JOINT AUDIT

OF

DELIVERING AS ONE

IN

VIET NAM

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Joint Internal Audit of Delivering as One (DaO) In Viet Nam

April 2017

Summary

1. The Internal Audit Services of eight UN agencies (FAO, ILO, UNDP, UNESCO, UNFPA, UNICEF, UNIDO and WHO) conducted a joint audit of Delivering as One (DaO) in Viet Nam. Staff from three Internal Audit Services (UNDP, UNFPA and UNICEF) participated in the fieldwork. The joint audit covered the period from 1 January 2014 to 26 October 2015.

2. The audit was conducted in accordance with the Framework for Joint Internal Audits of United Nations Activities of September 2014, and in conformance with the International Standards for the Professional Practice of Internal Auditing. These standards require that the audit be planned and performed in such a way as to obtain reasonable assurance on the adequacy and effectiveness of the governance, risk management and control processes related to the audited activities.

3. DaO aims at a more joint and coherent UN structure at the country level, with five pillars: One Leader, One Programme, Common Budgetary Framework (and One Fund), Operating as One and Communicating as One. The aim is to reduce duplication of efforts, competition and transaction costs. Originally launched in 2007 in eight pilot countries, DaO had been adopted in 56 countries as of November 2016. In August 2014, the United Nations Development Group (UNDG) issued the *Standard Operating Procedures (SOPs) for Countries Adopting the DaO Approach*, together with an integrated support package for implementation by United Nations Country Teams (UNCT).

4. The UNDG recognized that the SOPs package should be adapted by the UNCT and government in response to the needs of each country context. The view of the Viet Nam UNCT was that, because the SOPs were not mandatory, the extent to which the SOPs were adopted for each pillar was more open-ended with no defined timeline. The audit noted however that the principles that guided the development of the SOPs are key to achievement of desired results under DaO. Therefore, for each area reviewed, the audit assessed whether there were unmanaged risks that could impact the achievement of the planned results and considered whether the implementation of the SOPs could help in managing such risks.

5. Viet Nam volunteered to be one of the eight DaO pilot countries at the request of the Government. The 2012-2016 One Plan is the common programmatic framework for UN agencies in the country. It sets out the strategic joint programme of work which will support Viet Nam in addressing its development priorities. The One Plan is signed by 17 UN agencies. It is aligned with the Government 2011-2020 Socio-Economic Development Strategy (SEDS) and the 2011-2015 Socio-Economic Development Plan (SEDP), and has three focus areas: Inclusive, Equitable and Sustainable Growth; Access to Quality Essential Social Services and Social Protection; and Governance and Participation.

6. The total budget for the 2012-2016 One Plan was US$ 480.2 million, of which US$ 107.5 million were Regular Resources (RR) secured by participating United Nations agencies, and US$ 372.7 million were Other Resources (OR). The OR included a budget of US$ 135.3 million to be mobilized through the One Plan Fund II as a mechanism to complement core and non-core fund management.

Audit Ratings

7. The joint audit assessed implementation of DaO in Viet Nam as "partially satisfactory", which means that the internal controls, governance and risk management processes were

generally established and functioning, but needed improvement. Several issues were identified that may negatively affect the achievement of the objectives of the audited entities.

8. The ratings by audited area are listed in the following table.

Summary of Audit Ratings

Audit Area	Satisfactory	Partially Satisfactory	Unsatisfactory
One Leader			
One Programme			
Common Budgetary Framework/One Plan Fund			
Operating as One			
Communicating as One			

9. The audit made 14 recommendations, of which five were rated as high priority and nine as medium priority. Low-priority recommendations were discussed with the Resident Coordinator and the UNCT during the audit field mission and are not included in this report. The audit observations with high-priority recommendations are summarized below.

One Leader

10. **Gaps in funding the staff posts in the office of the Resident Coordinator (RC):** The RC's office was facing funding constraints that threatened the staffing structure. The existing posts were largely funded from pooled funds. However, the funding landscape in Viet Nam had evolved in light of the country's status as a middle-income country, and there was no expectation of pooled funds beyond 2015. Projected resources for the RC's office for 2016 were about US$ 968,922 and were composed of anticipated carry-over from 2015 of US$ 740,233, plus US$ 228,699 expected from the UN Development Operations Coordination Office (DOCO). These funds would only cover staff costs in 2016, excluding funds required to support a head of office post that was vacant. There was no strategy to fund the posts in future. The challenges in funding these staff posts could negatively affect the leadership of the DaO in Viet Nam.

11. Recommendation: The Resident Coordinator and the UN Country Team should develop a strategy to address funding of posts in the Resident Coordinator's Office.

One Programme

12. **Annual budget and results breakdowns:** Three "focus area joint programming matrices" were put together to break down the One Plan indicative budgets per UN agency, clearly indicating the secured resources and resources to be mobilized for each One Plan output. However, the matrices were not used as a monitoring tool of available resources and were not maintained and updated throughout the programme cycle. Use of the outcome and output indicators was mixed and inconsistent, and a full set of outcome indicators was not tracked, mostly due to unavailability of data. The One Plan result chain indicators were not linked to the individual agencies' existing indicators, which would have enabled easier tracking of results. Overall, One Plan implementation could not be fully established using the defined results chain.

13. Recommendation: The Resident Coordinator and the UNCT should: i) consolidate outputs and budgetary information into a consolidated output document that includes the Common Budgetary Framework; ii) establish a clear and transparent results chain; iii) regularly review achievement against targets; iv) establish annual or bi-annual planning through a joint work plan; v) link One Plan results indicators to individual agencies indicators; and vi) perform regular reviews of the One Plan implementation.

14. **Joint work plans:** Joint work plans were not implemented. The primary focus of the agencies was their own programmes established using their own policies and procedures, and for which they were responsible to their respective headquarters and their own Executive Boards. Individual UN agencies agreed and signed separate Detail Project Outlines (DPOs) with the Government. The DPOs were very numerous (170 at the time of audit), were detailed with hundreds of activities, and were not always finalized on time. They were not established at the Joint Programmatic Group level. Consequently the feasibility for joint programming and reporting was reduced.

15. Recommendation: The Resident Coordinator and UN Country Team should explore options in working with the Government of Viet Nam to ease the Detail Project Outline (DPO) requirements, and/or work towards establishing joint DPOs at the Joint Programmatic Group level, to reduce the administrative burden and duplication of requirements.

16. **Monitoring and evaluation:** Monitoring and evaluation activities were included in a single Integrated Monitoring and Evaluation Plan (IMEP) derived from the individual agencies' plans. However, implementation of the IMEP was not monitored. A One Plan (OP) monitoring tool was developed but it was not consistently used to track the full set of the OP indicators. Furthermore, data for outcome indicators was not updated. The IMEP included over 100 evaluations but there was neither a centralized monitoring of their implementation nor a central database of individual results.

17. Recommendation: The Resident Coordinator and the UN Country Team should: i) arrange periodic monitoring and updating of the Integrated Monitoring and Evaluation Plan; ii) enhance monitoring and evaluation capacity; and iii) improve the use of the One Programme database through regular and consistent data entry.

Common Budgetary Framework/One Plan Fund

18. **Resource mobilization:** The UN agencies set up the Viet Nam One Plan Fund as a pooled fund mechanism to secure and allocate resources for the unfunded portions of the One Plan. The total budget for the One Plan 2012-2016 was US$ 372.7 million of which US$ 135.3 million needed to be mobilized through the One Plan Fund. As of November 2015, the Administrative Agent had received about US$ 102 million of the budgeted amount. However, there has been a reduction in the number of bilateral donors following the country's transition to a middle-income country. Alternatives for financing of the One Plan had not been fully explored in the rapidly-changing changing donor landscape in the country. The office did not have a concrete resources mobilization strategy.

19. Recommendation: The Resident Coordinator and the UN Country Team should, develop a resource mobilization strategy and action plan linked to the budget of the One Plan, keep it up to date and monitor its implementation.

Management comments and action plan

20. The resident Coordinator and the United Nations Country Team accepted all of the recommendations and are in the process of implementing them.

"Signed"

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Abbreviations and acronyms

CBF	Common Budgetary Framework
DaO	Delivering as One
DaOSC	Delivering as One Steering Committee
DOCO	Development Operations Coordination Office
DPO	Detail Project Outline
FACG	Focus Areas Coordination Group
FAO	Food and Agriculture Organization of the United Nations
GOUNH	Green One UN House
HACT	Harmonized Approach to Cash Transfers
ICT	Information and Communication Technology
ILO	International Labour Organization
IMEP	Integrated Monitoring and Evaluation Plan
JPG	Joint Programming Group
JRG	Joint Results Group
M&E	Monitoring and Evaluation
MDG	Millennium Development Goals
MOU	Memorandum of Understanding
OMT	Operations Management Team
OP	One Plan
OPMP	One Plan Management Plan
OPSC	One Plan Steering Committee
RBM	Result Based Management
RC	Resident Coordinator
SoPs	Standard Operating Procedures
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNV	United Nations Volunteers
WHO	World Health Organization

Contents

Objectives

21. The joint internal audit of DaO in Viet Nam was conducted in accordance with the "Framework for Joint Internal Audits of United Nations Joint Activities", adopted in September 2014 by the Representatives of the Internal Audit Services of the United Nations system organizations (UN-RIAS). The objectives of the joint audit were as follows:

- Assessing the implementation of the five DaO pillars, focusing on governance structure and processes, as well as joint decision-making and joint activities undertaken by the UN Country Team.
- The extent to which governance and accountability arrangements are adequate, including the assurance mechanism(s) put in place to ensure accountability and oversight of joint funds made available to participating agencies.

22. The audit focused on five areas that constitute the pillars of a DaO. They are as follows: One Leader; One Programme; Common Budgetary Framework/One Plan Fund; Operating as One; and Communicating as One.

23. The audit used a risk-based approach in determining its scope. The scope is disclosed at the top of each area/pillar reviewed.

Background

24. Delivering as One (DaO) aims at a more unified and coherent UN structure at the country level, with five pillars: 'One Leader', 'One Programme', 'Common Budgetary Framework', 'Operating as One', and 'Communicating as One'. The aim is to reduce duplication of efforts, competition and transaction costs. It was originally launched in 2007 in eight pilot countries. By November 2016, 56 countries had adopted DaO.

25. Viet Nam was one of the original eight countries implementing the DaO approach in 2007. In August 2014, in the context of the QCPR[1] resolution adopted by the General Assembly in December 2012, the DaO approach evolved with the issuance by UNDG[2] of a set of guidelines for DaO, the *Standard Operating Procedures (SoPs) for Countries Adopting the "Delivering as One" Approach*, with an integrated support package for implementation by United Nations Country Teams. The SOPs were based on a synthesis of relevant evaluations, high-level reports and other documents that reflected the experience with DaO so far. The audit has been carried out in light of the new SOPs, and the five core elements/pillars of DaO as defined in them. These are *One Leader*; *One Programme*; *Common Budgetary Framework (and One Plan Fund)*; *Operating as One*; and *Communicating as One*.[3] What these cover, and

[1] Quadrennial Comprehensive Policy Review: mechanism through which the General Assembly assesses the effectiveness, efficiency, coherence and impact of UN operational activities for development and establishes system-wide policy orientations for the development cooperation and country-level modalities of the UN system in response to the evolving international development and cooperation environment. (General Assembly resolution 67/226).

[2] The UNDG is the United Nations Development Group, formed in 1997 to enhance the effectiveness of the UN's development activities at country level.

[3] See full text of SoP for Countries Adopting the DaO Approach at: http://www.sdgfund.org/standard-operating-procedures-countries-adopting-delivering-one-approach

what they demand from participating agencies, is discussed in the introductions to the relevant sections of this report.

26. The UNDG recommends that the SOPs package be adopted by UNCTs and Governments in each country, adapting it to fit their specific needs. However, the UNCT in Viet Nam felt strongly that DaO did not have any mandatory processes or established rules and procedures. It acknowledged the SoPs, but insisted that the DaO process was driven mostly by non-binding agreements among UNCT members.

27. DOCO told the audit that while the adoption of the SOPs is strongly encouraged, their implementation is so far not mandatory. DOCO also stated that the UNDG had not set a date by which countries should fully implement them.

28. The audit noted the UNCT position and DOCO's comments. It also noted that the six principles that guided the development of the SOPs are key to the achievement of desired results under a DaO. These principles are: strong ownership by government and stakeholders of the DaO; simplification and reduction of transaction costs; empowerment of UNCTs; flexibility to allow innovations by UNCTs; drive towards common delivery of results and strengthened accountabilities; and emphasis on shared values, norms and standards of UN systems. The audit therefore assessed risks to DaO in the light of these overarching principles and considered whether the implementation of the SoPs could help in managing the risks noted under each pillar.

29. In Viet Nam, the UNCT and the Government agreed that the Green One UN House would be a 'sixth pillar' of Delivering as One. The Green UN House was a Government-UN-Donor partnership project combining building construction, business reforms, and other changes to ensure that the UN "Delivers Green" and "Delivers as One." The building was inaugurated on 23 May 2015. There were a number of innovations designed for operational and programme efficiency and effectiveness. These included pooling of 22 common services, and the establishment of a single integrated common services management unit to manage and ensure quality service to all UN agencies with accountability to the UN Country Team (UNCT).[4] In addition, the UNCT planned an innovative organizational model where staff would be clustered in inter-agency teams according to programmes and operations to promote synergies and coherence.

[4] UNCT is an internal UN term to refer to the joint meeting of all the UN agencies or bodies active in a given country. The UNCT is convened by the UN Resident Coordinator. Its terms of reference, and division of responsibilities with individual agencies, vary from country to country.

Audit observations

One Leader

30. The One Leader pillar is a critical factor enabling UN agencies to work together. Under the One Leader, the UN Resident Coordinator and UNCT together constitute a unified leadership in a country. This should reduce transaction costs, duplication, fragmentation and competition for funds. It should strengthen dialogue with the host-country authorities at the highest level and help the agencies to work together on programming and resource allocation.

31. The scope of the audit in this area included the following:

- Governance of DaO in Viet Nam.
- The UNCT's functioning in the DaO context.
- The Resident Coordinator's Office capacity and processes for leadership of the DaO.
- The process for annual reporting on programme, operations and communications

32. The audit reviewed the DaO Governance documents such as the MoU for one Leader, the UNCT Code of Conduct, the UNCT terms of reference (ToR), the One Plan Steering Committee ToR and the Steering Committee ToR. The audit also held meetings with the Resident Coordinator and samples of UNCT members, Government partners, Civil Society and key donors.

Audit Rating

One Leader	Partially satisfactory
Based on the audit work performed, the audit concluded that the internal controls, governance and risk management processes for One Leader were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited area.	

33. The audit reviewed the presence and effectiveness of three key elements of One Leader listed in the table below.

Main element description – One Leader	Present	Effective
• Joint oversight and ownership between Government and the UN, outlined in an agreed TOR for a Joint National/UN Steering Committee	Partially implemented	Partially satisfactory
• Annual reporting on joint UN results in the UN Country Results Report	Partially implemented	Partially satisfactory
• UNCT empowered to make joint decisions relating to programing activities and financial matters	Partially implemented	Partially satisfactory

34. The audit noted the following in this area.

DaO governance mechanisms

35. The governance mechanism over DaO in Viet Nam included a DaO Steering Committee (DaOSC), which was a tripartite Government-UN-donors body responsible for providing guidance, oversight, monitoring and evaluation of all six pillars of the DaO initiative. There was also a One Plan Steering Committee (OPSC) as the Government-UN mechanism for governing implementation of the 2012-2016 One Plan. Other partners, including donors, could attend the OPSC, subject to the issues being discussed.

36. Focus Areas Coordination Groups (FACGs) were initially also established to support effective coordination and implementation within and between the three focus areas of the 2012-2016 One Plan. The formal participants of the annual FACGs meeting were the representative of the National Implementing Partners, participating UN agencies and Government aid coordination agencies.[5] When necessary, other partners could be invited, including donors active in the focus areas.

37. The audit reviewed the terms of reference (ToR) for the above committees and the FACG and the minutes of their meetings for 2014. It also discussed their functioning with UN staff, Government partners and donors, and noted the following.

38. ***DaO Steering Committee:*** The DaOSC's ToR said it would "hold an annual official meeting to review the results achieved within the six pillars against agreed outputs, indicators and baselines and targets". According to the minutes of the meeting held on 30 October 2014, it was decided that the DaOSC would start meeting twice a year from 2015. At the time of the audit in November 2015, however, it had not formally met during the year. The Resident Coordinator said that there was a plan to have a DaOSC meeting by the end of 2015, after ongoing planning activities for the next One UN Strategic Plan 2017-2021 are complete. Donors and Government partners met could not confirm that such a meeting was planned.

39. The audit also noted that the DaOSC was meant to "review the results achieved within the six pillars of DaO against agreed outputs, indicators and baselines". It could not have done this effectively as there was no such systematic tracking of outputs, indicators and baselines at the time of the meeting in October 2014. In fact, the audit noted that that the "DaO results monitoring Framework" was adopted by the UNCT in December 2014, and had yet to be fully populated with consolidated targets for the indicators that had been defined.

40. The informal donor group that was represented in the DaOSC was no longer operational as several of its members had either left or were about to leave the country. The Resident Coordinator (RC) informed the audit that a number of embassies closed bilateral funding of programmes when Viet Nam transitioned to a middle-income country. Despite this, the RC stated that donors funding the DaO in Viet Nam would continue to participate in the DaOSC meetings, and tripartite chairing of the DaOSC would continue.

41. ***OPSC and FACGs:*** According to its ToR, the OPSC should meet "once a year at the beginning of the first quarter to review implementation of the One Plan in the previous year, and identify the tasks for the following year." As with the DaOSC, it was decided at a meeting held on 30 October 2014 that the OPSC would start meeting twice a year in 2015 onwards. Again, at the time of the audit field mission in November 2015, the OPSC had yet to formally meet in 2015. The Resident Coordinator explained that there was a plan to have an OPSC

[5] Ministries of Planning and Investment, Finance, Agriculture and Rural Development, and Foreign Affairs and the Office of the Government.

meeting by the end of the year 2015, after on-going planning activities for the next One Plan 2017-2021. Government partners met could not confirm such a plan.

42. The audit noted that responsibilities assigned to the OPSC included: (i) guide and support the FACGs in coordinating delivery of development results as planned in the One Plan Results and annual work plans, and promote synergies between FACGs; (ii) discuss and decide on recommendations and proposals from FACGs. In fact, the OPSC could not have done these in 2014 or 2015 as FACGs did not function in 2014, and had been discontinued by the OPSC as: "It was observed that the current mechanism for the joint review of One Plan 2012-16 Results through the Focus Area Coordination Groups is not fit for purpose, partly due to the vast range of programmatic areas within the One Plan Focus Areas." The audit noted that no alternative mechanism had been put in place to fulfil the responsibilities assigned to the FACGs.

43. Partners and donors met by the audit did confirm that there had been constant consultations on DaO, but there was also a sense that there was a need to review the governance mechanism, given the expected evolution in the way the UN system engaged in the rapidly changing country context in Viet Nam.

44. Further, the audit noted that the Memorandum of Understanding on "One leader" in Viet Nam, agreed upon by the UNCT, stated that "A comprehensive consultative process with internal (UN staff) and external (donors, Government, civil society) stakeholders should provide regular feedback to the Resident Coordinator (RC) and the Participating Organizations on progress made and remaining challenges." The UN system may have played an increased role in building bridges between civil society and policy makers, but no consultation of civil society was apparent from the documentation seen by the audit.

45. Following the completion of the audit fieldwork, a number of actions were established for the development of the new 2017-2021 One Plan based on the lessons learnt from previous periods. The UNCT has proposed that one joint UN-Government Steering Committee continues to be the highest decision-making authority on all aspects of DaO initiative. Proposals have been made to expand membership to civil society organizations in the governance process subject to Government's approval. In view of these actions, the audit has not made a recommendation in this area.

United Nations Country Team (UNCT)

46. The UNCT, convened by the UN Resident Coordinator (RC), functions in accordance with its code of conduct and terms of reference and supports the implementation of DaO in a country that has adopted it. In Viet Nam the framework that supported the functioning of the UNCT included the memorandum of understanding (MoU) on "One Leader" and Code of Conduct and terms of reference of the UNCT.

47. The audit reviewed the functioning of the UNCT in light of the above guiding documents, and noted the following.

48. ***MoU on "One Leader":*** The MoU on "One Leader" translated the decision made by the UNCT to strengthen the authority, responsibility, and accountability of the RC in Viet Nam. According to the RC's office, the MoU was endorsed by the UNCT in September 2008. The document was reviewed in 2012 but not changed. At the time of the audit, the document was still valid, but still referred to the Tripartite National Task Force, which had been discontinued and replaced by the DaOSC, with revised structure and Terms of Reference.

49. The MoU stated that the RC would "provide inputs for the performance evaluation of the UNCT members based on their contribution to the UNCT's collective results as expressed in relevant programmatic documents (United Nations Development Action Framework,[6] One Plan), and as members of the UNCT." The audit noted that the RC was requested to provide feedback for the performance evaluation of only six out of 15 heads of agencies that were members of the UNCT. The RC told the audit that performance evaluations could not be done as they were agency-specific.

50. Overall, the MoU on "One leader" was not enforced regarding the input of the RC to the performance appraisal of heads of agencies that are members of the UNCT.

51. ***The UNCT Code of Conduct and ToR:*** The RC's office informed the audit that the Code of Conduct and ToR of the UNCT had been adopted in December 2007 and reviewed in 2012, but no change had been made to it. Therefore it still referred to the Tripartite National Task Force which had been discontinued in 2006, and replaced by the DaO Steering Committee with revised structure and ToR.

52. The UNCT's ToR stated that it should: "Review, and endorse, in January of each year the Annual Report of the Resident Coordinator for the preceding year, and the annual work plan (AWP) and budget of the Resident Coordinator's Office, which defines the UNCT's annual programme and operation priorities. Monitor implementation of the Resident Coordinator's office work plan during the course of the year and recommend adjustments/actions as necessary."

53. The audit did not obtain evidence that the UNCT had reviewed or endorsed the Annual Report of the RC for the year 2014, or the annual work plan (AWP) and budget of RC's office for 2014 and 2015. Also, there was no evidence that the UNCT had been monitoring the implementation of the RC office's work plan for 2014 and 2015. In fact, the audit noted that some activities planned in the work plan for 2014 were not completed as planned, including the One UN Business Operations Strategy (BOS) that was planned to be completed by August 2014. This had yet to be done at the time of the audit field mission in November 2015 (the RC'S office said it would be prepared in conjunction with the next (2017-2021) One Plan). Also, the revised UN-Government Harmonized Programme and Project Management Guidelines (HPPMG) had not been adopted by December 2014 as planned. Finally, the work plan had envisaged three meetings of the FACGs by May 2014, but as stated in the previous observation, this had not happened and the FACGs had eventually been discontinued. There were also other items on the work plan that had not been implemented.

54. Another task specified by the UNCT's ToR was to "Decide on key issues related to the One Plan Management Plan (OPMP)", but there was no OPMP for the 2012-2016 One Plan. The UNCT was also to oversee the development of the annual work plan of the UN Operations Management Team (OMT), but there had been no AWPs for the OMT since 2011 onwards. The Chair of the OMT said that prior to 2012, the UNCT decided that the OMT would focus on the common services for the common Green One UN House. There was no documentation of the meetings of the working groups although the audit was informed presentations were made to the UNCT on the outcome of each one. Without an annual work plan for the OMT,

[6] The United Nations Development Assistance Framework (UNDAF) is a programme document between a government and the United Nations Country Team (UNCT) that describes the collective actions and strategies of the United Nations to the achievement of national development.

the audit concluded that the UNCT may have missed an opportunity to ensure adequacy of the coverage of the common operations.

55. The UNCT's ToR also specified that, "based on agreed management of performance indicators," it should review its own overall performance "and propose and take action for enhancing its collective performance." The audit noted that no performance indicators had been defined specifically to measure performance of the UNCT.

56. Overall, the audit noted that the framework that supported the functioning of the UNCT had not been aligned with the changes in operations and programmes, and had not been systematically implemented. Therefore, there was a risk that the UNCT had not been efficient and effective. This was due to the fact that there was no mechanism to monitor implementation of the framework.

57. Following the completion of the audit fieldwork, the RC and the UNCT provided the audit with documents to support various actions taken at the UNDG and at the local level to address some gaps noted during the audit fieldwork. These included a RC-UNCT performance appraisal tool for assessment of results and competencies launched by the UNDG, UNCT work plan for review by the UNCT, and ToRs of OMT and minutes of UNCT meetings that discussed OMT-related matters. The audit acknowledges the changes made but notes that the UNCT did not fully comply with its own guiding documents including the MoU, the UNCT Code of conduct and Terms of Reference.

Recommendation 1 (medium priority): For the next One Plan 2017-2021 cycle, the UN Country Team should review and update its guiding documents (for example, the memorandum of understanding on the "One Leader" and the UNCT Code of Conduct and Terms of Reference) against the updated UNDG guidelines and establish a mechanism to monitor compliance with the revised guiding documents.

Resident Coordinator's Office

58. The MoU on "One Leader" aimed at strenthening the authority, responsibility and accountability of the RC in the areas of representation, programmatic and budgetary cohorence, monitoring and evaluation, One Voice, and management of the One UN Initiative and staff matters. The Resident Coordinator Office should have the necessary financial and staff resources to lead DaO. At the time of the audit fieldwork, the staffing of the RC's office was as follows:

- Head of Office at P5 level, vacant at the time of the audit fieldwork.
- UN Coordination Specialist at P4 level.
- Results-Based Management Specialist at P4 level.
- UN Coordination and Policy Analyst – International United Nations Volunteers (UNV).
- UN Coordination at GS6 level.
- National UNV (Results-Based Management).
- UN Coordination Analyst at National Officer (B) level.

59. All the above positions were funded 100 percent from the Resident Coordinator's budget for coordination.

60. In addition to the above, the office was also supporting three of the members of the UN Communication Team in Viet Nam – the Communication Manager at P5 level, the

Communication Officer at National Officer (D) level, and a Communication Assistant at GS5 level (the first two being 100 percent, and the last 50 percent, funded by the office).

61. According to the information provided to the audit by the RC, the office was facing financial constraints that could jeopardize its staffing structure in the near future. Over recent years, it had been funded largely through pooled funds such as the One UN Support Facility, The Expanded Funding Window[7] and the Viet Nam One Plan, for which there was an agreement that 2.5 percent of mobilized funds would be allocated to the direct costs of the RC's office. At the time of the audit fieldwork, however, the funding landscape in Viet Nam had evolved in light of the country's Middle Income Country Status, and there was no expectation of pooled funds beyond 2015.

62. Projected resources for the RC's office for 2016 were about US$ 968,922 and were composed of anticipated carry-over from 2015 of US$ 740,233, plus US$ 228,699 expected from DOCO. These resources could cover the cost of the staff as described above for the full year 2016, assuming that the Head of office post was kept vacant. Beyond 2016, only resources from DOCO were anticipated – which would considerably jeopardize the staffing of the RC's Office.

63. Moreover the Head of Office position had been vacant since November 2014. It had been filled temporarily by the UN Coordination Specialist, who was supposed to be supervised by the vacant post. Given that this individual had been filling both their own and the Head of Office post for a year, there was a risk of activities not being adequately supervised and coordinated. At the time of the audit fieldwork, no recruitment process had begun for the Head of Office position. The office indicated that this was due to funding constraints.

64. The audit also noted that the Communications Manager post was to end on 28 February 2016. This position led the UN Communications Team. The UN Communication Specialist's contract was ending soon afterward, on 31 March 2016. Neither post was funded beyond the current date of contract expiry. The Results-Based Management Specialist had a contract until November 2016; the challenges foreseen in funding the office could threaten the extension of that critical post. Finally the position of the UN Coordination and Policy Analyst/UNV was to end in February 2016, along with the funding source.

65. Overall, the audit's assessment was that the challenges foreseen in funding the RC's office could negatively affect the ability of the Resident Coordinator and team to lead DaO in Viet Nam. At the time of the audit fieldwork, the RC's office had yet to set out its strategy for addressing the situation in the near future. It was expected that various on-going work to prepare for the new One Plan 2017-2021 would also address the overall funding challenge of DaO in Viet Nam.

Recommendation 2 (high priority): The Resident Coordinator and the UN Country Team should develop a strategy to address funding of posts in the Resident Coordinator's Office.

DaO Annual Results Report

66. The Annual UN Country Results Report records the work of the UN development system as a whole in a country, and its progressive contribution to the national development

[7] The Expanded Funding Window was established to help address the funding challenges encountered by countries that voluntarily follow the DaO approach. This funding mechanism broadens the partnership of the Government of Spain and UNDP to other United Nations organizations and donors.

agenda on an annual basis. The report should be based on the outcome areas to which each Results Group[8] contributes. It should be used to undertake an annual review of the One Programme, operations and communication.

67. The audit discussed the subject of the annual UN Country Results Reports with staff, partners and donors. The audit also reviewed the following documents:

- The DaO Annual Results Report for 2014.
- A concept note for the 2014 Annual Results Report.
- A request to UNCT members to provide data for key indicators of the DaO results monitoring framework (as a basis for Chapter 1 of the annual report).
- Guidance provided to Joint Programming Groups (JPGs)[9] on annual results reporting and planning.

The audit noted the following.

68. ***Reporting on the performance of the DaO pillars:*** The objective of the DaO Results Report was to demonstrate the contribution of the DaO pillars to three outcomes that had been identified in the DaO monitoring framework as follows: (i) Enhanced alignment to national development priorities; (ii) Demonstrating effectiveness; and (iii) Measuring efficiency.

69. The DaO results monitoring framework had been adopted by the UNCT in December 2014, including outcome indicators, identification of the DaO pillars contributing to them, and means of verification. As this was the first year the DaO monitoring framework had been used, baseline data related to the year 2014 were collected when possible, and were used to report on the performance of DaO pillars in the annual UN Country Results Report for 2014. It was not possible to quantify achievements because there were no targets for the indicators.

70. Indicators identified in the DaO monitoring framework had been populated with baseline data from 2014, except for some indicators under the Efficiency outcome targets. The audit noted that targets had yet to be identified for 14 indicators out of 40. The RC's office told the audit that the framework would need to be refined, focusing on those indicators that lend themselves to analysis, and ensuring engagement of the various relevant teams (particularly JPGs) in the analysis of the information.

71. ***Reporting on One Plan results:*** The objective of Chapter 2 of the Results Report was to demonstrate achievement of the 2012-2016 One Plan. The audit noted that such achievements were mostly presented in the form of context analysis for outcomes and narrative of results achieved for outputs. There was no indication of achievements against targets that had been set for output indicators as defined in the 2012-2016 One Plan. It was

[8] The 2014 SOPs define Results Groups as "mechanisms organized to contribute to specific UNDAF outcomes through coordinated and collaborative planning, implementation, monitoring and evaluation." Each Group is led by a designated Head of Agency, who is a member of the UNCT.
[9] The Joint Programming Groups (JPGs), (or Joint Results Group (JRGs) in the Viet Nam DaO) are joint mechanisms for cooperation between different agencies working in the same programmatic area. There are eight such groups, some covering only One Plan outcome and others working across several. A full list of the JPGs and the outcomes on which they work can be found at http://www.un.org.vn/en/what-we-do-mainmenu-203/programme-coordination-groups-mainmenu-281.html.

therefore difficult to assess the overall achievement of the 2012-2016 One Plan based on the Results Report.

72. Overall, the annual reporting did not provide information on measurable achievements against established targets or results. This was because the mechanisms to track progress were not sufficient to quantify achieved results.

Recommendation 3 (medium priority): For the 2017-2021 One Plan and in line with the updated UNDG Guidance, the Resident Coordinator and the UN Country Team should strengthen the tracking and reporting of the One Plan performance by establishing appropriate targets and baselines for all the indicators.

2 One Programme

73. The One Programme brings all members of the UN Country Team together in one nationally owned strategy that draws on the full range of UN expertise and ensures a fully integrated approach by the UN in a country. One Programme development results are meant to be measurable and costed. A One Programme is based on the UNDAF. The process of planning and execution of the One Programme is led by the Resident Coordinator.

74. The scope of the audit in this area included the following:

- Development of the 2012-2016 One Plan and its alignment with national priorities.
- The One Plan results framework, including outcomes and outputs, as well as their related indicators.
- Governance structure of the One Programme, including the setup and functioning of the JPGs.
- The development and implementation of the joint work plans.
- The joint monitoring and evaluation process.
- The One Programme reporting process.

75. The audit reviewed annual planning and the implementation processes followed by a sample of individual UN agencies, including alignment with the One Plan 2012-2016 baselines, targets and related indicators. Meetings were held with the RC and a sample UNCT members (including conveners and alternates of the JPGs), the Monitoring and Evaluation Team, a sample of government partners, civil society implementing partners, and key donors.

Audit Rating

One Programme	Partially satisfactory
Based on the audit work performed, the audit concluded that the internal controls, governance and risk management processes for One Programme were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited area.	

76. The audit reviewed the presence and effectiveness of four elements of One Programme listed in the table below.

Main element description – One Programme	Present	Effective
• A signed UNDAF, at the outcome level, supported by legal instruments as appropriate, including an effective results matrix	Implemented	Partially satisfactory
• Joint work plans (or results group) aligned with the UNDAF and signed by involved UN entities	Partially implemented	Partially satisfactory
• Results groups (chaired by heads of agencies, and focused on strategic policy and programme content aligned with national coordination mechanisms)	Implemented	Partially satisfactory
• Reporting on results, extracting – as needed – agency-specific data, and jointly monitoring an evaluating results	Partially implemented	Partially satisfactory.

77. The audit noted a number of positive elements under the One Programme pillar, most notably:

- The inclusive nature of the One Plan development which ensured an overall national ownership of the plan. Its development involved the Government, all UN agencies operating in Viet Nam, and donors. The One Plan was aligned with national priorities.
- The One Plan includes all the five programming principles as expressed by UNDG Guidelines,[10] namely results-based management, a human rights-based approach, gender equality, environmental sustainability, and capacity development.
- A coordination, management and accountability framework was put in place, including a One Plan Steering Committee to provide strategic guidance and oversight, and Joint Programming Groups responsible for the coordination and reporting on the coordinated areas.
- The UN had developed an online One Plan database with the objective of real-time follow-up of One Plan outcome and output results (this database was not complete).

78. The audit however made the following observations in this area.

One Plan Results Matrix

79. The One Plan was built on key components of the UNDAF and harmonized the Country Programme Documents and the Country Programme Action Plans of individual participating UN system agencies. The Plan was developed with strong involvement of the national actors, thus ensuring strong alignment with national priorities.[11] The One Plan, as the central element of all UN activities in Viet Nam, had been developed during 2010-2011 in a highly consultative manner, involving all UN agencies, the Government, and key donors. In line with the overall guidance for the preparation of UNDAFs, the One Plan results matrix identified three key areas of focus, and defined 12 outcomes, 43 outputs and 119 indicators (41 indicators at outcome level and 78 at output level).[12] Each indicator reflected a baseline and a target and listed the means of verification.

80. ***One Plan outcomes:*** The 12 outcomes included in the results matrix were defined through macro-level statements of what needed to be achieved by 2016, and were further supported by a written rationale. Two to four indicators had been defined for each of the outcomes, including their baselines, targets and means of verification. All of the outcome indicators were quantitative, expressed as numbers, percentages, rates, indexes etc., and included mostly selected macro-level socio-economic, political, environmental and health-related indicators.

81. The audit noted that, of the 41 outcome indicators, eight did not have clearly defined baselines[13] and 17 did not have defined 2016 targets[14] at the time of the One Plan's signature. The audit also noted that almost all of the means of verification referred to various government, national or international reports and documents. This made progress measurement dependent on a number of factors outside the UN's control and/or requiring extensive national-level reviews, surveys or evaluations that could not be conducted on an annual basis. While alignment with the national information, statistical, and monitoring and

[10] How to Prepare an UNDAF: Part (I) Guidelines for UN Country Teams, UNDG 2010

[11] Particularly with the 2011-2015 Socio-Economic Development Plan (SEDP)

[12] This is following mid-2013 revision of some of the indicators, which resulted in revision of a total of 9 indicators and addition of 12 new indicators to the overall results framework.

[13] Baselines are mostly expressed as quantitative status of the respective indicator in 2009-2012.

[14] Targets were defined as "To be determined" or refer to the availability of future documents. The audit also noted that the outputs defined in mid-2013 did not have any 2016 baselines or targets defined.

evaluation systems was ensured, the audit noted that data was difficult to obtain and data verification was not realistic.

82. ***One Plan outputs:*** Each of the defined outputs was accompanied by a rationale describing the reasoning behind the output. Also provided were the assumptions that needed to be met to achieve the outputs, and a list of up to 30 UN agencies and key partners (Government Ministries/agencies). There was also an indicative budget, divided into regular resources (secured), other resources (secured) and other resources yet to be secured, for the entire five-year period 2012-2016.

83. All 43 outputs included in the One Plan results matrix were also described, mostly as to-be-achieved improvements to a wide range of frameworks, policies, regulations, processes, capacities and mechanisms at (sub)-national level. One to two indicators had been defined for each of the outputs, including their baselines, targets and means of verification. About two-thirds of the 78 indicators were quantitative, mostly defined as numbers or percentages of policies or studies to be conducted and/or considered, number of experts trained, provinces to be covered, etc. The rest of the indicators were qualitative or partially so, and referred to availability of policies, studies, recommendation in national legislation, etc.

84. ***Overall results chain:*** An in-depth analysis of the results framework (prepared more than four years ago) was outside the scope of this audit. However, it was widely observed that a significant number of outcomes, outputs and indicators in the One Plan results matrix were hard to measure or further break down, and the linkages between the outcomes and outputs, as well as their indicators, were in many cases difficult to establish.

85. The One Programme outcomes were defined at a broad level, reflecting the desire for coordinated results between national actors and the UN, and as such they were by default outside the UN's direct accountability. However, the audit considered that some of the defined outputs and their targets were broad and pitched at a high level. While the key assumptions were identified in the matrix, the achievement of some of the defined outputs depended on many conditions well beyond UN control (government commitment, sub-national budget allocations, institutional capacities etc.). This rendered establishment of the UNCT accountability difficult.

86. The audit interviewed a number of UN staff members and found that many confirmed its assessment of the definitions, traceability and evaluability of some of the outcomes, outputs and indicators. This area was also identified as a concern in some of the JPG minutes. The concern was further echoed in the most comprehensive evaluation of the One Programme available to date, commissioned by the UN in Viet Nam in 2014.[15] This stated: "For some outcomes, there is a gap between the concrete results at the output level and the higher level indicators at the outcome level, and therefore UN may struggle to justify a significant contribution to outcome changes."

87. The 2012-2016 One Plan included an evaluation to inform the next One Plan (2017-2021). However, the evaluation was "reduced" to a review through the use of secondary data, due to the lack of sufficient evaluable evidence.

[15] *Equity-focused systematic review of Viet Nam's One Plan* (2012-2016), Final Report (14 December 2014). Available online at https://undg.org/wp-content/uploads/2015/03/Viet-Nam-Equity-Systematic-Review-of-the-One-Plan_Final14Dec2014.pdf.

88. While the audit considers that the design of the One Plan is in line with the established SOPs, it is of the opinion that the One Plan results matrix as defined was preventing an effective measurement and tracking of the results achieved on a regular basis.

Recommendation 4 (medium priority): For the next programme cycle, the Resident Coordinator and the UN Country Team should:

i. Define a set of outcomes and their indicators which enable the measurement, traceability and/or evaluability at regular intervals.
ii. Include, in the respective work plans, activities that support national actors' capacities to produce and report on the data necessary to measure, track and evaluate progress of implementation.

Annual budget and results breakdowns

89. According to the RC, during the One Plan's development it was decided to include both the outcomes and outputs into the Plan itself, for greater coherence, and to get an overview in one comprehensive Results Framework. There was therefore no separate action plan, as the UNCT considered that the One Plan was sufficiently detailed. However, three "focus area joint programming matrices" were put together to break down the One Plan indicative budgets per UN agency, clearly indicating the regular resources (secured), other resources (secured) and resources to be mobilized (divided into One Plan Fund and Non-One Plan Fund) for each of the outputs. The matrices also provided a tabular form overview of the "draft key actions" to be implemented for each output, and further specifying key activities for each action of "primary" UN agencies, the geographical areas, partners, as well as the "secondary" UN agencies (for a few of the draft actions). The audit considered the matrices to be a very good and informative planning and (potentially) monitoring tool; however, they had not been used further, or maintained and updated throughout the programme cycle.

90. No other document had been prepared at One Plan level to further break down the five-year Plan and its widely defined outcomes and outputs into shorter-term components. Thus neither the targets nor the budgets had any indicative annual levels defined upfront.

91. ***Annual planning:*** The "joint" annual planning was allocated to the eight JPGs established for the implementation of the 12 outcomes. The JPGs prepared annual monitoring tables on a spreadsheet-based template. For 2014 and 2015, there was one spreadsheet per JPG. Most of the sampled spreadsheets started with listing of the allocated outcome(s), the outcome indicators, and, in a tabular format the related outputs, including their indicators. Each of the outputs was further broken down into two to 10 "key results/contributions expected in 201x", including their status, responsible UN agencies and implementing partners.

92. The audit noted mixed and inconsistent use of the outcome and output indicators by the different JPGs in the monitoring tables. With a few exceptions, most of the JPGs did not define or track the full set of outcome indicators at an annual level, mostly due to unavailability of trackable data (the audit acknowledges, that some outcomes as defined in the One Plan may not have relevant annual breakdowns[16]). The audit did not find that the One Plan result chain's indicators were linked to the individual agencies' existing indicators,

[16] E.g. indicators under the JPG Governance and Rule of Law related to the proportions of women or ethnic groups in the National Assembly, as the next elections are scheduled for 2016.

enabling easier tracking of results. With regard to the output indicators, the audit noted that the use of annual targets and/or measuring of annual results varied among the JPGs as follows:

- About one-third of the sampled JPG monitoring tables did not have the annual level targets and actuals clearly defined and reported on.
- There were cases of inconsistent definition of targets/actuals within a single monitoring table.
- There were also cases where two different JPGs established different key results for one output.[17]
- There were instances of annual targets being set higher than the overall One Plan targets.

93. The audit considered that due to (i) the inherent limitations of the One Plan Results Matrix, (ii) absence of a consistent intermediary planning break downs of OP outcomes, outputs and their indicators, and (iii) inconsistent use of indicators at the annual planning level by the JPGs, the overall focus on the high level OP targets was lost, and, the overall OP implementation could not be fully established using the defined OP results chain. Apart from a "One Plan Systematic review" conducted in 2015 and the final One Plan implementation review[18] conducted at the end of the programme cycle, there were no formal regular reviews of the OP implementation to determine progress made and to respond to changes in the programming environment. While an improvement in the consolidation of budgetary information by the JPGs has been noted in 2015, the absence of an intermediary breakdown document may have led to an inconsistent use of the results matrix by the JPGs.

Recommendation 5 (high priority): For the next programme cycle, the Resident Coordinator and UN Country Team should:

i. As specified by the Standard Operating Procedures (SOPs), consolidate all outputs and budgetary information developed by the Joint Results Groups (JRGs) into a consolidated output document that includes the Common Budgetary Framework, thus ensuring programming coherence and linkages facilitating reporting and tracking of the budget.
ii. Establish a clear and transparent results chain through an indicative intermediary (e.g. annual) breakdown of One Plan results.
iii. Regularly review the achievements against results targets, and implement corrective actions for the gaps identified.
iv. As specified in the SOPs for countries planning to adopt Delivering as One, establish annual or bi-annual planning at the Joint Programmatic Group (JPG) level, thus enhancing the current practice through a joint work plan that is rolling in nature and articulates short-term outputs (one to two years) that will contribute to the achievement of UNDAF outcomes, performance benchmarks, division of labour and budgetary requirements.[19]
v. Link the One Plan result chain's indicators to the individual agencies' existing indicators, enabling easier tracking of results.
vi. Perform regular reviews of One Plan implementation to take stock of the results

[17] For example, JPG HIV and JPG Health – Outputs 2.2.3, 2.2.4, or JPG HIV and JPG Governance – Output 3.2.2, 3.4.1.
[18] "One Plan Independent Review" was in progress during the audit fieldwork
[19] *Standard Operating Procedures for Countries Wishing to adopt the "Delivering as One" Approach,* p11.

achieved, assess changes in the programme environment, and adjust the results matrix if necessary.

Joint Work Plans

94. According to the SOPs, the Results Group should develop joint work plans that should, whenever possible, serve as the only work-planning instrument signed with the Government. All outputs and budgetary information should be consolidated in the RC's office to facilitate reporting and tracking.

95. There were no joint work plans developed and signed with the government. Instead, individual agencies prepared work plans and programme documents which were signed with the government and/or other key partners.

96. The host Government required the individual agencies to prepare Detail Project Outlines (DPOs), which are detailed documents that had to be approved by the Prime Minister before any activities could take place. According to the RC's office, there were 170 DPOs currently signed or in the pipeline. Some agencies had one DPO covering all their activities, while others had multiple programme-specific or project-level DPOs.[20] DPOs detail activities to be undertaken, provide budgets per activity and specify the parties responsible for implementation. The audit was informed that they could take months to finalize and were difficult to change once signed by the Government. The audit reviewed a sample of individual agency work programmes and their related DPOs and noted that the sampled DPOs were very detailed and listed hundreds of activities (from small scale one-off workshops, training and reviews, to bigger scale programmes, studies, technical support activities etc.).

97. The JPGs prepared annual monitoring tables, which are used in lieu of joint work plans, using a spreadsheet-based template. These spreadsheets listed the outcomes, outputs and the indicators allocated to the respective JPG. Each of the outputs was further broken down into two to 10 key results/contributions expected in the respective year, together with the responsible UN agency and national partner. However, the monitoring tables did not go into details of the actual activities/interventions/projects, but rather listed the joint results to which the individual agencies considered their individual activities would contribute. As such, the monitoring tables represented only a high-level summary of the overall activities performed by the UN in the country and how these linked to the One Plan.

98. Apart from the implementation of three joint programmes[21] and two joint programming initiatives,[22] the majority of UN activities in the country were implemented by the individual agencies themselves. The level of individual activities were not shared within the JPGs, although all interviewees considered that the level of information regarding individual activities being shared was sufficient to prevent potential overlapping. According to the interviewees, going into more detailed planning at the level of individual activities was not feasible for a number of reasons. In general, the primary focus of the agencies was still their own programme, which was established using their own policies and procedures, and

[20] At the time of the audit fieldwork, WHO had one DPO covering the biennium 2014-2015, UNFPA had 11 DPOs, UNICEF had 16 and UNDP had 49.

[21] UN-REDD "United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries ", Sustainable Development Fund Goals Fund, Disabilities

[22] Two projects from the Delivering Results Together Fund: 1. Accelerated MDGs achievement in Ethnic Minority Areas (2014) and 2. Strengthened Legal Framework for Civil Society Participation (2015).

for which they were responsible to their respective headquarters (HQs) and Executive Boards. The UNCT stated that the requirements for preparation of DPOs reduced the feasibility of joint programming, and also noted that agencies were accountable for the implementation of their respective country programmes to the government and their respective Boards.

99. The constraints set out above were not conducive to a stronger JPG detailed planning process, as the development and maintenance of parallel working documents significantly increased transactions costs for the agencies. However, aiming for joint activity-level work planning, in line with the spirit of the SOPs, would help identify synergies at individual activity level, provide a comprehensive overview of the full scope of UN activities in the country, increase transparency *vis-à-vis* the donors, assist programmatic, budgetary and expenditure reporting, and improve the "jointness" of the UN in the country. It would also reduce overall transaction costs.

Recommendation 6 (high priority): The Resident Coordinator and UN Country Team should explore options in working with the Government of Viet Nam to ease the Detail Project Outline (DPO) requirements, and/or work towards establishing joint DPOs at the Joint Programmatic Group level, to reduce the administrative burden and duplication of requirements.

Joint Programming Groups

100. The SOPs recommend establishment of Results groups as mechanisms "organized to contribute to specific UNDAF outcomes through coordinated and collaborative planning, implementation, monitoring and evaluation." In Viet Nam, the UNCT established the JPGs; these are an internal UN joint coordination and working mechanism convened and/or co-convened by the head of a UN agency. The UNCT opted for eight JPGs based on logical grouping of the outcomes. One to four One Plan outcomes were allocated to each JPG, based on a thematic grouping of the outcomes (one specific outcome was divided between two JPGs).

101. The internal functioning, activity, and level of documentation produced by the different JPGs varied. Some of the JPGs functioned as one group, some established working groups (e.g. JPG *Economic growth and opportunities for decent work*), some had nominated sub-groups (e.g. the JPG *Health*), or organized the results under clusters (e.g. the JPG *HIV*). Based on the minutes available to the audit, the frequency of formal meetings also differed, with some JPGs holding annual meetings/retreats (*Climate change*), some holding formal quarterly meetings (*Gender*), and some meeting on a monthly basis (*HIV*). Further, staff from the agencies interviewed by the audit said there was a limit on how much of their time could be allocated to the work of the JPGs.

102. Initially, formal "Generic ToRs for JPGs" were drawn up that clearly and in detail set out the purpose, responsibilities and accountabilities of the respective JPGs. The JPGs were to, among other things, "ensure consistency and continuity between UN agency results agreed in Detailed Project Outlines (DPOs) signed with the Government, and results in the Joint Programming Matrices (based on the One Plan Results Matrix) and annual JPG work plans." According to the management, the JPGs complained that the ToRs were too detailed and the tasks not achievable with the resources available to them. In June 2014, the management changed the ToRs to a simplified one-page "Principles of engagement for the United Nations Joint Programming Groups" which had re-focused the JPG's responsibility to: "jointly develop a common vision statement and policy agenda in their area of work and set long-term goals and milestones until the end of the cycle." The audit noted that the change reflected a clear

intention to move the role of the JPGs from coordination of the DPOs as the detailed working level documents, to a higher-level strategic vision forum to coordinate at policy rather than at activity level. Interviews with some UN agencies indicated differences in understanding the roles of the JPGs with some seeing them as informal forums for joint discussions and high-level coordination.

Recommendation 7 (medium priority): The Resident Coordinator and UN Country Team should review the roles and accountabilities of the Joint Programming Groups in view of the roles defined in the Standard Operating Procedures for Results Groups and, as necessary, issue revised terms of reference that clearly articulate their roles and establish a process to monitor their performance.

One Programme Reporting

103. Each agency has different vertical reporting requirements *vis-à-vis* their headquarters. The individual reports were not centralized at the RC's office and were guided primarily by the needs of the individual agency. However, there was a second level of reporting at the JPG level. Each of the JPGs produced an annual results report based on a template provided by the RC's office. The reports were structured by outcome and answered questions about the country context in relation to the proposed strategies, progress towards the outcome results, accomplishments towards planned annual results, and lessons learnt. The audit noted consistent use of the formats, with the JPGs providing mostly narrative descriptions of the key results achieved and including references to the indicators if available.

104. However, the narrative descriptions of the key results did not consistently refer to the indicators defined in the OP results matrix. Also, the report lacked an overall summary of the One Plan results achieved. Consequently, it was difficult to determine whether the reported results were as expected. Furthermore, apart from the One Plan Fund allocations by outcome and participating agency, no financial information was provided in the Annual Report that would help match the resources spent to achievements. It was not therefore possible to determine whether the results reported were achieved within the established budgets. The UNCT indicated that detailed financial reporting below the outcome level would not be possible because there is no harmonization in financial reporting at headquarters level. It said that it was neither realistic nor desirable in a resources-constrained UN environment and at a time where corporate agency reporting requirements have risen sharply, to expect UN agencies to continue investing considerable resources on more joint reporting.

Recommendation 8 (medium priority): The Resident Coordinator and the UN Country Team should, for the next One Plan, establish a process for annual reporting of progress made using the detailed indicators as set out in the One Plan Results Matrix.

One Plan monitoring and evaluation (M&E)

105. ***Monitoring:*** Individual agencies were responsible for the monitoring of their own activities, in line with their own procedures. The individual M&E activities of all the agencies were included in a single Integrated Monitoring and Evaluation Plan (IMEP). This was a spreadsheet that listed all activities planned to take place during the One Plan period, categorized by type and listing the UN agency planning to conduct it, the timeframe and the approximate cost. The audit looked at a sample of the information in the plan, and found it accurate in the sense that the agencies concerned did plan to execute those activities.

However, the audit noted that the last update of the IMEP had been in September 2014 and its execution was not centrally monitored.

106. A second level of monitoring was supposed to be done by the JPGs and supported by an inter-agency M&E working group. However, the JPGs relied on the results that were reported by the agencies, and joint agency monitoring activities were limited. Based on the information provided, there had been 30 joint monitoring activities performed in 2014. However, these were mostly performed by a single UN agency in cooperation with government partners, donors or other stakeholders, and not in cooperation between two or more UN agencies.

107. The third level of monitoring was at the level of the RC's office, which had a dedicated post of Results-Based Management (RBM) Specialist. Based on the job description, the specialist's role was to support the measurement of results, and ensure the application of RBM in the DaO initiative and knowledge networking and partnership building for RBM. One of the achievements of the RBM Specialist over the programme cycle was the development of the DaO Results Monitoring Framework and the overall methodology for JPG results collection.

108. The core One Plan monitoring tool developed by management was a web-based tailor-made online "OP Database", which displayed the results of the One Plan in Vietnam. The database was built for following up the targets and actuals for outcomes and outputs. Each field in the database could be further supported by comments and additional documents could be uploaded if needed. While the audit considered the OP Database an appropriate tool, it was noted that it was not consistently used to track the full set of One Plan indicators. Most of the data for outcome indicators had not been updated since 2013, and data for the outputs has not been consistently entered annually for at least a third of the outputs in 2013 and 2014.

109. During interviews with the audit, the issue of monitoring capacity and resources was identified as a potential area of concern. Both at the JPG and RC's office levels, it was felt that there was insufficient capacity for effective monitoring. Some of the M&E staff from individual agencies performed this task on top of their regular programme duties. At the RC's office level, the monitoring activity, performed primarily by one person, depended largely on the information received from the individual agencies and JPGs; there was no capacity to perform further quality assurance. In the opinion of the audit, the RBM working group would have benefited from reinforced capacity and authority, which would have helped it provide effective monitoring, quality assurance and timely reporting.

110. ***Evaluation:*** The IMEP included references to about 100 different evaluations that the individual agencies planned to perform over the course of the five-year programme. However, there was no centralized monitoring of the execution of the IMEP or central database of the evaluation results, so the audit was not able to confirm the number of those evaluations that had actually taken place.

111. A One Plan end-of-cycle limited scope evaluation was in progress during the audit fieldwork. According to the ToRs for the evaluation, "the scope covered by the evaluation includes examining the cross-cutting issues of the One Plan 2012-2016 and the global UNDAF programming principles... The evaluation would examine overall strategies and outcome/output-specific strategies included in the One Plan itself. The One Plan would be evaluated against the strategic intent laid out in the One Plan document and specifically its contribution to the national development results included in the One Plan results framework."

However, due to the lack of sufficient evaluable evidence, the evaluation had been "reduced" to a review through the use of secondary data.

Recommendation 9 (high priority): The Resident Coordinator and the UN Country Team (UNCT) should:

i. Arrange periodic monitoring and updating of the Integrated Monitoring and Evaluation Plan and report on the status of the Plan's implementation to the UN Country Team (UNCT).
ii. Enhance monitoring and evaluation capacity, for example through a commitment by agencies to allocate staff members for fixed joint monitoring activities, and by appointing a UNCT member to oversee the monitoring activities at the centralized level.
iii. Improving the use of the One Programme database through regular and consistent data entry.

3 Common Budgetary Framework/One Plan Fund

112. The Common Budgetary Framework (CBF) enables UN Country Teams to present all planned and costed programme activities in one place, while the One Fund is a catalyst for an inclusive approach to UN engagement, encompassing a broader range of organizations. Joint resource mobilization is a major innovation in all countries adopting the "Delivering as One" approach.

113. The scope of the audit in this area included the following:

- Development of the CBF and corresponding tools to track yearly budgets.
- Joint resource mobilization for the One Fund Plan.
- Allocation of the One Plan fund.
- Disbursements from the Multi-Partner Trust Fund Office (Administrative Agent) to the UN agencies in Viet Nam.

114. The audit held discussions with Resident Coordinator and staff in the RC's Office, selected heads of UN agencies and selected donors. It also reviewed various One Fund documents including MoUs, minutes of the UNCT, the documents supporting funds allocations including the rating systems.

Audit Rating

Common Budgetary Framework	Partially satisfactory
Based on the audit work performed, the audit concluded that the internal controls, governance and risk management processes for Common Budgetary Framework were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited area.	

115. The audit reviewed the presence and effectiveness of three elements of Common Budgetary Framework listed in the table below.

Main element description – Common Budgetary Framework	Present	Effective
• A medium-term (three-to-five years) Common Budgetary Framework aligned to the UNDAF/One Programme as a results-oriented resourcing framework for UN resources	Implemented	Partially Satisfactory
• Annual Common Budgetary Frameworks, as a part of the Joint Work plans (updated annually with transparent data on financial resources required, available, expected, and to be mobilized)	Partially implemented	Partially satisfactory
• A joint Resource Mobilization strategy, as appropriate to the country context (with the option of a One Fund duly considered), approved by the UNCT and monitored and reported against the Country Results Report	Partially implemented	Partially satisfactory

Common Budgetary Framework

116. The CBF is envisioned as a consolidated financial framework that reflects the agreed-upon, costed results of the programme in a country, including operations and

communications. It provides an overall picture of financial resources required, available, and projected to be available and to be mobilized for the delivery of development results by the UN system at country level, as agreed to with the government.

117. The SOPs call for a medium-term CBF – that is, three to five-year – and an annual CBF, which has more details and is based on the consolidated joint work plans developed by the Results Groups.

118. As part of the multi-year consultative process to develop the 2012-2016 One Plan, the RC's office had, in collaboration with the UNCT, developed a budget linked to the One Plan for Viet Nam. The foundation for this budget was input received from the UN agencies and the International Organization for Migration (IOM), which took into account regular resources and other secured resources, and an amount to be secured. The latter amount was further disaggregated between what agencies could assume to be received from the One Plan Fund allocations and what would have to be raised from other donors. These estimates were based on the judgement of agency heads, who used the best resource-related information available at the time.

119. While the RC's office had taken steps, starting in 2015, to operationalize the annual CBF linked to the One Plan budget, this was still a work in progress and had not been done since the inception of the budget linked to the One Plan. The RC's office explained that there was never any intention to develop annual CBFs and that the JPGs had only recently considered this, after the release of the DaO SoPs in August 2014. This would have contained a more accurate projection of annual financial requirements, funding availability and funding gaps, based on the most up-to-date information. Ideally, the medium-term CBF should be updated annually based on the data in the finalized annual CBF to ensure there is a consistent and up-to-date picture of resources.

120. There were two especially direct implications of not having a fully developed annual budgetary framework. One was that there was no centralized way to track the current resource requirements of the One Plan. The other was that, in the absence of annualized budget requirements, there was no proxy to gauge the progress made towards the One Plan.

Recommendation 10 (medium priority): The Resident Coordinator and the UN Country Team should develop an annual budgetary framework that is linked to the One Plan, and is set out by programmatic area, in order to have a better understanding of the resources required for, and progress made with, the One Plan.

Resource mobilization

121. With the inception of DaO in Viet Nam, the UN agencies set up the Viet Nam One Plan Fund as a pooled fund mechanism to secure and allocate resources for the unfunded portions of the One Plan, and support new initiatives as the need arose. There were six participating agencies. In 2008 the Fund was expanded into the One Plan Fund II,[23] with 17 participating UN organizations.

122. The SOPs encourage a joint resource mobilization strategy and plan to fill funding gaps identified in the Common Budgetary Framework. This reduces competition among United Nations bodies for resources helping them reach agreement on how to finance the

[23] Further information on the One Plan Fund II, reports, budget breakdowns and donor information can be found at http://mptf.undp.org/factsheet/fund/VN200.

programme cycle. It also increases the predictability of funding for the One Programme, with a special focus on multi-year funding, and lowers transaction costs for partners and government counterparts.

123. The UNCT as a whole, and the RC in particular, had made considerable efforts to mobilize resources in a constrained environment. The total budget for the One Plan 2012-2016 was US$ 372.7 million, of which US$ 135.3 million needed to be mobilized through the One Plan Fund. As of November 2015, the Administrative Agent had received about US$ 102 million of the budgeted amount. The funds had been mobilized through such mechanisms as the Delivering Results Together fund and the Expanded DaO Funding Window. More recently, there had been consideration of funding alternatives and discussions with government counterparts and donors, and the UNCT had produced a draft One UN Resource Mobilization strategy and plan, preceded by a donor/area of programmatic intervention mapping exercise.

124. However, the strategy and plan had not been finalized at the time of the audit fieldwork, and there was no plan to finalize it since there was a consensus that the donor landscape in Viet Nam was changing rapidly. This arose from a reduction in the number of bilateral donors due to Viet Nam's change in socio-economic status to a lower middle-income country). But this was not, however, a recent occurrence in Viet Nam. The transition to a lower middle-income country was prominently mentioned in the 2012-2016 One Plan. In the view of the audit, a significant amount of work remained to be done to explore financing alternatives in full.

Recommendation 11 (high priority): The Resident Coordinator and the UN Country Team should develop a resource mobilization strategy and action plan linked to the budget of the One Plan, keep it up to date and monitor its implementation.

4 Operating as One

125. The SOPs define Operating as One as a business model that provides UN Country Teams with an outline for strategic, cost-effective common operational support to the One Programme by capitalizing on existing agency operational capacities and consolidating service provision. UNCT members are invited to join the country-level Operations Management Team (OMT), normally led by a Head of Agency on behalf of the UNCT. This develops a vision and strategy for common operations. However, until business practices are fully harmonized globally, agency-specific rules and procedures will continue to apply.

126. The scope of the audit in this area included the following:

- Business Operations Strategy (BOS), including its development and implementation.
- Joint operations, including information and communication technology (ICT), procurement, finance, protocol, logistics, and human resources.
- The Green One UN House (GOUNH), including ownership, occupation and pending issues.
- The Harmonized Approach to Cash Transfers (HACT), including joint HACT assurance plan and activities.

127. The audit held discussions with the Resident Coordinator and staff in the RC's Office, chairs of selected working groups, and the office management teams. Relevant supporting documents including the standard Operating Procedures, terms of reference of various committees and their minutes.

Audit Rating

Operating as One	Partially satisfactory
Based on the audit work performed, the audit concluded that the internal controls, governance and risk management processes for Operating as One were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited area.	

128. The audit reviewed the presence and effectiveness of key elements of Operating as One listed in the table below.

SOP - Main element description – Operating as One	Present	Effective
• Business Operations Strategy endorsed by the UNCT, adapted to local needs and capacities, to enhance operational oneness processes through eliminating duplication of common processes to leverage efficiencies and maximize economies of scale	Not implemented	Unsatisfactory
• Empowered Operations Management Team (chaired by a Head of Agency)	Partially implemented	Partially satisfactory
• Components allowing to lower costs and increase oneness and interactions:		
o Common Premises	Partially Implemented	Partially satisfactory
o Common Procurement	Not Implemented	Unsatisfactory
o Common Logistics		
o Common Human Resources Operations		
o Common Finance		

SOP - Main element description – Operating as One	Present	Effective
o Common ICT	Implemented	Partially satisfactory
o Harmonized Approach to Cash Transfers (HACT)	Partially Implemented	Partially Satisfactory
o Common Auditing[24]	Partially implemented	Partially satisfactory

Business Operations Strategy

129. The DaO SOPs envision development of a Business Operations Strategy (BOS), for enhancing linkages between programmes and operations, reducing operating costs and enhancing quality of business services.

130. The BOS provides the basis for annual work planning of the Operations Management Team. It also provides a process through which UN bodies in a country can, if appropriate, integrate their back-office support. This includes ICT, procurement, human resources, administration, finance, logistics and transport, common premises, security, protocol, and the Harmonized Approach to Cash Transfers. This integration process would involve operations analysis (baseline analysis, needs analysis, requirements analysis, and cost/benefit analysis), prioritization, the medium-term results framework, the monitoring and evaluation framework, and UN Operations Management Team (OMT) work plans.

131. In Viet Nam, the initial plans were to have the BOS in place in 2014 and the agenda was included in the RC' office work plans and DaO action plan for that year. The audit team was told that UNCT took a conscious decision to put BOS implementation on hold to focus on completion of construction of the Green UN House, and establishment of common services for, and relocation to, it (see following observation below). These activities were significant steps in the operations integration process and would have been elements of the BOS

132. There was limited evidence of collation of information that would assist future development of the BOS. The working groups for Operations areas lacked written ToRs and used email as a vehicle for group discussions without written minutes of their discussions to facilitate tracking of action points. The OMT also did not have annual work plans since 2011. Further, the audit noted that there was not much progress in other potential areas of harmonization highlighted by the SOPs – including procurement, logistics and transport, and human resources.

133. Following the completion of the audit fieldwork, the UNCT had a meeting in July 2016, in which the budget for BOS was endorsed.

Recommendation 12 (medium priority): The Resident Coordinator and the UN Country Team should implement the remaining elements of the Business Operations Strategy that will guide harmonization of Operating as One, including but not limited to procurement, finance, logistics and transport, and human resources.

[24] The SOPs state that "...the internal audit services of the UN organizations participating in joint programming efforts may execute one single internal audit...according to a framework agreed between internal audit services." Furthermore, the SOPs indicate that a "single internal audit of the joint annual work plans at the country level" is supported within the context of One Programme and the move towards joint work plans." While this audit has been implemented in accordance with the framework agreed among the internal audit services, it is not fully implemented as envisioned in the SOPs due to the gaps noted in One Programme and the lack of joint work plans.

Green One UN House (GOUNH)

134. The DAO initiative in Viet Nam was comprised of six key pillars, of which the GOUNH was the sixth. The GOUNH was inaugurated on 23 May 2015 by the UN Secretary General, and 12 participating UN entities had moved into the new premises by end of June 2015. The Viet Nam UNCT is using the GOUNH as a means to promote UN reforms for greater harmonization, shared accountability and effectiveness. The building's key features include re-use of structure and materials from the former apartment building, maximum natural lighting, and reduced energy and water consumption. The audit was told that the building had been provisionally awarded the Lotus Gold Green Building Certification, the highest environmental certification available in Viet Nam.

135. The GOUNH was a renovation of an existing Government building and its ownership remains with the Government. The renovation was funded from resources from participating agencies and specific donors' funding. The case for the One UN house was presented in October 2008 at a cost estimate of US$ 8.3 million. Due to passage of time and inflation, amongst other factors, the budget estimate had been revised to US$ 15.7 million by the time construction started in January 2013, and later to US$ 18.7 million. The project management was overseen by UNDP under a MoU signed among participating UN agencies in 2012. The UNCT exercised oversight over the renovation and the UNDP Country Director, as supervisor of the project manager, was involved in the daily oversight of the project over the renovation period. The scope of the audit did not cover the construction process and cost escalation because the construction management was under UNDP. The audit was informed that the UNCT exercised joint oversight over the budget within the parameters agreed under the MOU for the renovation of the GOUNH.

136. ***MoU for Occupancy:*** Due to the unique nature of the operation of UN house, the MoU between the participating agencies was still under preparation. In the absence of the MoU, there was no legal and binding framework to resolve conflicts. Some of the unresolved issues included how to charge for office space, and how agencies could join or leave the house. Lack of clarity on the latter may delay efforts to bring in more tenants and lower common services costs. The audit was told that there had been a UNDG Inter-Agency Working Group mission in October 2015 to draft a proposed legal framework for the Viet Nam model of occupancy and common services, and obtain agreement on it from participating UN agencies' headquarters. This mission's report had not yet been finalized at the time of the audit fieldwork.

137. ***Memorandum of Agreement (MoA) for Rent:*** The MoA with the Government of Viet Nam provided for a 10-year rent-free period for the UN agencies. The MoA had anticipated that the project would be completed in January 2014, and the rent-free period had been expected to run for 10 years from that date. The actual occupancy date was 1 June 2015 but this date had not been formalized with the Government. UNDP, acting on behalf of the agencies, had requested an extension of the rent free-period and the RC's office had raised these matters through letters and meetings with Government officials. However, at the time of the audit fieldwork, no Government response had been received.

Recommendation 13 (medium priority): The Resident Coordinator and the UN Country Team should:

i. Finalize the occupancy Memorandum of Understanding for the Green One UN House.
ii. Reach an agreement with the Government on the Green One UN House rent-free period as well as on its start date.

Common ICT Services

138. After consultations among agencies, the UNCT had decided to combine services under one ICT system at the One UN House. Under this arrangement, the different ICT systems shared a common server (printer, Active Directory and File Server) but had distinct firewalls. An agency's staff had access to their own agency's systems and common systems anywhere from the building offering considerable flexibility.

139. At the time of the audit fieldwork, the following services were provided by One ICT project:

- Internet: GOUNH staff had internet access via both cable and Wi-Fi while visitors had access to Wi-Fi internet.
- Printing: Each floor had two copy centres with one multi-function printer each. Staff could print from any printer inside the building.
- Softphone: Each staff member was provided with a USB headset and directed Cisco Jabber telephone number.

140. There was also a common service desk, a "One stop shop" for all GOUNH services. This had a system to track service requests and to measure customer satisfaction. The results for the surveys in the period the building had been occupied so far were rated as near "very good".

141. UNICEF had been asked by the UN Country Team to be responsible for procurement and setup of common ICT systems for the GOUNH. UNICEF Viet Nam contracted United Nations International Computing Centre in July 2014 to assist the local One UN ICT team to coordinate systems integration for the GOUNH. Their systems integration report issued in October 2015 made a number of suggestions (management and technical) for ICT enhancements. These included the need for a common Business Continuity Plan (BCP) and a Disaster Recovery Plan (DRP). The missing DRP plan represented a significant risk as the common server back-ups were not maintained at off-site locations but at the ICT staff desks.

142. The ICT team was in the process of developing BCP and DRP plans. The audit was informed that other recommendations were included in an innovation proposal that was to be addressed. However, it was observed that not all the recommendations had been captured in the innovation project; for example, measures to reduce recurring cost of infrastructure, establishing common hardware/software standards.

143. The common ICT service unit was comprised of six personnel, under the supervision of an ICT manager (UNICEF). These personnel were seconded from, and paid by, the respective agencies they worked for prior to the co-location (two from UNDP, one from UNICEF, one from WHO, one from FAO, and one Common Services staff member under UNDP contract). Under the current arrangement, the agencies subscribed to the common services, including ICT services, on the basis of the number of desks they occupied. In return, the agencies were compensated through credits equivalent to 90 percent of the staff costs seconded to the common ICT hub.

Recommendation 14 (medium priority): The Resident Coordinator and the UN Country Team should complete the Business Continuity Plan and Disaster Recovery plans, including arrangements for offsite back-ups.

Harmonized Approach to Cash Transfers (HACT)

144. The SOPs for countries adopting DaO proposed that UN agencies should use one harmonized approach to assess risks, transfer cash and build the capacity of partners with the aim of obtaining assurance on proper utilization of funds in a cost-effective manner. In Viet Nam, HACT elements have been fully adopted by three participating agencies (UNDP, UNICEF and UNFPA). Others agencies were not part of that joint effort. The audit was informed that to bring other agencies on board would require the support from headquarters to ensure that there is an enabling environment for country offices to implement this DaO agenda. The expansion of HACT to other agencies was limited by the fact that HACT was not endorsed by the Executive Boards of some UN agencies and therefore there is little action that can be taken by the UNCT at the country office level.

145. The implementation of HACT was operationalized through the coordination of a Programme Support Working Group (PSWG), chaired by the RC's office and with membership of staff from the three participating United Nations agencies. This PSWG's portfolio covers the implementation of the UN-Government Harmonized Programme and Project Management Guidelines (HPPMG), HACT and the European Union–Government Cost Norms.

146. A macro-assessment was completed in 2011 and micro-assessments of 54 out of the 58 implementing partners had already been completed. The micro-assessments of the remaining four implementing partners were at the finalization stage. A joint assurance plan covering the programme period 2012-2016 was established. HACT Internal Control audits were jointly conducted for two shared partners. There had been initial efforts to carry out joint spot-checks of shared partners. There was harmonization in the procurement of micro-assessment and audit services professional firms, and the related costs were shared amongst the participating agencies.

147. ***Assurance activities coordination:*** To reduce transaction costs and lessen the burden that the multiplicity of United Nations procedures and rules creates for its partners, the HACT Framework states that participating United Nations agencies should agree on and coordinate HACT activities. It was noted that the HACT agencies had six shared implementing partners. Joint assurance plan was prepared and micro-assessments jointly undertaken, and there was harmonization in the procurement of micro-assessment and audit services; the related costs were shared amongst the participating agencies.

5 Communicating as One

148. Communicating as One is meant to ensure coherent messaging from the UN. This pillar of DaO should improve the quality of dialogue with the host-country government and other national stakeholders, increase advocacy and help highlight results achieved by the UN at the country level. According to the 2014 SOPs, Communicating as One is critical for ensuring clear and consistent strategic positioning of the UN and its vision at the country level.

149. The scope of the audit in this area included the following:

- Structure, leadership and operation of the UN Communication Team.
- Coherence of joint communication activities.

150. All the areas above were covered in this audit.

151. The audit reviewed various documents including the Framework for UN Communications, communicating priorities and guidance notes. It also reviewed the Website on the UN DaO in Viet Nam. Interviews were held with the RC, a sample of UNCT representatives, the communication team, and selected Government partners and donors.

Audit Rating

Communicating as One	Satisfactory
Based on the audit work performed, the audit concluded that the internal controls, governance and risk management processes over Communicating as One were adequately established and functioning well. No issues were identified that would significantly affect the achievement of the objectives of the audited area.	

152. The audit disclosed that Communicating as One key elements are mainly fulfilled.

Main element description – Communicating as One	Present	Effective
• A joint communication strategy appropriate to the country context approved by the UNCT and monitored and reported against in the UN Country Results Report	Implemented	Satisfactory
• A Country Communications Group (chaired by a Head of Agency) and supported by regional and Headquarters levels as necessary	Implemented	Satisfactory

Future perspectives for the UN Communication Team

153. The UN had a 2012-2016 "Framework for UN Communications" that served as a communication strategy for the DAO in Viet Nam. This Framework was revised in January 2014. It has three objectives: *Communication for results, Communication about results* and *Communicating change*. Knowledge management and capacity building cut across the three areas. The Framework indicated that the communication would support results-based management and help in resource mobilization. It established cross-cutting and common priorities for the UN communication team, identified agency and UNCT roles for communication, and identified key audiences, channels and tools, key messages and proposed activities.

154. In 2006, the Viet Nam One UN established a communication team. The core team was comprised of Communication Specialists from UNDP, UNICEF, UNFPA, UNAIDS, UNV and UN Women who sit together in the UN House. There are also communication focal points

from other agencies in Viet Nam. Revised terms of reference were issued in November 2015 to align the role and activities of the Communication team with the UN Communication Framework 2015. Discussions indicated that the Communication Team had strengthened the UN communication work including creating a strong UN voice, greater coherence to UN Advocacy messages and supporting a shift from agency-based to issue-based communication when necessary.

155. The Communication Team was affected by the shrinking of financial resources; these had also put emphasis on the specific communication needs of agencies. At the time of the audit fieldwork, there was an on-going internal review of the UN Communication Team with the following purposes: (i) Agree on the level of UN support; (ii) prioritize UN communication issues; (iii) ensure clarity on roles, responsibilities and tasks, and decide on structure and funding; and (iv) consult with agencies and plan individual needs.

156. As the review was ongoing, the audit has not made any recommendation.

Annex A: Methodology, and Definition of Priorities and Ratings

The audit team used a combination of methods, including interviews, document reviews, testing samples of transactions. The audit compared actual controls, governance and risk management practices found in the office against policies, procedures and contractual arrangements.

The audit was conducted in accordance with the Framework for Joint Internal Audits of United Nations activities of September 2014, and in conformance with International Standards for the Professional Practice of Internal Auditing. These standards require that an internal auditor plan and perform the audit in such a way as to obtain reasonable assurance on the adequacy and effectiveness of the governance, risk management and control processes related to the audited activities. The audit included reviewing and analyzing, on a test basis, information that provides the basis for the conclusions and audit results.

Priorities attached to recommendations

The audit recommendations are categorized according to priority, as a further guide to management in addressing the issues. The following categories are used:

High (Critical): Prompt action is required to ensure that the audited entities are not exposed to high risks. Failure to take action could result in major negative consequences for the organization and may affect the organization at the global level.

Medium (Important): Action is required to ensure that the audited entities are not exposed to significant risks. Failure to take action could result in negative consequences for the organizations.

Low: Action is considered desirable and should result in enhanced control or better value for money. Low-priority recommendations, if any, are dealt with by the audit team directly with the office management, either during the exit meeting or through a separate memo subsequent to the fieldwork. Therefore, low-priority recommendations are not included in this report.

Audit Ratings

The ratings used in this report are the same as used in other DaO audits.

Satisfactory

Internal controls, governance and risk management processes were adequately established and functioning well. No issues were identified that would significantly affect the achievement of the objectives of the audited entities. (*While all offices strive at continuously enhancing their controls, governance and risk management, it is expected that this top rating will only be achieved by a limited number of business units*).

Partially Satisfactory

Internal controls, governance and risk management processes were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited entities. (*A partially satisfactory rating describes an overall acceptable situation with a need for improvement in specific areas. It is expected that the majority of business units will fall into this rating category).*

Unsatisfactory

Internal controls, governance and risk management processes were either not established or not functioning well. The issues were such that the achievement of the overall objectives of the audited entities could be seriously compromised. (*Given the environment the United Nations Organizations operate in, it is unavoidable that a small number of business units with serious challenges will fall into this category*).