PERFORMANCE AUDIT

OF

PROGRAMME SUPPORT AND POLICY ADVICE

PROVIDED TO COUNTRY OFFICES

BY

UNDP REGIONAL HUBS

Report No. 2167

Issue Date: 13 March 2020
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Report on the Performance Audit of Programme Support and Policy Advice Provided to Country Offices by UNDP Regional Hubs

EXECUTIVE SUMMARY

The UNDP Office of Audit and Investigations (OAI), from 21 October to 19 December 2019, conducted a performance audit of Programme Support and Policy Advice provided to Country Offices by UNDP Regional Hubs. Performance auditing is an independent examination of an entity to assess whether the entity is achieving economy, efficiency, and effectiveness in the employment of available resources.

The audit aimed to determine whether the Regional Hubs were effective in providing programme support and policy advice to Country Offices. The following questions guided the audit in responding to the main audit objective:

1. Was the governance of the Regional Hubs conducive to providing effective programme support and policy advice to Country Offices?
2. Were services (programme support and policy advice) provided by the Regional Hubs relevant, timely, and of high quality?

The audit covered the activities of the Regional Hubs from 1 January 2018 to 30 November 2019.

The audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors.

Overall audit rating

OAI is issuing a partially satisfactory/some improvement needed rating, which means, “The assessed governance arrangements, risk management practices and controls were generally established and functioning but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area.”

Overall, the Regional Hubs were effective in providing programme support and policy advice to Country Offices. Specifically, the audit team assessed that governance of the Regional Hubs was conducive to providing effective programme support and policy advice to Country Offices. However, the audit team identified weaknesses pertaining to financial and human resources, the absence of a comprehensive corporate system to manage support to Country Offices, an insufficient global approach to support Country Offices, and job descriptions that were not updated.

Key recommendations: Total = 6, high priority = 3

High priority recommendations:
(a) Conduct a corporate review to ensure that the Global Policy Network has adequate financial resources as part of the resource allocation process to carry out its mandate for 2020–2021 (Recommendation 1).
(b) Finalize all recruitment processes (Recommendation 2).
(c) Properly map staff skills and expertise and maintain an up-to-date comprehensive record of staff capacity across the organization (Recommendation 5).
Medium priority recommendations

(a) Complete and launch the new Country Office support system across the organization (Recommendation 3).
(b) Develop and implement a plan for an integrated Regional Hub structure (Recommendation 4).
(c) Update the staff job descriptions of the Policy Advisors/Specialists to reflect on the new roles and responsibilities, and well as the reporting lines and accountability (Recommendation 6).

The six recommendations aim to ensure achievement of the organization’s strategic objectives.

For high (critical) priority recommendations, prompt action is required to ensure that UNDP is not exposed to high risks. Failure to take action could result in major negative consequences for UNDP. The high (critical) priority recommendations are presented below:

Financial sustainability and large number of vacancies (Issue 1)

The Bureau for Policy and Programme Support and the Crisis Bureau had financial sustainability issues due to high dependence on institutional budget and development effectiveness funding sources. Any changes in revenues or budget allocations could negatively affect the operations of the Bureau for Policy and Programme Support and/or the Crisis Bureau considering that a significant portion of their budget allocations was covering staff costs.

To generate enough revenue, the Bureau for Policy and Programme Support and the Crisis Bureau were expected to mobilize resources from various sources, including General Management Support fees from donor cost sharing, Vertical Funds and Funding Windows. However, the audit team noted that the required actions to operationalize the resource mobilization actions had not been finalized at the time of the audit, which may negatively impact the Bureau for Policy and Programme Support and the Crisis Bureau’s financial sustainability.

In addition, Regional Bureaux, the Bureau for Policy and Programme Support, and the Crisis Bureau had vacancies (at professional level), including key posts. For example, there were (i) 10 vacant posts for the Regional Bureau for Arab States, including the Regional Programme Coordinator and Chief of County Office Support posts; (ii) 10 vacant posts for the Regional Bureau for Latin America and the Caribbean, including the Strategic Specialist and Programme Specialist posts; (iii) 210 vacancies for the Bureau for Policy and Programme Support, including Programme Advisor, Policy Advisor, Regional Technical Advisor posts and (iv) and 36 vacancies for the Crisis Bureau, including the Regional Cluster Leader and Programme Advisor posts.

Recommendation 1: The UNDP Executive Office should conduct a corporate review to ensure that the Global Policy Network has adequate financial resources as part of the resource allocation process to carry out its mandate for 2020–2021.

Recommendation 2: The Bureau for Policy and Programme Support, the Crisis Bureau, and the Regional Bureaux, should finalize all recruitment processes in the context of the Global Policy Network’s HR alignment.
Weaknesses in the global approach to support Country Offices (Issue 3) A digital solution had been deployed leveraging on internal tools and initial capacity framework, to map capacities across the organization. The database contained around 900 staff and was constantly being populated, with about 288 skills that spanned all areas of work of UNDP. The audit team noted the following weaknesses in the process:

- There was no discussion about core skills needed to achieve UNDP’s mandate.
- There was no prior discussion about each team member’s skills and knowledge.
- There was a limited list of key expertise/competencies. Staff could add their skills as free text if they did not find them in the list.
- There was no categorization of the levels of knowledge (Novice, Advanced Beginner, Competent, Proficient, Expert.) Also, there was no indication whether the staff had prior experience/results and what impact this had.
- There was no indication whether the staff would be available for deployment.

Recommendation 5: The Office of Human Resources, in coordination with the Bureau for Policy and Programme Support and the Crisis Bureau, should properly map staff skills and expertise and maintain an up-to-date comprehensive record of staff capacity across the organization.

Management comments and action plan

The Executive Office, and the Directors of the Bureau for Programme and Policy Support, Crisis Bureau, the Regional Bureau for Africa, the Regional Bureau for Asia and the Pacific, the Regional Bureau for Latin America and the Caribbean, the Regional Bureau for Europe and the Commonwealth of Independent States, and the Regional Bureau for Arab States accepted all six recommendations and are in the process of implementing them. Comments and/or additional information provided have been incorporated in the report where appropriate.

Low risk issues (not included in this report) have been discussed directly with management and actions have been initiated to address them.

Helge S. Ostveiten
Director
Office of Audit and Investigations
INTRODUCTION

The Regional Hubs were established by UNDP to support Country Offices in the implementation of their country programmes to achieve the Sustainable Development Goals. The main role of the Regional Hubs is to provide UNDP Country Offices with easy access to knowledge through high quality programme/policy advisory services based on global applied research and UNDP lessons learned, policy and programme advisory services, operations support, and support to the implementation of the regional programmes.

The five Regional Hubs were managed by the respective Regional Bureaux, namely, the Regional Bureau for Africa, the Regional Bureau for Latin America and the Caribbean, the Regional Bureau for Asia and the Pacific, the Regional Bureau for Arab States, and the Regional Bureau for Europe and the Commonwealth of Independent States. Table 1 below provides the current locations of the five Regional Hubs.

<table>
<thead>
<tr>
<th>Regional Bureau for Africa</th>
<th>Addis Ababa, Ethiopia¹</th>
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<tbody>
<tr>
<td>Regional Bureau for Latin America and the Caribbean</td>
<td>Panama City, Panama</td>
</tr>
<tr>
<td>Regional Bureau for Asia and the Pacific</td>
<td>Bangkok, Thailand</td>
</tr>
<tr>
<td>Regional Bureau for Arab States</td>
<td>Amman, Jordan</td>
</tr>
<tr>
<td>Regional Bureau for Europe and the Commonwealth of Independent States</td>
<td>Istanbul, Turkey</td>
</tr>
</tbody>
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Source: UNDP Regional Bureaux

The Bureau for Policy and Programme Support has corporate responsibility for developing all relevant policies and guidance to support the strategic results, outcome and outputs with respect to UNDP’s Strategic Plan. The Crisis Bureau is responsible for UNDP’s corporate crisis-related strategies and drives UNDP’s vision and priorities for crisis prevention, response, and recovery.

Both the Bureau for Policy and Programme Support and the Crisis Bureau had Policy Advisors outposted to the Regional Hubs to provide policy advice to Country Offices. The programme support provided by the Regional Hubs included formulation/design of new programme or projects, preparation of annual reports, and operational support (e.g., procurement, human resources, and finance management). Further, the support provided by the Policy Advisors included policy and advisory support to programmes such as anti-corruption, climate change, governance, and Sustainable Development Goal integration.

In July 2018, the Administrator announced the establishment of the Global Policy Network. The Global Policy Network is a network of global experts and practitioners that provides effective responses to the complex development challenges countries face in achieving the Sustainable Development Goals and supports crisis prevention, resilience building and recovery. Both the Bureau for Policy and Programme Support and the Crisis Bureau are central elements of the Global Policy Network.

¹ As of the end of the audit fieldwork, the Regional Bureau for Africa was undergoing a restructuring exercise, including establishing three thematic hubs in Africa.
These activities had an impact on the programme support and policy advice provided to Country Offices by the Regional Hubs.

AUDIT OBJECTIVE, CRITERIA, SCOPE, AND METHODOLOGY

A. Audit Objective

A performance audit was conducted to determine whether the Regional Hubs were effective in providing programme support and policy advice to Country Offices. The following questions guided the audit in responding to the main audit objective:

1. Was the governance of the Regional Hubs conducive to providing effective programme support and policy advice to Country Offices?

2. Were services (programme support and policy advice) provided by the Regional Hubs relevant, timely, and of high quality?

B. Audit Criteria

To form an opinion and conclude on the audit objective, the team mainly used the following criteria:

- Corporate Accountability Framework – The UNDP Accountability System was established by General Assembly resolution 26/88 and affirmed by resolution 59/250 in 2008. The Accountability System is considered an “organizational accountability system to support increased transparency, clarity and alignment of all organizational activities.”

- Terms of Reference of Regional Bureaux, the Bureau for Policy and Programme Support and the Crisis Bureau – The Terms of Reference provide the overall structure (headquarters and regional levels), roles and responsibilities, accountabilities.

- Annual Reports of Regional Bureaux, the Bureau for Policy and Programme Support, and the Crisis Bureau – The Results Oriented Annual Reports provide, among other things, status of implementation of annual work plan and actual results/achievements against targets.

- Executive Group documents pertaining to institutional budgets for 2019 and 2020.

- Global Policy Network Human Resources Alignment Procedures – This document establishes the approach for the staff realignment process to achieve the Global Policy Network’s goal to be a provider of timely development advice, providing support to Country Offices and programme countries in an integrated and coherent manner. The process outlined in this document is only applicable to the Global Policy Network realignment exercise and supersedes those outlined in the UNDP Interim Change Management Measures.

C. Audit Scope and Methodology

The performance audit was conducted in accordance with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing.
The audit covered the period from 1 January 2018 to 30 November 2019. During the period under review, major developments took place in the organization, including delinking of Resident Representative/Resident Coordinator functions, creation of the Global Policy Network, and restructuring/realignment of Regional Bureaux, the Bureau for Policy and Programme Support, and the Crisis Bureau. Additionally, the regional architecture of the UN Development System was being revamped during the audit period in line with the United Nations Secretary-General Reform Agenda to optimize regional mechanisms and structures.

The monitoring and oversight on Country Office operations was excluded from the audit scope.

The audit team did not make an assessment of the impact to UNDP’s Regional Hubs on the UN system repositioning at the regional level due to insufficient information available at the time of the audit.

The audit team reviewed the Regional Bureau/Regional Hubs and Global Policy Network organization charts, roles and responsibilities, and reporting lines, and records such as programme support and policy advice provided to Country Offices, Global Policy Network Business Plan, and HR strategy.

Further, the audit team visited four of five Regional Hubs through visits to Amman, Addis Ababa, Bangkok, and Istanbul and interviewed Regional Hub management and staff. The audit team conducted virtual interviews/meetings with management in the Regional Hub for the Regional Bureau for Latin America and the Caribbean.

The audit team conducted interviews to determine, among other things, how the Regional Hubs operated, what the roles and responsibilities of staff in Regional Hubs were, and to understand how the Regional Hubs were organized to support Country Offices.

The audit team sent out a survey to 64 Country Offices to determine, among other things, whether Regional Hubs: (1) were the first port of call for programme support and policy advice; and (2) if there was an established system to record requests, monitor and obtain feedback on services provided to Country Offices. The survey also determined if Country Offices were satisfied with how the Regional Hubs handled their requests for support. Of the 64 Country Office contacted, the audit team received 39 responses or a 61 percent response rate. Follow-up interviews with some Country Offices were undertaken to obtain a better understanding of survey responses received.

In addition, the audit team conducted a survey of 175 Regional Hub Advisors (the Bureau for Policy and Programme Support/Crisis Bureau) to gather information on, among other things, whether Regional Hub Advisors believed that their skills and capabilities were valued by the organization, and to understand their day-to-day challenges and working conditions in the Regional Hubs, including clarity of reporting lines, workload, authority, and resources. Of the 175 Regional Hub Advisors contacted, the audit team received 105 responses or a 60 percent response rate.

Results of prior audits of the Bureau for Policy and Programme Support, the Crisis Bureau, and Regional Bureaux were taken into consideration.

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2 As the Country Offices were the recipients of services provided by the Regional Hubs, the audit team aimed to get a high response rate (at least 75 percent) from the survey. The audit team sent several reminders and follow-up emails to sampled Country Offices as well as requested assistance from Regional Bureaux. However, the number of responses remained low in some regions resulting in an overall response rate of 61 percent only.
AUDIT OBSERVATIONS ON TIMELINES, RELEVANCE AND QUALITY OF SERVICES PROVIDED BY THE REGIONAL HUB

(a) Quality of support to Country Offices

Results of the survey of selected Country Offices showed positive responses on the support received from the Regional Hubs. Out of 39 responses received, 28 (72 percent) indicated that the Regional Hubs were their first port of call for programme support or policy advice. Furthermore, at least 31 out of 39 responses received from the Country Offices (79 percent) indicated that programme support and policy advice provided met the Country Office and/or counterpart expectations.

Regarding the quality of support provided in the last 18 months subdivided in programme support and policy advice given (Chart 1 below), 41 percent of Country Offices responded “fully” or “to a large extent” for programme support and 38 percent for policy advice. However, 51 percent of Country Offices responded “to some extent” or “not at all” for programme support and 38 percent for policy advice.

Chart 1: Survey responses* on the quality of support provided by the Regional Hubs

While the Country Office survey results indicated that Regional Hubs generally managed to provide support to Country Offices, discussions with staff in the Regional Hubs indicated that satisfying these requests challenged the available staff resources and that it would not be sustainable due to a lack of human resources.

(b) Timeliness of support to Country Offices

The Country Offices rated the timeliness of the programme support provided by the Regional Hubs as “very good” or “satisfactory” with 82 percent (Chart 2 below). The Country Offices rated the timeliness for the policy advice provided by the Regional Hubs as “very good” or “satisfactory” with 69 percent.
Regarding knowledge and expertise, 77 percent of Country Offices assessed the Programme Advisors as “very good” or “satisfactory.” Similarly, 82 percent of Country Offices gave the Policy Advisors a “very good” or “satisfactory” rating.

The audit team followed up with management and staff from four Country Offices on their responses to the survey. The audit team noted that Offices were generally satisfied with the support received from the Regional Hubs. The support provided helped Country Offices in attending to ad hoc requests from governments, such as technical inputs on the sustainable energy acceleration programme and financing of flagship programmes. Further, during the audit fieldwork, the Regional Hubs (Regional Bureau for Arab States and Regional Bureau for Africa) shared with the audit team records of communication from Country Offices appreciating the support received from the Regional Hubs.

Furthermore, the audit team reviewed surveys conducted in previous years by the Regional Bureaux (Regional Bureau for Africa, Regional Bureau for Arab States, Regional Bureau for Asia and the Pacific and Regional Bureau for Europe and the Commonwealth of Independent States). Overall results confirmed positive feedback from Country Offices on the support they received from the Regional Bureaux. For example, the survey conducted by the Regional Bureau for Europe and the Commonwealth of Independent States in 2019 showed that Country Offices gave an average score of 3.8 out of 5.0 on the quality, timeliness, and responsiveness of the Istanbul Regional Hub to requests for support.

**KEY AUDIT FINDINGS ON THE GOVERNANCE OF THE REGIONAL HUBS**

Based on the survey results and discussions with Country Offices, Regional Hub Advisors, Regional Bureaux and Global Policy Network management, the audit team identified the following weaknesses:

**Issue 1: Financial sustainability and high number of vacancies**

The establishment of the Global Policy Network envisaged shifting programmatic capacities to the Regional Hubs to reposition UNDP as the lead development agency for Sustainable Development Goals 2030. In order to
operationalize the implementation of the Global Policy Network, the ‘Global Policy Network Human Resources Alignment Procedures’ were developed in 2018. The procedures provided the approach for the staff realignment process, which aimed to establish 70 percent of the Global Policy Network workforce to be outposted (mainly at the Regional Hub level), and the remaining 30 percent to remain in headquarters. Moreover, the Bureau for Policy and Programme Support and the Crisis Bureau were to ensure financial sustainability and to implement a new approach to results-based budgeting and rationalized funding allocation while providing key policy advisory human resources to the Regional Hubs, which would be used to effectively support the Country Offices under their purview.

- The Bureau for Policy and Programme Support and the Crisis Bureau’s financial sustainability

The Bureau for Policy and Programme Support and the Crisis Bureau were highly dependent on institutional budget and development effectiveness allocations. Any changes in revenues or budget allocations could negatively affect the operations of the Bureau for Policy and Programme Support and/or the Crisis Bureau considering that a significant portion of their budget allocations covered staff costs, which limited the available resources for other programmatic and operational activities.

Table 1 below provides the institutional budget and development effectiveness budget allocations for the Bureau for Policy and Programme Support and the Crisis Bureau from 2018 to 2020. Total institutional budget allocations (core and non-core) dropped by 10 percent in 2019; for 2020 there was almost no change (0.4 percent increase), totalling $26.6 million.

<table>
<thead>
<tr>
<th>Year</th>
<th>Institutional budget (IB)</th>
<th>Sub-total (in $millions)</th>
<th>Development Effectiveness (DE)</th>
<th>Grand total (IB+DE) (in $millions)</th>
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<tr>
<td></td>
<td>Core (in $millions)</td>
<td>Non-Core (in $millions)</td>
<td>Core (in $millions)</td>
<td>BPPS+CB</td>
</tr>
<tr>
<td>2018</td>
<td>20.5</td>
<td>0.9</td>
<td>7.4</td>
<td>0.6</td>
</tr>
<tr>
<td>2019</td>
<td>12.6</td>
<td>3.6</td>
<td>9.4</td>
<td>0.9</td>
</tr>
<tr>
<td>2020</td>
<td>15.1</td>
<td>1.3</td>
<td>6.9</td>
<td>3.3</td>
</tr>
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</table>

Source: Joint Directorate for Global Policy Network

To generate enough revenue, the Bureau for Policy and Programme Support and the Crisis Bureau were expected to mobilize resources from various sources, including General Management Support fees from donor cost sharing, Vertical Funds and Funding Windows. However, the audit team noted that the required actions to operationalize the resource mobilization actions had not been finalized at the time of the audit, which may negatively impact the Bureau for Policy and Programme Support and the Crisis Bureau’s financial sustainability.

The audit team also noted similar financial resource challenges during the audit of the Bureau for Policy and Programme Support (Audit Report No. 1749, issued on 17 March 2017) which was followed by a major funding shortfall requiring review and realignment of the Bureau for Policy and Programme Support functions, freezing recruitments (except those under Vertical Funds), revamping of its structure leading to reduction in workforce, and giving up office space to reduce rent costs, and other variable costs.

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3 According to the Joint Directorate for the Global Policy Network, the budget allocations only covered about 50 percent of the Bureau for Policy and Programme Support and the Crisis Bureau’s workforce. Other posts were funded from UNDP projects.
The survey of the Regional Hub Advisors showed that 71 of 105 (68 percent) responded “to some extent” or “not at all” when asked if financial resources were available to do their jobs effectively.

There is a risk that the Regional Hubs’ mandate of providing policy advice and programmatic support to Country Offices under their purview may be negatively impacted due to continued funding challenges by the Bureau for Policy and Programme Support and the Crisis Bureau.

- High number of vacancies, including the Bureau for Policy and Programme Support/Crisis BureauPolicy Specialists/Advisors

The available human resources should provide assurance that Regional Hubs can provide adequate support to Country Offices.

During the audit team’s visits to Regional Hubs (Regional Bureau for Africa, Regional Bureau for Asia and the Pacific, Regional Bureau for Arab States, and Regional Bureau for Europe and the Commonwealth of Independent States), Regional Hub Advisors informed the audit team of an increase in the requests for support from Country Offices relating to climate change and environmental programme initiatives and the existing capacity was not sufficient to meet the increasing demand. One Regional Hub Director indicated that its governance team’s capacity was inadequate, making it difficult to address all related Country Office support requests.

The survey of the Regional Hub Advisors showed that 74 of 105 (70 percent) responded “to some extent” or “not at all” when asked if human resources were available to do their jobs effectively. Further, one advisor indicated that he/she was providing support to 23 Country Offices while another advisor was supporting 35 projects and 17 Country Offices at the same time.

As of December 2019, Regional Bureaux, the Bureau for Policy and Programme Support, and the Crisis Bureau had vacancies (at the professional level), including key posts. For example, there were 10 vacant posts for the Regional Bureau for Arab States, including the Regional Programme Coordinator and Chief of County Office Support posts. There were 10 vacant posts for the Regional Bureau for Latin America and the Caribbean, including the Strategic Specialist and Programme Specialist posts. There were 210 vacant posts for the Bureau for Policy and Programme Support, including Team Leader, Programme Advisor, Policy Advisor, and Regional Technical Advisor posts, and 36 vacant posts for the Crisis Bureau, including the Regional Cluster Leader and Programme Advisor posts.

The lack of capacity at the Regional Hubs coupled with insufficient capacity of the Bureau for Policy and Programme Support and the Crisis Bureau Advisors may not ensure optimum support to Country Offices, which may result in missed opportunities for new development initiatives. The quality and timeliness of support to Country Offices may also be compromised.

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4 There were also 50 vacant posts at the professional level without fund codes or where the associated costs of these posts would be charged.
Priority: High (Critical)

Recommendation 1:
The UNDP Executive Office should conduct a corporate review to ensure that the Global Policy Network has adequate financial resources as part of the resource allocation process to carry out its mandate for 2020–2021.

Management action plan:
The UNDP Executive Office together with the heads of the Global Policy Network will review the 210 vacant posts (including those for which no funding is available). It will conduct a survey among the Executive Group members to assess if the available capacity is sufficient and what further actions are required if shortages are identified.

Estimated completion date: N/A

Priority: High (Critical)

Recommendation 2:
The Bureau for Policy and Programme Support, the Crisis Bureau, and the Regional Bureaux, should finalize all recruitment processes in the context of the Global Policy Network’s HR alignment.

Management action plan:
The Bureau for Policy and Programme Support, the Crisis Bureau, and the Regional Bureaux are finalizing the recruitment processes in the context of the Global Policy Network HR alignment, including recruitment against relocated positions that have been vacated due to staff movement.

Estimated completion date: June 2020

Issue 2: Absence of a corporate system to manage support to Country Offices

In order to ensure oversight, a mechanism needs to be established to manage support provided to Country Offices and to track the status of requests, obtain feedback, and identify areas for improvement.

At the time of the audit, there was no corporate system being used by Country Offices and Regional Hubs. The Country Office Service Management Operating System was developed by UNDP at a cost of approximately $1 million5 and used mainly in 2016 and 2017. However, its use had diminished since then. Although the audit team noted that some requests were still being made through the Country Office Service Management Operating System, in the majority of cases, requests were submitted using other means (e.g., emails). In response to the draft audit report, the audit team was informed that the need for a UNDP-wide system was acknowledged by the Global Policy Network Governance Board in November 2019.

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5 Per Portfolio LENS (Logistics, Expectations, Numbers and Status) Report (2015-2016)
Without a system to track service delivery, there is a risk that the demand for Regional Hub services will not be adequately managed, leading to inefficiency and ineffectiveness.

**Priority** Medium (Important)

**Recommendation 3:**

The Bureau for Management Services, in coordination with the Bureau for Policy and Programme Support and the Crisis Bureau, should complete and launch a system across the organization to enable end-to-end tracking of service delivery across UNDP.

**Management action plan:**

UNDP has launched the System for Tracking Advisory Requests and Services in the first quarter of 2020. In January 2020, the new system had been rolled into UNDP’s corporate integrated work planning process for 2020. Further, Country Offices were requested to start entering service requests in the Integrated Work Plan platform.

**Estimated completion date:** March 2020

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**Issue 3: Weaknesses in the global approach to support Country Offices**

The Global Policy Network should be the cutting-edge provider of timely development advice, providing support to Country Offices and programme countries in an integrated and coherent manner – to instantly connect countries with the knowledge, resources and networks of best practice they need to achieve development breakthroughs. The audit team noted the following areas for improvement:

**Inadequate cross-functional support at the regional level**

The audit team noted the presence of global projects in some Regional Hubs (e.g., Regional Bureau for Europe and the Commonwealth of Independent States and Regional Bureau for Latin America and the Caribbean) and Global Leads providing support to Country Offices globally. However, a mechanism to support this had not been fully established. The audit team noted that technical support was frequently “silied” according to geographic regions, limiting cross-regional fertilization of ideas and access to global expertise.

The result of the survey to 105 Regional Hub Advisors complemented the above audit observation as only 41 (39 percent) responded “fully” or “to a large extent” while 62 (59 percent) responded “to some extent” or “not at all” on whether Regional Hubs effectively leveraged opportunities for cross-functional support across teams and regions. Comments received from the 39 Advisors included the lack of support in organizing cross-team collaboration, and inadequate communication and sharing of experiences among Regional Hubs.

The lack of cross-functional support among Regional Hubs may lead to inefficient support to Country Offices.

**Weaknesses in capacity mapping and vetting**

The Global Policy Network should map the competencies, experience and capacities of UNDP’s global workforce, in order to tap into the skills needed to implement multidisciplinary solutions.
As of the end of the audit fieldwork, the database to support the mapping contained around 900 staff with about 288 skills that spanned all areas of work of UNDP and was constantly being populated. The audit team noted the following weaknesses in populating the database:

- There was no discussion about core skills needed to achieve UNDP’s mandate.
- There was no prior discussion about each team member’s skills and knowledge.
- There was a limited list of key expertise/competencies. Staff could add their skills as free text if they did not find them in the list.
- There was no categorization of the levels of knowledge (Novice, Advanced Beginner, Competent, Proficient, Expert.) Also, there was no indication whether the staff had prior experience/results and what impact this had.
- There was no indication whether the staff would be available for deployment.

As a result, many staff listed several skills. For example, a staff member listed 96 skills ranging from Parliamentarian Women, Peace and Security, Early Warning, Infrastructure for Peace, Multidimensional Poverty and Human Development.

The audit team was informed that the capacity mapping exercise was in the pilot phase. The Office of Human Resources would conduct the overall capacity mapping as part of the Peoplefor 2030 Strategy.

Poor mapping of Global Policy Network capacity may result in countries not being able to receive the support they need, or not receiving it in a timely basis. Additionally, it may limit the opportunities for knowledge sharing across Global Policy Network experts.

<table>
<thead>
<tr>
<th>Priority</th>
<th>Medium (Important)</th>
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**Recommendation 4:**

Regional Bureaux, the Bureau for Policy and Programme Support and the Crisis Bureau should develop and implement a plan for an integrated Regional Hub structure that can provide a global approach when supporting Country Offices.

**Management action plan:**

Over the course of 2019, Regional Bureaux have been aligning the Regional Hub structures for policy and programme support to the architecture of the Global Policy Network. The aligned structures were presented at the Global Policy Network Governance Board in November 2019. The Regional Bureau for Africa is further refining the Regional Hub structure to incorporate the vision of UNDP’s Africa Promise. This will be reflected in the updated organigramme for each Regional Hub. Since the first quarter of 2020, all Regional Hubs are also using the System for Tracking Advisory Requests and Services to provide support to Country Offices.

**Estimated completion date:** September 2020
**Priority**  High (Important)

**Recommendation 5:**

The Office of Human Resources, in coordination with the Bureau for Policy and Programme Support and the Crisis Bureau, should properly map staff skills and expertise and maintain an up-to-date comprehensive record of staff capacity across the organization.

**Management action plan:**

As confirmed in writing with the Director of the Bureau for Policy and Programme Support on 27 February 2020, this will be implemented as a joint project by the Bureau for Management Services, the Bureau for Policy and Programme Support, and the Crisis Bureau project with some involvement of the Chief Digital Officer’s office and will consist of three concurrent work streams, as follows:

- Workstream 1: Create and roll-out of a UNDP-wide use of several pilot talent rosters.
- Workstream 2: Create an interim UNDP-wide individual capability map.
- Workstream 3: Design and operationalize a sound talent intelligence mechanism to enable, among others, an effective dynamic mapping and management of UNDP talent. This solution will integrate the information gathered in workstreams 1 and 2.

**Estimated completion date:** December 2020

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**Issue 4: Job descriptions not updated**

The Regional Bureaux should describe roles, responsibilities, and accountabilities of Regional Bureau management and staff in conformity with UNDP’s Accountability Framework.

The audit team was unable to obtain evidence that job descriptions of Global Policy Network Policy Advisors affected by the restructuring/realignment exercises had been updated to reflect on the new roles, responsibilities, and accountabilities. As of December 2019, the Bureau for Policy and Programme Support and the Crisis Bureau had a total of 238 Policy Advisor/ Specialist posts, of which 199 were encumbered and 39 were vacant.

During the audit fieldwork, the audit team noted that some Regional Hub programme/policy support teams were not aware of the organization chart and reporting lines. Also, Regional Hub Advisors interviewed were still unclear about the reporting lines. The survey of Regional Hub Policy Advisors also showed that 30 of 105 (29 percent) of them responded that reporting lines were clearly “to some extent” or “not at all.” Comments received from 16 Advisors included performing functions not included in their job descriptions, and that reporting lines had to be clarified most of the time.

Outdated staff job descriptions may result in unclear understanding of roles, responsibilities, and accountabilities, which could negatively impact the overall functioning of the staff or offices concerned.
<table>
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<th>Priority</th>
<th>Medium (Important)</th>
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**Recommendation 6:**

The Bureau for Policy and Programme Support and the Crisis Bureau in cooperation with the Regional Hubs should update the staff job descriptions of the Policy Advisors/Specialists to reflect on the new roles and responsibilities, and well as the reporting lines and accountability.

**Management action plan:**

As agreed at the Global Policy Network Governance Board meeting in November 2019, the Bureau for Policy and Programme Support, the Crisis Bureau and Regional Bureaux, with support from the Office of Human Resources are reviewing all the Bureau for Policy and Programme Support and the Crisis Bureau job descriptions at the regional level to align with the new Global Policy Network context and configuration. The overall objective is to adequately reflect the Global Policy Network framework in all job descriptions, clarify reporting relationships, and reconfirm functional and competency requirements. The overall emphasis of these positions will continue to be primarily geared towards directly supporting country demands, or globally improving the effectiveness of such support, whilst also contributing as relevant to collective objectives, global knowledge and policy work and corporate priorities.

**Estimated completion date:** July 2020
DEFINITIONS OF AUDIT TERMS – RATINGS AND PRIORITIES

A. AUDIT RATINGS

- **Satisfactory**
  The assessed governance arrangements, risk management practices and controls were adequately established and functioning well. Issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area.

- **Partially Satisfactory / Some Improvement Needed**
  The assessed governance arrangements, risk management practices and controls were generally established and functioning, but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area.

- **Partially Satisfactory / Major Improvement Needed**
  The assessed governance arrangements, risk management practices and controls were established and functioning, but need major improvement. Issues identified by the audit could significantly affect the achievement of the objectives of the audited entity/area.

- **Unsatisfactory**
  The assessed governance arrangements, risk management practices and controls were either not adequately established or not functioning well. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity/area.

B. PRIORITIES OF AUDIT RECOMMENDATIONS

- **High (Critical)**
  Prompt action is required to ensure that UNDP is not exposed to high risks. Failure to take action could result in major negative consequences for UNDP.

- **Medium (Important)**
  Action is required to ensure that UNDP is not exposed to risks. Failure to take action could result in negative consequences for UNDP.

- **Low**
  Action is 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.