OIOS), the Representatives of the Internal Audit Services of the United Nations Organizations (UN-RIAS) and the Joint Inspection Unit (JIU).

11. Management also supports IAIG's strong collaboration and coordination with various UNOPS business units, including the Legal Group, the People and Change Group, the Ethics Officer and several regional/country offices, promoting inter-departmental cooperation, support and continuous follow up on specific matters.

D. IAIG Audits

Overview

12. The IAIG internal audits comprise three types: a) IAIG internal audits, b) project audits and c) audits of significant programmes, as summarized in Table 1. Management notes that the overall number of reports in 2016 (37) is higher compared to 2015 (29), due to the increase of client requests and reporting requirements as per project agreements. Management also notes that no audits were requested of significant programmes. Management commends IAIG on its efforts to complete current and prior year work plans, which resulted in no audit assignments carried over to 2017.

Table 1: Number of internal audit reports issued*			
Year issued	2015	2016	Change
# IAIG internal audits	7	10	3
# Project audits	22	27	5
# Audits of significant programmes	0	0	0
Total # of internal audits	29	37	8
*Developed based on IAIG annual reports for 2015 (DP/OPS/2016/3) and 2016 (DP/OPS/2017/3).			

¹ An extract of Regulations 6.01, 6.02 and 6.03, and Rules 106.01, 106.02 and 106.03 can be found in Annex I.

13. In total, IAIG issued 267 audit recommendations in 2016 compared to 158 recommendations in 2015. Management further notes that the overall average number of recommendations per IAIG internal audit report increased from 14 in 2015 to 21 in 2016. The significant increase in numbers is primarily due to the completion of a risk assessment of the UNOPS ERP system, OneUNOPS, which included 62 individual recommendations. The average number of recommendations for project audit reports decreased from 2.6 in 2015 to 2.2 in 2016. Management notes that this average has remained consistently within the range of 2.0-2.7 for the past three years. Management also notes the advice of the Audit Advisory Committee that IAIG continue to focus on significant risks and systemic issues when issuing recommendations.

Table 2: Number of internal audit recommendations issued*				
Year issued	2015		2016	
	total	average	total	average
# IAIG internal audits	101	14	207	21
# Project audits	57	2.6	60	2.2
# Audits of significant programmes	0	0	0	0
Total # of internal audits	158	16.6	267	23.2

*Developed based on IAIG annual reports for 2015 (DP/OPS/2016/3) and 2016 (DP/OPS/2017/3).

14. During the year, the UNOPS management has maintained a high rate of implementation of internal audit recommendations, 93% in 2016 compared to the exceptionally high implementation rate of 96% in 2015. The total number of open recommendations increased from 164 at the end of 2015 to 262 at the end of 2016. Continuing the process which was initiated in 2011, management made coordinated efforts to address outstanding aged audit recommendations in 2016. As a result, the number of open recommendations aged more than 18 months since date of issuance reached a new low, at only 2.

IAIG Internal audits

15. In 2016, IAIG audited seven of the UNOPS country and multi-country business units. For five business units, the audits provided assurance that the internal controls, governance and risk management processes were adequately established and functioning well. In two other audits, the business units' internal controls and risk management processes were found to be partially satisfactory. Management notes the value of the ratings and is taking action to ensure that adequate internal controls, governance and risk management processes are established. Management take note of the comfort that none of the audits resulted in a rating of “unsatisfactory”.

Table 3: Overall rating of IAIG internal audits*		
Year issued	2015	2016
Satisfactory	2	5
Partially Satisfactory	1	2
Unsatisfactory	1	0
Not rated	3	3
Total # of IAIG internal audits	7	10

*Developed based on IAIG annual reports for 2015 (DP/OPS/2016/3) and 2016 (DP/OPS/2017/3).

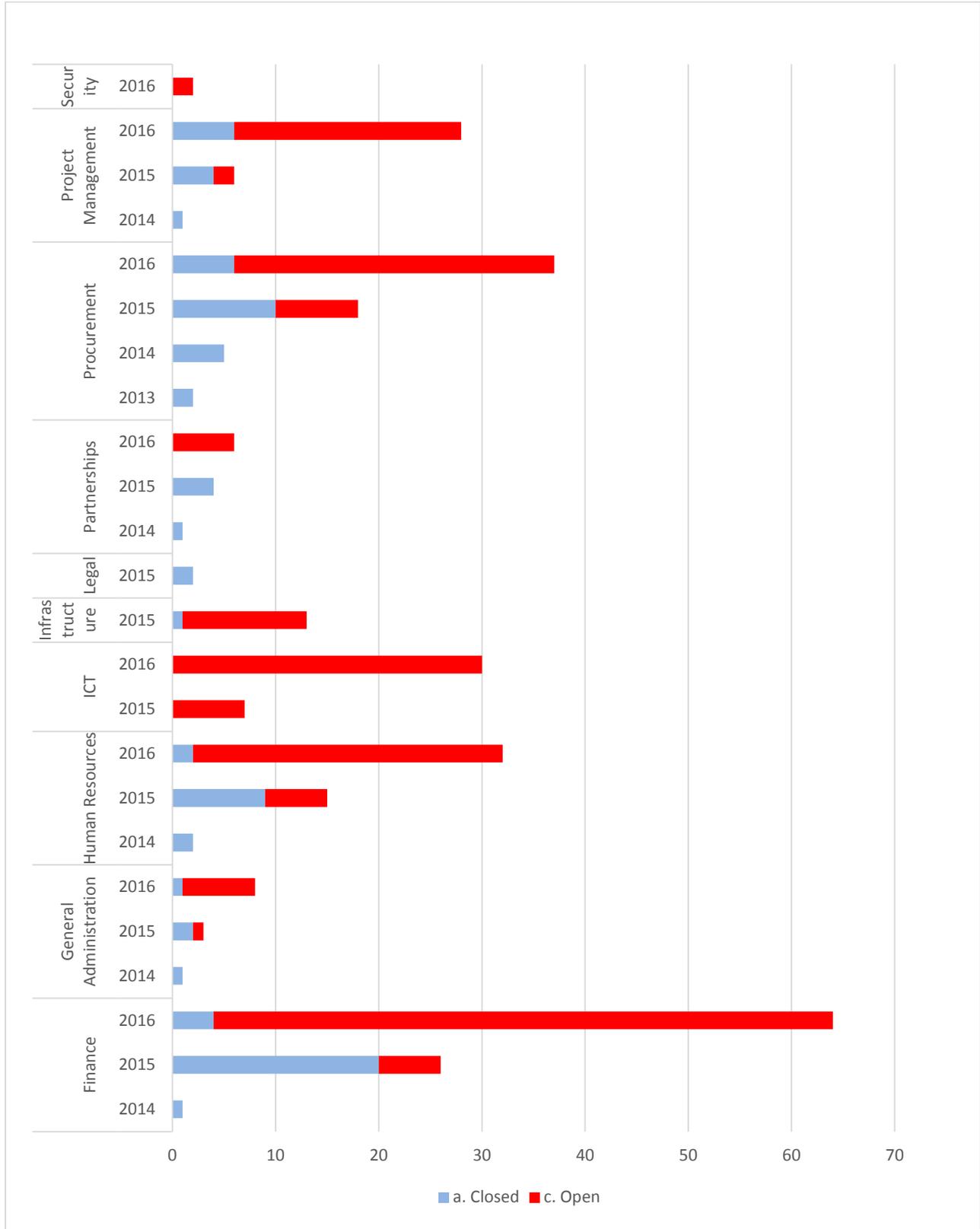
16. Management notes a relative increase in percentage of total recommendations of high importance in 2016 and a commensurate decrease in the percentage recommendations of medium importance, when compared to 2015. Management appreciates that low-priority recommendations are typically addressed during the field work stage of the audit. Management believes that the system of categorization by level of importance has potential for further integration into the UNOPS risk management system, as a mean of facilitating prioritization of efforts when systematically addressing recommendations.

Level of importance	Number of recommendations			Percentage of total		
	2014	2015	2016	2014	2015	2016
High	37	44	95	45	44	46
Medium	45	57	112	55	56	54
Total	82	101	207	100	100	100

*Developed based on IAIG annual reports for 2015 (DP/OPS/2016/3) and 2016 (DP/OPS/2017/3).

17. With regard to the functional distribution of internal audit recommendations, management notes peaks in recommendations for Finance, Human Resources and ICT. These findings correlate to the functional focus of internal audit reports issued by IAIG during 2016, which included a risk assessment of the UNOPS ERP system, a review of the UNOPS Treasury Management Function, and a review of Engagement of United Nations Pensioners and Retirees at UNOPS. Management continues to follow up and coordinate with relevant business units in the implementation of recommendations.

Graph 1: End-year status of internal audit recommendations which have been open during 2016, sorted by functional area.



IAIG Project audits

18. Management notes with satisfaction that also in 2016 all financial statements and internal controls of project audits received unqualified opinions. Management notes a slight decrease of 4 percentage points in satisfactory ratings. Notwithstanding, the 2016 71 percentage points is still well above the 55 percentage points in 2014, indicating continued solidity of systems and operational practices on the ground.

Type of opinion or rating	Number of audit reports			Percentage of total		
	2014	2015	2016	2014	2015	2016
<i>Audit opinion on financial statement of project</i>						
Unqualified opinion	14	22	23	100	100	100
Qualified opinion	0	0	0	0	0	0
Total	14	22	23	100	100	100
<i>Rating of overall level of internal control</i>						
Satisfactory	6	15	10	55	75	71
Partially satisfactory	5	5	4	45	25	29
Unsatisfactory	0	0	0	0	0	0
Total	11	20	14	100	100	100

*Developed based on IAIG annual reports for 2015 (DP/OPS/2016/3) and 2016 (DP/OPS/2017/3).

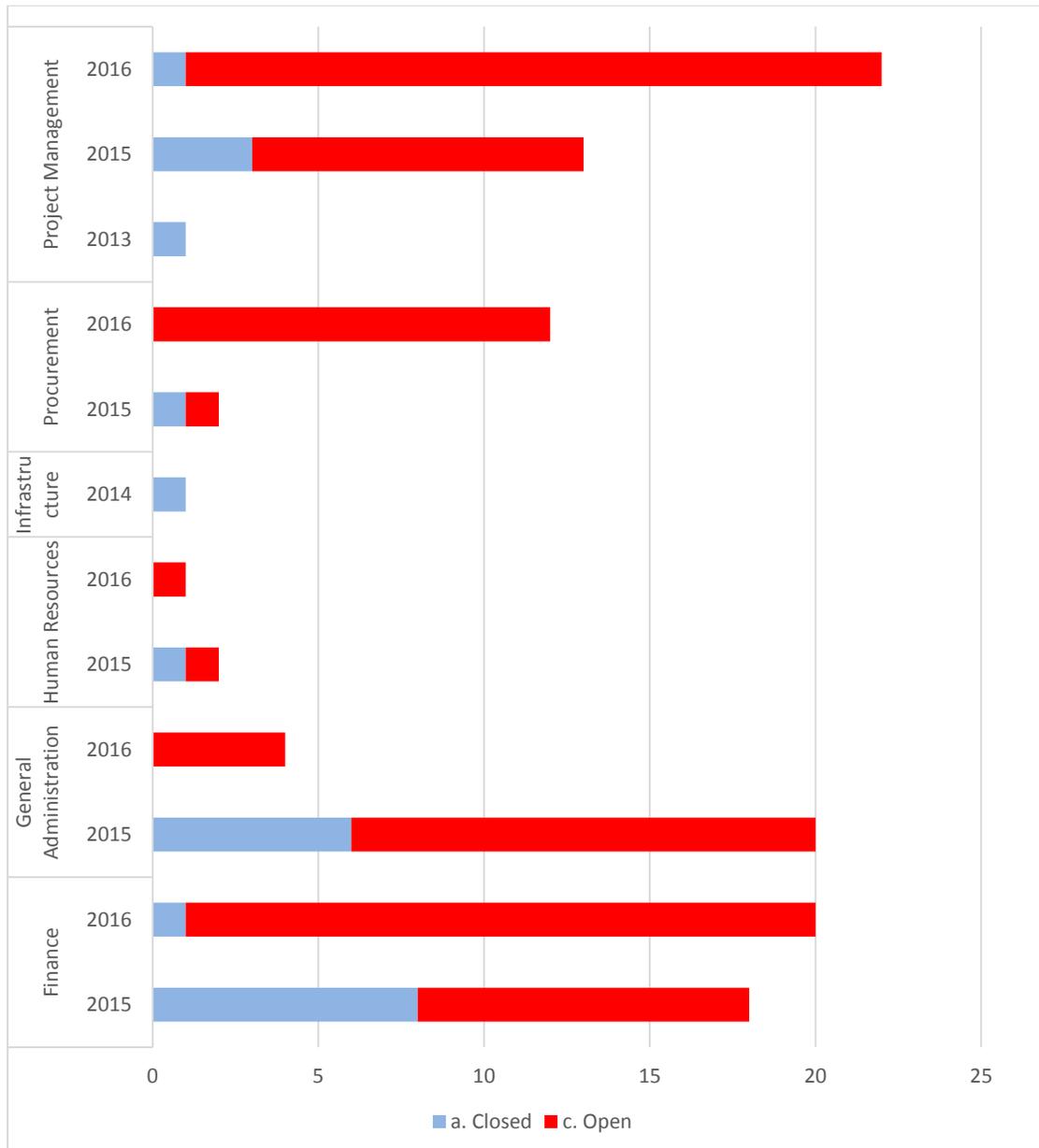
19. In terms of categorization of project audit recommendations by level of importance, management notes an increase in the number of high priority recommendations from 0 in 2015 to 16 in 2016. Management notes that the 16 high priority recommendations pertain to five projects and the cause of recommendation issue pertain to guidance and guidelines. Management appreciates the increased attention to cause of recommendations issue of project audits and will focus on addressing identified high priority recommendations as well as medium priority issues.

Level of importance	Number of recommendations			Percentage of total		
	2014	2015	2016	2014	2015	2016
High	3	0	16	11	0	27
Medium	21	57	44	75	100	73
Low	4	0	0	14	0	0
Total	28	57	60	100	100	100

*Developed based on IAIG annual reports for 2015 (DP/OPS/2016/3) and 2016 (DP/OPS/2017/3).

20. With regard to the functional distribution of project audit recommendations, management notes peaks in recommendations for Project Management, Finance and Procurement. This seems commensurate with the functional focus of project audits, and correlates with the increase in project audit reports and recommendations issued by IAIG in 2016, as observed in tables 1 and 2.

Graph 2: End-year status of project audit recommendations which have been open during 2016, sorted by functional area.



Audits of significant programmes

21. IAIG audit cover two significant programmes, parts of which are executed by UNOPS on behalf of its partners, the Small Grants Programme and the Mine Action Programme. In 2016, no audits were requested by the client for the Small Grants Programme and the Mine Action Programme. Hence, there were no audit recommendations issued for significant programmes in 2016.

E. IAIG Investigations

22. Management notes the IAIG investigations function's attention to ensuring close coordination with relevant internal and external entities, inter alia, through internal collaboration with UNOPS Legal Group, the People and Change Group, and the Ethics Office; as well as external collaboration in the context of the United Nations Heads of Investigations Groups, with the OIOS, the investigation services of the other UN funds and programmes, and investigations offices of other international and national agencies.

23. It is noted that the number of complaints received and processed by IAIG decreased from 120 in 2015 to 104 in 2016. It is also noted that out of these 104 complaints, 59 became investigation cases, three more than the number of investigation cases in 2015. Management notes the distribution on 45 cases of alleged fraud or financial irregularities, and 35 vendors referred to the Vendor Review Committee by IAIG. Management appreciates the IAIG efforts to work with legal officers, senior managers and the UNOPS Vendor Review Committee to deter issues of this nature and reduce recurrence.

24. Management appreciates IAIG's various efforts to strengthen its investigations function during the year, including, inter alia, the recruitment of an international ICA to perform legal quality assurance of investigation reports. Management also notes with appreciation that IAIG successfully closed the majority of recommendations from the independent peer review of the UNOPS investigations function performed in 2015.

25. With regard to matters of fraud, management notes IAIG's continued efforts in fraud prevention measures, including the training of 505 personnel in Ethics and Integrity in Project Management during 2016. Management further notes with appreciation IAIG's continued collaboration with various UNOPS business units and other investigation units, including UN-RIS, Australian DFAT, and the Special Inspector General for Afghanistan Reconstruction (SIGAR) in 2016. UNOPS is the first UN agency to establish cooperation agreements with Australian DFAT and SIGAR.

F. Strategic response to audit recommendations

26. Management takes note of the functional distribution of audit recommendations and recognize the value of systematically sorting the recommendations for concerted functional action. Management also appreciates the continued collaboration with IAIG in ensuring timely implementation of internal audit recommendations through incorporation of results into performance data for various UNOPS departments. This may have partially contributed to the overall high implementation rate across the organization. Management further notes with satisfaction the unprecedented low level of audit recommendations open for more than 18 months at the end of 2016, and will continue its coordinated drive for the implementation of audit recommendations.

UNOPS internal control framework and management of risks

27. In 2016, UNOPS launched its new enterprise resource planning system – OneUNOPS – a flexible platform for integration of operational processes and systems. The ambition to better support the global UNOPS business process through use of information and communications technology was set out in the UNOPS Strategic Plan for 2014-2017 to, inter alia, improve the UNOPS internal control framework and management of risks. 'OneUNOPS' provides an advanced platform for customizing operational tools and guidance for personnel, and management information to ensure speed and compliance.

28. Already at a significant level of maturity, management primarily focused on further refining the existing policy framework for practical application in 2016. UNOPS ended 2016 with its policy framework comprising 36 Organizational Directives and 70 Administrative Instructions². Management will continue to review and revise UNOPS overall framework of management policies to ensure its appropriateness for the organization's ever-changing business environment and increasing maturity level.

29. During 2016, management continued the embedding of the Governance, Risk and Compliance principled performance framework in UNOPS. As a measure to further improve risk management throughout the organization, the objective of the initiative is to simplify internal governance structures and empower managers. In 2016, this entailed, inter alia, embarking on a process of simplifying the UNOPS internal policy instruments and enhance their alignment with business processes, framed by the 'three lines of defense' model. The objective is to further empower personnel to perform their functions efficiently, confident that they are in compliance with UNOPS policy. The new internal policy instruments will include enhancements to: (a) the structure and communication of the internal policy framework; (b) the business processes and tools through which policies are deployed and operations performed; and (c) the internal performance indicators and management dashboards.

30. At the highest level, the new internal policy framework will be based on a summary of the key organizational principles that are imperatives for all personnel. The framework will clearly delegate authority for issuance of policy instruments to functional directors. Functional directors will, in turn, be responsible and accountable for simplifying and reducing the volume of prescriptive content, ensuring that business processes and tools enable efficient implementation and appropriate control, and monitoring the exercise of functional delegations within the areas for which they are accountable. It is expected that the above enhancements will address several of the key areas for improvement as outlined by IAIG, including compliance with delegation of authority requirements, authorization of project expenditure, formal authorization for budget allocations, and segregation of duties. The streamlining of the UNOPS internal policy instruments is a continuous improvement process, which will be continued throughout 2017.

Portfolio review and certification of processes a means of assurance and risk management

31. To further strengthen the response and approach to risk management, UNOPS initiated a new process for assessing and managing project risks, 'engagement risk management', linked to OneUNOPS. The process will ensure: (a) an earlier, more systematic assessment of a broad range of risk categories associated with new projects; (b) improved efficiency and effectiveness of the UNOPS recurrent project assurance; and (c) a comprehensive and recurrent assessment of risks pertaining to the UNOPS portfolio of ongoing projects.

32. The initiative will enable further enhancement of the existing portfolio monitoring mechanisms and available management information, thus addressing additional key areas for improvements noted by IAIG related to Finance, Project Management, and Procurement. In its Annual Report (DP/OPS/2017/3 - Annex 3), the UNOPS Audit Advisory Committee noted that UNOPS is particularly exposed to risks when new projects are accepted, and the Committee supported the continued focus on strengthening its risk management systems in this area.

33. Additionally, management notes that the strengthened response and approach to risk management will ensure, inter alia, that project records provide reliable information for real-time knowledge-sharing and strategic assessment and assurance of ongoing activities, thus strengthening the organization's management of partners, products and services. Advanced dashboards will improve internal transparency, managerial oversight and assurance that UNOPS operations are performed efficiently and in compliance

² A complete list of Organizational Directives and Administrative Instructions effective in 2016 can be found in Annex II.

with policy. They will help identify functional areas, business processes and business units where improvements of policy, tools, competencies or resourcing are needed.

34. External certification of compliance with internationally recognized standards is a central component of UNOPS phased implementation of its risk management systems. Furthermore, the organization is committed to benchmarking its effectiveness and results against a range of industries and organizational types.

35. Tools supporting corporate processes are a critical contributor to organizational efficiency, effectiveness and compliance. In view of the implementation of the ERP system, the governance and decision-making process on corporate tools was revised to enhance full alignment and integration.

36. In 2016, the organization maintained its certifications against ISO 9001 for Quality Management. In addition, UNOPS expanded the coverage of its ISO 14001 certified environmental management system to cover infrastructure projects in Ghana and Myanmar, alongside existing certifications in Afghanistan, Guatemala, Kosovo, Sri Lanka and the Jerusalem Office. Likewise, the organization successfully continued to implement a health and safety management system for infrastructure operations, which was certified against OHSAS18001. In addition to existing certification in Denmark, Pristina, and Jerusalem, operations in Myanmar have been certified.

People engagement and certification a means of assurance and risk management

37. In 2016, the organization launched a new version of its people survey with a sharper focus on how engaged its personnel is in achieving UNOPS objectives. At 4.16, the UNOPS employee engagement index numbers are well above the external benchmarks for high-performing and global surveying organizations, at 4.06 and 3.83, respectively. Subsequently, action plans for each UNOPS business unit were developed during the year by the UNOPS senior management to address matters raised by personnel. In addition, the UNOPS Corporate Operations Group collectively signed the 2016 UNOPS COG Leadership compact, developed for the purpose of UNOPS senior management to actively contribute, engage and debate with peers, on the relevant strategic and operational issues that may impact on corporate strategy and cross-regional operations and corporate performance.

38. Management offers its personnel access to individual certification programmes based on externally recognized international standards to address guidance and other causes of audit recommendations which may be attributable to inadequate knowledge. In 2016, more than 1,950 personnel benefited from UNOPS learning opportunities. The training included, inter alia, Prince2 Foundation and Prince2 Practitioner for project management; Chartered Institute of Purchasing and Supply (CIPS) for procurement; Association of Chartered Certified Accountants (ACCA) for finance; and the Emerging leaders programme. In addition to mandatory courses on gender awareness and the prevention of harassment, 600 personnel were supported through performance management training, and more than 500 personnel received anti-corruption training.

Improvements in corporate strategic management and leadership

39. Management notes the IAIG observations relating to the development of Terms of References for, and definition of oversight mechanisms and work plans for support functions, in multi-country operational hubs. Management also takes note of the observations pertaining to the strengthening of capacities of operational hubs in relevant functional areas.

40. In the management budget and target setting process, the UNOPS managers are responsible for articulating and prioritizing internal resource needs. In 2016, this process continued to deepen its utility as

an informed and formally structured management assessment of the viability and sustainability to create new, or relocate existing, organizational entities. Entities formulated their business plans guided by the UNOPS Excellence Model, collaborating with UNOPS partnerships and finance functions during the process. The process was furthermore strengthened through the consistent use of indicators from corporate systems and the dedicated analysis and strategic focus of regional portfolios.

41. Management coordination and cross-functional integration are important means of mitigating risks. In 2016, UNOPS sustained efforts to strengthen the organization's management fora and throughout the year, the Senior Management Group convened twenty-three formal meetings allowing collective deliberation and executive advice on the strategic positioning of UNOPS; institutional reforms; and early identification of crisis, challenges and opportunities. Similarly, the Corporate Operations Group convened ten formal meetings and two retreats, covering a wide range of recurring and ad hoc areas, including, inter alia, corporate performance; key functions' strategies; business and work planning; and integrity, fraud and ethics.

42. By mid-year 2016, the 28 recommendations presented by the UNOPS global management to the Executive Director in 2015, were successfully implemented. The recommendations included topics such as services, strategic investments, costing and pricing, engagement acceptance, decision-making, organizational structure and collaboration.

G. UNOPS Ethics

43. Established pursuant to General Assembly resolution 60/1, the UNOPS Ethics Office operates in accordance with the terms of reference laid out in the Secretary-General's bulletin (ST/SGB/2007/11, as amended). Its mandate is to promote the highest standards of integrity and to foster a culture of ethics, transparency and accountability within UNOPS.

44. Management notes with appreciation the report on the Activities of the UNOPS Ethics Office in 2016 (DP/OPS/2017/4), which covers the eight full year of its operation as a separate and independent function in UNOPS. During the year, the Ethics Office has assisted the Executive Director in ensuring that all staff conduct themselves with integrity and professionalism and uphold the Charter of the United Nations.

Administering the UNOPS financial disclosure programme

45. Management notes with appreciation that in 2016, UNOPS adopted a new financial disclosure and conflict of interest form on a pilot basis, for the purpose to better help identify and more effectively manage actual, potential and perceived conflicts of interest. The new form is available on an online platform in all three UNOPS working languages for all personnel required to file annual disclosure statements. The form is designed to, inter alia, reduce the time spent on follow-up questions per email after review of completed forms; recognize modern personal relationships; and increase awareness of possible conflicts of interest.

46. Management notes with appreciation that, although the new financial disclosure and conflict of interest pilot was ongoing at the time of submission of the UNOPS Ethics Report for 2016, all 713 personnel required to file a financial disclosure and conflict of interest statement had done so. Managements further notes that an analysis of the pilot approach of the UNOPS financial disclosure programme will be provided to the Executive Board in the 2017 Annual Report of the Ethics Office.

Protecting staff against retaliation for reporting misconduct

47. Management notes the importance of the ethics function's impartial preliminary review of complaints of retaliation, its close collaboration with IAIG, and its advice on measure to protect from retaliation. Furthermore, management concurs with the Ethics Office that raising further awareness of the policy on protection against retaliation is an important means of preventing retaliation and promoting an environment that encourages personnel to speak out against behaviour that places the reputation and standing of UNOPS at risk.

Developing standards, training and education, and reaching out on ethics issues

48. Management appreciates the Office's active contributions, and collaboration with audit, investigations and human resources, to further develop training materials on ethics issues, inter alia interactive ethics training sessions to field colleagues attending the Project Management Foundation Course and presentation on ethics in procurement for the Procurement Operations Training.

49. Management notes the Ethics Officer's engagement with the UNOPS Audit Advisory Committee. It further notes that the Officer, as ex officio member of senior management groups, has been kept abreast of agendas and minutes of UNOPS senior management meetings, and participated as observer in relevant meetings.

50. Management notes the efforts undertaken by the Ethics Officer to support the further improvement of the annual survey on integrity, ethics and anti-fraud, and appreciates the opportunity it provides to launch targeted awareness campaigns.

51. In addition, management appreciates the Ethics Officer's close collaboration with other corporate functions, including procurement, human resources, legal, internal audit and investigations providing advice and guidance on clarification or interpretation of UNOPS regulations, rules and standards concerning prohibited or restricted activities and ethical dilemmas; and supporting specific initiatives targeting anti-corruption and identification of risk in procurement.

Providing confidential advice and guidance to staff on ethical issues

52. Management notes that during 2016 the Office received 337 requests for advice services compared to 259 in 2015. It is further noted that in 2016, 54 percent of all requests for services pertained to ethics advice, demonstrating the significance of the advisory function of the Ethics Office and may indicate general awareness and confidence among personnel to engage with the ethics function for advice. Management further notes with appreciation that there has been a notable increase in reported employment-related concerns since the UNOPS internal speak-up campaign.

Supporting ethics standard-setting and policy coherence within the UN system

53. Also in 2016, the Office has exercised its mandate in close coordination and collaboration with the Ethics Panel of the United Nations and played an active role in the Ethics Network for Multilateral Organizations.

54. Finally, management notes the continued services provided by the Ethics Office to the World Tourism Organization. In addition, the Ethics Officer assisted UNICEF by acting as interim Principal Ethics Office Adviser from 1 December 2015 until 8 February 2016.

Annexes

Annex I – Extract from UNOPS Financial Regulations and Rules, effective 1 Jan. 2012

Regulation 6.01

The Internal Audit and Investigations Group shall be responsible for the internal audit of UNOPS. It shall conduct independent, objective assurance and advisory activities in conformity with the International Standards for the Professional Practice of Internal Auditing. It shall evaluate and contribute to the improvement of governance, risk management and control processes, and report thereon. It shall exercise operational independence in the performance of its duties.

Regulation 6.02

The Internal Audit and Investigations Group shall be responsible for assessing and investigating allegations of fraud and corruption committed by UNOPS personnel or committed by others to the detriment of UNOPS.

Regulation 6.03

The internal audit function's purpose, authority and responsibility shall be further defined in the Charter of the Internal Audit and Investigations Group.

Rule 106.01

The Internal Audit function shall evaluate the adequacy and effectiveness of governance, risk management and control processes regarding the:

- (a) reliability and integrity of financial and other information;*
- (b) effectiveness and efficiency of operations;*
- (c) safeguarding of assets; and*
- (d) compliance with legislative mandates, regulations, rules, policies and procedures.*

Rule 106.02

The Internal Audit and Investigations Group shall have free access to the organization's records, personnel and premises, as necessary, in its opinion, for the performance of its duties.

Rule 106.03

The Internal Audit and Investigations Group shall submit its results to the Executive Director and other senior managers as appropriate. At least annually, the Director of the Internal Audit and Investigations Group shall submit a report to the Executive Board on the internal audit and investigation activities and on significant findings, providing insight into the efficient and effective utilization of resources.

Annex II – UNOPS policies effective in 2016

Policy	Policy #	Title	Pages
OD	OD.03	Financial Regulations and Rules	67
	OD.04	Engagement Acceptance Policy	8
	OD.05	AAC and SAGE TOR	9
	OD.07	Safety and Security Policy	5
	OD.08	Prohibition of Discrimination, Harassment and Abuse of Authority	12
	OD.09	Internal Control for UNOPS Offices	43
	OD.10	Policy to Address Fraud	6
	OD.11	Travel Policy	6
	OD.12	Document Retention Policy	3
	OD.13	Electronic Communications Policy	15
	OD.14	ICT Project Acceptance Policy	5
	OD.15	Global Structure	28
	OD.16	Procurement Framework	7
	OD.21	ICA Policy	18
	OD.22	Client Pricing Policy	3
	OD.23	Financial Declaration Statements	7
	OD.25	IAIG Charter	8
	OD.27	Internal Control and Risk Management Framework	6
	OD.28	Work Life Harmonization	3
	OD.29	Learning and Development	4
	OD.30	Information Disclosure Policy	7
	OD.31	Quality Management Policy	3
	OD.32	Provisions and Write Off	7
	OD.33	Strategic Risk Management Planning Framework	11
	OD.34	DOA Framework	10
	OD.35	Whistle Blower Protection	7
	OD.36	Non Compliance with UN Standards of Conducts	42
	OD.37	Recognition, Rewards and Sanctions Policy	15
	OD.38	Personnel Performance Management Policy	8
	OD.39	Talent Management Framework	10
	OD.40	SIPG Environmental Management Policy	2
	OD.41	Vendors Ineligibility and Sanctions	11
	OD.42	SIPG: Health and Safety Policy	3
	OD.43	Policy for Partnership with Non-UN and Non-State-Entities	5
	OD.44	Hosting services	3
OD.45	Statement of Investment Principles	10	
Total			417

Policy	Title	Pages
AI	Amendments to OoA, LoA and ICA	5
	Approval Process for Visa Support Letters	2
	Atlas Security	7
	Authority to Director, Human Resources Practice Group - review and award of contracts to individual contractors	1
	Business Continuity Planning and Disaster Recovery Framework	8
	Cash management at field locations	2
	Central Review Bodies - Instructions and Procedures	11
	Claims Reporting Obligation of UNOPS Personnel	3
	Client Pricing	5
	Closing Process for Engagements/Projects	3
	Conduct in the Workplace	1
	Consequences of Attempted Medical Insurance Fraud	2
	Design planning manuals	10
	Disclosure of Audit Reports	6
	Documents that include markings that give wrong impression that the documents have been approved by another person	2
	Engagement Acceptance	15
	Entitlement Travel	51
	Establishment, management and closure of corporate dwelling facilities	14
	Grant support – instruction	16
	Guidance note on Advance funding	6
	Hospitality policy	6
	Hosting services	9
	ICA compensation for service incurred injury, illness and death of LICA under 3 months contracts	11
	ICA Instructions	16
	ICA working hours and leave	12
	ICT Project Acceptance	5
	Information Disclosure	3
	Internship Policy	8
	IPSAS compliant Accounting Policies	15
	Learning and Development	12
	Legal Advisors	5
	LICA Medical Plan (signature page)	1
	Management and Monitoring of Engagements	3
	Management and Use of Vehicles	6
Management of Property, Plant and Equipment	40	
Management, Implementation and Monitoring of Internal Audit Recommendations	7	
Mandatory Initialization of all pages of documents etc.	3	
Master Table of Authority in Procurement	3	
Medical Insurance Plan for locally recruited staff	2	
Merit Rewards	8	

Message to staff regarding HIV/AIDS	2
Official Duty Travel - Individual Contractors	34
Official Duty Travel - Staff and non-personnel	37
Partner Managed Personnel	6
Partnerships with non-UN or non-state entities	14
Performance Management and Appraisal for staff	7
Policy on Flexible Working	7
Post-Employment Restrictions	3
Procurement Instructions	4
Procurement Manual (rev.5)	3
Prohibition of accepting gifts. Etc.	3
Provident Fund	16
Recovery of Direct Costs	3
Renewal of Fixed-Term Appointments	6
Request from Staff Members to become Individual Contractors	3
Resource planning for mine action. Creation of pools of experts: Purpose, process and plan	10
Rest and Recuperation	9
Road and driving safety	4
Safety and Security Management	31
Separation from Service of Staff Members	12
Solicitations on Premises	1
Special Operations Approach	35
Special Post Allowance	6
Status of DOA before OD 34	2
Step Determination - Instructions and Procedures	7
Talent Management Framework	44
Temporary Appointment (TA) - Instructions and Procedures	14
Use of the National Professional Officer (NPO) staff category	2
Use of the UNOPS facilities, equipment and other property upon separation and transfer of personnel	13
Vendor Review Procedures	9
Volunteer Policy	8
Working hours and leave for staff members	18
Total	718