UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations

PERFORMANCE AUDIT

OF

UNDP ACCELERATOR LABS PROJECT

Report No. 2216
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Report on the Performance Audit of UNDP Accelerator Labs
Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted a performance audit of UNDP Accelerator Labs project from 19 October to 20 November 2020. 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 assess: (a) the progress in the implementation and management of the UNDP Accelerator Labs project (including the structure of the Country Office Accelerator Lab Network and the Network Hub); (b) the extent to which Country Offices and partners have been able to increase their capacities for scanning, sensemaking, and experimenting for sustainable development solutions; and (c) whether the new solutions have been scaled up at the country level, and have led to building a global learning network.

Specifically, the audit aimed to assess the following questions:

1. Are the governance arrangements for the implementation of the UNDP Accelerator Labs project adequately established and functioning?
2. Have the monitoring plans been adequately established and implemented?
3. Are the project results at an output level measurable, were targets achieved, and was impact effectively assessed?

The audit covered the activities from 1 January 2019 to 31 August 2020. The UNDP Accelerator Labs project recorded $21.2 million in expenditures for the 60 Country Office Accelerator Labs under implementation during the audit period. This was the first audit of the UNDP Accelerator Labs project.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*. Due to the COVID-19 pandemic, the audit was conducted remotely. Scope limitations due to the nature of the remote audit related to the following activities:

(a) A review of original supporting documentation could not be carried out, and therefore the audit team relied on scanned copies of documents provided by the UNDP Accelerator Labs for all audit areas reviewed.
(b) Meetings with office staff and personnel were carried out virtually, which limited the audit team's understanding of the UNDP Accelerator Labs working environment.
(c) Project visits (location, site visits, meeting with counterparts/beneficiaries) were not conducted.

Overall audit rating

OAI assessed the UNDP Accelerator Labs project performance as **satisfactory/some improvement needed**, 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." This rating was mainly due to challenges in project sustainability, management of intellectual property rights, and monitoring and guidance on achievement of project results.

Key recommendations: Total = **9**, high priority = **0**

The audit did not result in any high (critical) priority recommendations. There are nine medium (important) priority recommendations, which means "Action is required to ensure that UNDP is not exposed to risks. Failure to take action could result in negative consequences for UNDP."

Objectives	Recommendation No.	Priority Rating
Achievement of the organization's strategic objectives	1, 2	Medium
Reliability and integrity of financial and operational information	3	Medium
Effectiveness and efficiency of operations	4, 5, 6, 7, 8, 9	Medium

Management comments and action plan

The Director, Executive Office, accepted all nine recommendations and is 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.

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Helge S. Osttveiten
Director
Office of Audit and Investigations

I.   About the UNDP Accelerator Labs Project

The UNDP Accelerator Lab project is designed to accelerate delivery of high-quality programmatic results for the Sustainable Development Goals in coordination with local stakeholders

The UNDP Accelerator Labs project is expected to achieve the following results:

a) **Output 1**: UNDP Country Offices and partners will have increased capability for scanning, sensemaking and experimentation for sustainable development solutions.
b) **Output 2**: New sustainable development solutions will be scaled at the country level as part of UNDP's Country Programme and operations, national policy and/or local markets.
c) **Output 3:** A global learning and scaling network is established and functioning**.**

The project was started in 2019 with the establishment of 60 Labs in all regions. The objective was to build a network of Country Office Accelerator Labs to provide a global learning network on development challenges. The network is expected to reinforce locally sourced solutions at scale while mobilizing dynamic partnerships that contribute knowledge, resources, and experience. The project was expanding to include 30 additional Labs and two self-starter Labs, which launched in January 2021 and will bring the total number of the Country Office Accelerator Labs to 92.

The innovation learning cycle followed by the UNDP Accelerator Labs project has four stages:

1) Sensemaking – understanding emerging challenges and opportunities in the local context and determining where the labs need to focus.
2) Exploring – understanding the challenge and looking for solutions, often looking at how citizens address the problem.
3) Testing/experimenting – designing potential solutions and testing them, using small-scale low-cost experiments.
4) Growing/scaling – handing over solutions, advocacy for policy change, spinning off solutions to the private sector.

The project structure for the Country Office Accelerator Labs consisted of three national officers (Head of Experimentation, Head of Exploration and Head of Solutions Mapping) at the NOB level. The majority of the Country Office Accelerator Lab teams had been recruited, except for 7 vacancies out of 180 positions. Additionally, the Global Accelerator Labs team included 14 staff responsible for monitoring and managing project progress.

Donors expressed satisfaction with the level of collaboration with UNDP including the quarterly progress reporting. The donors followed the development of the UNDP Accelerator Labs project with interest and were supportive of further collaboration.

II.   Audit objective, criteria, scope, and approach

A.   Audit objective

The objective of the audit was to assess the progress made by UNDP to establish an effective and efficient network of Country Office Accelerator Labs.

More specifically, the audit assessed: (a) the progress in the implementation and management of the UNDP Accelerator Labs project (including the structure of the Country Office Accelerator Lab Network and the Network Hub); (b) the extent to which Country Offices and partners have been able to increase their capacities for scanning, sensemaking, and experimenting for sustainable development solutions; and (c)

whether new solutions have been scaled up at the country level, and have led to building a global learning network.

The following questions guided the work of the audit team in responding to the audit objective:

1. Are the governance arrangements for the implementation of the UNDP Accelerator Labs project adequately established and functioning?
2. Have the monitoring plans been adequately established and implemented?
3. Are the project results at an output level measurable, were targets achieved, and was impact effectively assessed?

B. Audit criteria

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

Corporate Accountability Framework

- Responsibilities and accountabilities should be consistent, clearly defined, and formally delegated. Regional Bureaux are responsible for oversight and providing advisory support, as part of regular Country Office operations.

- The Country Office Accelerator Labs are under the supervision of the UNDP Country Offices, reporting to either the Resident Representative or the Deputy Resident Representative. Resident Representatives are accountable for results of the Country Office Accelerator Lab, financial supervision and programme execution.

The Programme and Project Management section of the 'UNDP Programme and Operations Policies and Procedures':

- The engagement facility provides a rapid and flexible response mechanism to support upstream policy results, evaluation and assessments, crisis responses and the testing of innovations with scale-up potential. Additionally, the facility must support results identified in the UNDP Strategic Plan and relevant country or regional programme documents.

- Policies on corporate and country-level reporting, the Social and Environmental Screening Procedures (SESP), audit and risk management are applicable to the engagement facility.

- The Policy on Innovation Challenges[1] provides the principles of addressing an innovation challenge by ensuring that it is structured in a manner that ensures careful use of resources through the following:
  o Consistency with development outcomes, agreed with development partners
  o Beneficiary-centered, context-appropriate, and solution-focused
  o Financially sustainable and scalable
  o Fair, open, transparent, and inclusive

This policy requires that the intellectual property rights of solicited ideas and/or solutions remain with UNDP, who will issue appropriate licenses to the developer of the idea. The solution shall be made public and open exchanges, collaborative participation and community development are

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[1] Innovation challenges are defined as prized challenges that Business Units (Country Offices) organize to solicit innovative ideas and solutions to address development challenges that cannot be achieved through traditional solicitation processes.

encouraged. This aims to ensure that:

(a) innovations that are of significant interest and of benefit to the public become and remain accessible;
(b) there is no monopoly control over the solution; and
(c) that the solution is not priced outside of the beneficiaries' ability to pay.

C. Audit scope and approach

The audit covered the period from 1 January 2019 to 31 August 2020, with audit testing extended when deemed necessary.

OAI conducted interviews, surveys, and document reviews to determine project progress and challenges.

While the audit team was not able to conduct field visits, the audit team completed a survey of 25 out of 60 Country Office Accelerator Labs; the same sample was used as part of the remote fieldwork. The results and feedback received through this survey are incorporated within this report.

In addition, the audit team requested feedback from the largest donors for inputs on the project's performance and efficiency.

III.   Audit results

OAI made nine recommendations ranked medium (important) priority.

Low priority issues/recommendations were discussed directly and agreed with the UNDP Accelerator Labs and are not included in this report.

Medium priority recommendations, arranged according to significance:
(a) Develop and implement an exit and resource mobilization strategy (Recommendation 1).
(b) Explore alternative options for assigning intellectual property rights (Recommendation 2).
(c) Explore solutions for each of the frontier challenges, incorporate quantitative data sources, ensure solutions address the root cause of the challenge, and upload all solutions to the solutions mapping platform (Recommendation 4).
(d) Provide guidance on alternative innovation methods and finalize development of the skills mapping platform (Recommendation 6).
(e) Provide guidance on how to measure the adoption of Country Office Accelerator Lab approaches within the Country Office Programme. (Recommendation 9).
(f) Ensure that Atlas and the corporate planning system are updated with complete information (Recommendation 3).
(g) Provide guidance to Country Office Labs on increasing their reach and engagement on the web and social media, obtain access to the corporate social media analytical tool, finalize the framework for assessing the level of influence of the UNDP Accelerator Labs project on the communications of the broader development ecosystem (Recommendation 8).
(h) Expedite the development of the 'solutions analysis universe' within the solutions mapping platform and ensure its implementation (Recommendation 5).
(i) Revise the indicators in the project document, and provide guidance on the identification and verification of data sources (Recommendation 7).

The detailed assessment is presented below, per audit area:

A.	Question 1: Are the governance arrangements for the implementation of the UNDP Accelerator Labs project adequately established and functioning?

Issue 1   Challenges in the governance over the long-term sustainability of Country Office Accelerator Labs

The Country Office Accelerator Labs should become self-sustainable within three years, by 2022 for the initial 60 Labs and by 2023 for the remaining 30 Labs. This can be achieved by transitioning the work of the Country Office Accelerator Labs to governments or independent entities but can also be achieved by maintaining these methods within the Country Office programmes. These two paths require a clearly formulated exit strategy, resource mobilization strategy, and an assessment of resourcing requirements to enable a sustainable transition.

The funding requirement of the UNDP Accelerator Labs project was estimated at $92.5 million. In response, UNDP was able to raise $95.2 million. A surplus of $2.7 million was available for the transition into self-sustainability. At the time of the audit the resource mobilization efforts were ongoing and included:

- efforts targeting the private sector and government stakeholders for additional funding;
- recruitment of a partnership expert to strengthen the resource mobilization capacity; and
- nurturing partnerships with founding investors to receive further investments.

The audit team noted that the governance over the long-term sustainability needed further strengthening. The exit strategy needed to be drafted in cooperation with Executive Office, Bureaux, donors and Country Offices. The resource mobilization strategy and the resource requirement assessment were not yet finalized. The current estimate of $20 million may not have been adequate as the exit strategies for Country Office Accelerator Labs, and corresponding costs had not been determined.

Unclear exit strategy, resource mobilization strategy, and resource requirements may impact the sustainability of the Country Office Accelerator Labs.

Priority	Medium (Important)
Recommendation 1: The Global Accelerator Labs team should: (a) develop an exit strategy and corresponding funding requirements for the Country Office Accelerator Labs in consultation with the Executive Office, Bureaux, donors and Country Offices; and (b) develop and implement a resource mobilization strategy to ensure the sustainability of the Country Office Accelerator Labs.	
Management action plan: (a) An exit plan will be drafted in consultation with the Executive Office, Bureaux, donors and Country Offices. (b) The Resource Mobilization Strategy is already under implementation. The Global Accelerator Labs team will systematize all activities and strategy in a document, including all 2020 achievements.	

Estimated completion date:

(a)   30 November 2021
(b)   30 March 2021

<u>Issue 2</u>   <u>Challenges in the assignment of intellectual property rights for solutions originating from the UNDP Accelerator Labs project</u>

Solutions arising from the UNDP Accelerator Labs project should be made publicly accessible to encourage collaborative participation and enhance community development, but the intellectual property rights remain in UNDP, as per UNDP policy

The Global Accelerator Labs team explained that the management of intellectual property rights is complex, creating challenges in the assignment of these. During a project board meeting in April 2020, the Global Accelerator Labs team identified the following actions to improve the management and assignment of intellectual property rights, but had not yet implemented them:

i.   Exploring options to improve cooperation with start-ups and other entities through open source and Creative Commons.[2]
ii.   Engaging the Chief Digital Officer in exploring alternative options.

A lack of clarity on how to license or make intellectual property rights publicly available could undermine the programmatic objective of sharing solutions arising from the UNDP Accelerator Labs project.

Priority	Medium (Important)
Recommendation 2: The Global Accelerator Labs team should further explore options in assigning intellectual property rights, in consultation with the Chief Digital Officer, to facilitate working with start-ups and other entities that operate through open source and Creative Commons modalities.	
Management action plan: (a) The Global Accelerator Labs team is preparing a testing option for intellectual property models. A Call for Proposals is under preparation to obtain specialized research to analyse models in use in industries where content is licensed and widely disseminated. (b) The engagement with the Chief Digital Officer was completed in June 2020. The Global Accelerator Labs team will follow up in 2021. The issue that has been escalated and identified as a priority is the implementation of the Private Sector Strategy.	
Estimated completion date: (a) The Call for Proposals will be launched in January 2021. Models will be available by September 2021. (b) Follow up will be done by 28 February 2021.	

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[2] Creative Commons is a global nonprofit organization that enables sharing and reuse of creativity and knowledge through the provision of free legal tools.

Issue 3   Incomplete project information within the enterprise resource planning system (Atlas) and corporate planning system

The UNDP Accelerator Labs project should comply with the policies on corporate and country level reporting, including policies relating to project monitoring and risk management.

The audit team reviewed targets, outputs, monitoring information including results and risks management in the enterprise resources planning system (Atlas) and the corporate planning system. For the 60 Country Office Accelerator Labs, the following was noted:

- For 45 Country Offices, data on targets, outputs and results was incomplete.
- For 44 Country Offices, project monitoring information on key activities was incomplete, information on the level of local engagement, design and testing of local solutions and solutions mapping could be further improved.
- For 42 Country Offices, the project risk logs were not updated.

Incomplete Atlas data was caused by challenges faced by newly recruited staff in updating the data.

Incomplete project monitoring information may prevent the Country Office Accelerator Labs from effectively monitoring the achievement of planned activities and managing risks.

Priority	Medium (Important)
Recommendation 3: The Global Accelerator Labs team should ensure that Atlas and the corporate planning systems are updated to include complete information relating to targets, outputs, results, project risks and monitoring information.	
Management action plan: The Global Accelerator Labs team will remind Country Offices and Regional Bureaux that this information needs to be completed. The Global Accelerator Labs Team will follow up to complete the tasks. It will also facilitate specific guidance in coordination with the Country Offices and Regional Bureaux. **Estimated completion date:** March 2021	

Issue 4   Inadequate guidance and monitoring to explore frontier problems

The UNDP Accelerator Labs project is expected to explore sustainable development issues, focusing on frontier problems (challenges), and to identify possible solutions. The Labs should envision the scaling of solutions and be able to measure the impact, through quantitative and qualitative data sources. The solutions should be uploaded to the 'solutions mapping platform'.

The audit team noted the following:

  (a) Frontier challenges not fully explored

       While frontier challenges were identified prior to the establishment of the Labs, for 25 sampled Labs, a total of 38 frontier challenges out of 65 were yet to be explored.

  (b) Impact of solutions for frontier problems not supported by quantitative data sources and inadequate identification of root causes

       Frontier challenges lacked reliable data sources for quantitative research; therefore, Labs focused on qualitative and exploratory data sources, which impacted the use of specific, measurable, attainable, realistic target (SMART) solutions. For instance, for one challenge, air pollution in major cities was described as 'high', rather than indicating an actual measure of concentrations, which would allow for a better assessment of the impact.

       The audit team reviewed 51 sampled solutions for frontier challenges and noted that the solutions did not clearly address the root cause of the challenge in 21 cases.

  (c) Solutions for frontier challenges were not fully uploaded onto the solutions mapping platform

       As of November 2020, solutions for 14 of the 25 sampled Labs had either not been or only partly uploaded in the solutions mapping platform.

Without fully exploring all frontier challenges, inclusion of quantitative data and addressing root causes of challenges, the impact of the UNDP Accelerator Labs project cannot be effectively determined.

Priority	Medium (Important)
Recommendation 4: The Global Accelerator Labs team should: (a) explore possible solutions for each of the frontier challenges; (b) provide guidance to the Country Office Accelerator Labs to incorporate quantitative data sources and ensure solutions address the root cause of the challenge; and (c) upload all solutions to the solutions mapping platform.	
Management action plan: (a) The Global Accelerator Labs team will deliver learning sessions on solutions mapping practices and their connection to frontier challenges. (b) The Global Accelerator Labs team will adjust the action plan format to include quantitative data sources. Root cause analysis will continue to be conducted by the labs as part of their systems mapping. The 'solutions mapping platform' will be developed to document solutions aligned to development challenges.	

(c) The Global Accelerator Labs team will remind Country Offices to upload solutions in the solutions mapping platform.

Estimated completion date:

(a) December 2021
(b) February 2021
(c) March 2021

Issue 5   Inadequate sharing of information across different Country Office Accelerator Labs

The success of the UNDP Accelerator Labs project relies on sharing learning information on common thematic areas.

The Global Accelerator Labs team analysed challenges and solutions to find patterns across different countries for more than 200 thematic areas. The Global Accelerator Labs team had yet to finalize the development of a 'solutions analysis universe' within the solutions mapping platform to facilitate the sharing of information across the different Labs.

Without the completion of the solutions analysis universe, synergies among the Country Office Accelerator Labs working on common thematic areas cannot be fully achieved.

Priority	Medium (Important)
Recommendation 5: The Global Accelerator Labs team should expedite the development of the solutions analysis universe within the solutions mapping platform and ensure its implementation.	
Management action plan: The Global Accelerator Labs team is already working on integrating the solutions universe in its current state and will design a workflow to 'clean' the taxonomy of thematic areas.	
Estimated completion date: February 2021 for the initial integration to the platform. April 2021 for the taxonomy 'cleaning' workflow, and initial pass.	

Issue 6   Inadequate guidance on innovative methods and incomplete digital platform to share skills and innovative methods

The audit team reviewed innovative methods and noted the following:

(a) Inadequate guidance on innovation methods

The UNDP Accelerator Labs project is expected to advance the Sustainable Development Goals 2030 agenda by accelerating structural transformation using an exploratory approach, experimental mindset and learning through grassroots innovations and practices. These transformations need to be supported by guidelines on the use of these alternative approaches.

The audit team noted that in 18 out of 25 Country Office Accelerator Labs sampled, a variety of alternative approaches were used to identify and develop new solutions, such as prototyping and hosting events such as a 'hackathon' and 'ideathon' in which participants are given 24 hours to come up with a new solution to a challenge. While the Global Accelerator Labs team considered these innovation methods useful, they had not yet prepared guidance on the use of these alternative approaches.

Without adequate guidance, the innovation methods may limit the engagement of the broader community.

(b)   Skill sharing digital platform incomplete

Global Accelerator Labs require a digital platform to support the sharing of skills and innovation methods across the network.

The audit team noted the platform was still under development and included 71 of the 144 identified innovations skills. While the platform was under development, skills sharing was facilitated through weekly Country Office Accelerator Lab network calls and peer to peer learning interactions.

Without adequate guidance on innovative methods and a digital platform to share skills , the Country Office Accelerator Labs are prevented from making full use of the skills and innovative methods available.

Priority	Medium (Important)
Recommendation 6: The Global Accelerator Labs team should: (a) provide guidance to the Country Office Accelerator Labs on alternative innovation methods that seek to develop new solutions; and (b) finalize development of the skills mapping platform to promote the sharing of skills and innovative methods across the network.	
Management action plan: (a) The Global Accelerator Labs team will continue to monitor and promote the diversification of methods throughout the different learning cycles of the Country Office Accelerator Labs. (b) The Global Accelerator Labs team will ensure skills mapping data are collected for all Country Office Accelerator Labs, including those in the new cohort, and made accessible to them through individual dashboards. While a perfect balance cannot be achieved across all Labs and multiple technical innovation skills, the team will deepen its efforts to develop a network approach where Country Office Accelerator Labs can tap into peer networks to access skills dispersed throughout the network. This will be done as a pilot for consideration of adoption by the Global Policy Network as part of the organizational effort to ensure evolving skills are available across UNDP when and where they are needed. **Estimated completion date:** (a) March 2021 (b) April 2021 for the data collection and dashboard development.	

Issue 7   Unrealistic number of data sources in the project results framework

The indicators in the UNDP Accelerator Labs project document require each Country Office Accelerator Lab to include three data sources during the first year, to measure the learning process for all the challenges identified within the Lab. These data sources should be included within the 'Action Plan Tracker'.

The audit team noted that the number of data sources was not sufficient as the projects were more complex and required more data sources to capture the performance of the learning process. For example, the challenge of limiting air pollution in urban areas is measured using seven data sources.

Further, the Global Accelerator Labs team identified challenges in verifying certain types of data sources such as data generated by citizen due to limited staff capacity within the Country Office Accelerator Labs.

Without the adequate inclusion of data sources and guidance on the identification and verification of data sources, project results cannot be sufficiently measured.

Priority	Medium (Important)
Recommendation 7: The Global Accelerator Labs team should: (a) revise the indicators 1.1 and 1.2 in the project document results framework to ensure the inclusion of a realistic number of data sources; and (b) provide guidance to the Country Office Accelerator Labs on the identification and verification of data sources.	
Management action plan: (a) The multi-country project document results framework will be revised to ensure a realistic number of diverse data sources in the results framework, noting that data sources cut across multiple learning questions that the Country Office Accelerator Labs pursue. (b) Guidance sessions throughout the year will be provided by the Global Accelerator Labs team to Country Office Accelerator Labs regarding the use and verification of new data sources **Estimated completion date:** (a) June 2021 (b) December 2021	

Issue 8   Need for comprehensive assessment of the UNDP Accelerator Labs project engagement and influence on the broader development ecosystem

The UNDP Accelerator Labs project assessed the engagement with the broader development ecosystem through a website and social media. These platforms provided visibility to existing donors, targeted new donors and aimed to influence the innovative thinking of development actors.

A review of how engagement targets were monitored identified the following areas for improvement:

- Targets set for engagement at the global level were generally achieved. However, there was no mechanism to monitor if targets were established and achieved at the Country Office.

- The Global Accelerator Labs team did not have access to the UNDP corporate social media monitoring tool, which would enable further analysis on the level of engagement.

- The Global Accelerator Labs team was developing a framework to assess the level of influence of the project on the broader development ecosystem. While the framework was complex, its finalization needed to be expedited as the project was nearing completion for the initial 60 Labs.

Without adequate monitoring tools, an assessment of the influence of the UNDP Accelerator Labs project on the broader development ecosystem cannot be effectively determined.

Priority	Medium (Important)
Recommendation 8: The Global Accelerator Labs team should: (a) provide guidance to Country Office Labs on increasing their reach and engagement on the web and social media, and how to monitor this; (b) obtain access to the corporate social media analytical tool; and (c) finalize the framework for assessing the level of influence of the UNDP Accelerator Labs project on the broader development ecosystem.	
Management action plan: (a) The Global Accelerator Labs team will provide guidance notes to Labs to help Country Offices increase their reach and engagement on social media related to Country Office Accelerator Lab content. (b) The Global Accelerator Labs team will work with BERA to support Country Offices with Labs to access the corporate social media analytical tool, once available, and will provide a more strategic understanding of the follower base and map of influencers, like demographics. The Global Accelerator Labs team will continue to work in close collaboration with BERA to ensure access to the tool when it will be made available. (c) To advance effective ecosystem communication, the Global Accelerator Labs team will expand academic partnerships to create visibility for the role of grassroots innovation in sustainable development. **Estimated completion date:** (a) April 2021 for tactical plan and guidance to Country Offices. (b) No dates on the availability of the analytical tool were provided by BERA and is dependent on their procurement timeline. The Global Accelerator Labs team will follow up and communicate the estimated completion date. (c) December 2021.	

Issue 9   Lack of guidance on how to include Country Office Accelerator Lab approaches within the Country Programme

The UNDP Accelerator Labs project results framework requires 10 percent of Country Offices (with Country Office Accelerator Labs) to incorporate the work completed by the Labs into the Country Programmes during the first year.

There was no structured approach to measure the extent to which Country Offices have incorporated Country Office Accelerator Lab work into their development programmes. Some Country Offices were informally including Country Office Accelerator Lab work at the formulation stage of new Country Programme Documents (CPD); however, the audit team was unable to quantify the extent to which this had occurred.

The impact of Country Office Accelerator Labs on the Country Programmes cannot be determined without a structured approach in measuring their influence on the Country Programmes.

Priority	Medium (Important)
Recommendation 9: The Global Accelerator Labs team should provide guidance on how to include the adoption of Country Office Accelerator Lab approaches within the Country Programme.	
Management action plan: 10 percent is related to the extent that Country Office Accelerator Lab work is incorporated into Country Office Programmes. The Global Accelerator Labs team will work with Regional Bureaux to develop a qualitative approach to track adoption of the UNDP Accelerator Lab project ways of working into country programmes. **Estimated completion date:** June 2021	

Definitions of audit terms - ratings and priorities

A.   AUDIT RATINGS

- **Fully 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.

- **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.