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Financial reports and audited financial statements, and reports of the Board of Auditors: United Nations peacekeeping operations

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2021

Report of the Secretary-General

Summary

The present report provides information in response to the recommendations of the Board of Auditors contained in its report on United Nations peacekeeping operations for the 12-month period from 1 July 2020 to 30 June 2021 ([A/76/5 \(Vol. II\)](#), chap. II). The report is submitted in accordance with paragraph 7 of General Assembly resolution [48/216 B](#), in which the Assembly requested the Secretary-General, at the same time as the recommendations of the Board of Auditors are submitted to the Assembly, to provide it with his responses and to indicate measures that will be taken to implement those recommendations, with appropriate timetables.

The Administration has concurred with most of the Board's recommendations and its relevant comments have been duly reflected in the report of the Board. The present report provides additional comments from the Administration, where appropriate, and information on the status of implementation, the department responsible, the estimated completion date and the priority for each recommendation contained in the report of the Board. In addition, the report contains updated information on the status of implementation of the recommendations of the Board relating to the prior periods that were reported by the Board, in annex II to its report, as not having been fully implemented.



I. Introduction

1. In its resolution [48/216](#) B, the General Assembly requested the Secretary-General, at the same time as the recommendations of the Board of Auditors are submitted to the Assembly, to provide it with his responses and to indicate measures that will be taken to implement those recommendations, with appropriate timetables. The present report is submitted in response to the recommendations of the Board contained in its report on the United Nations peacekeeping operations for the 12-month period ended 30 June 2020 ([A/76/5](#) (Vol. II), chap. II).

2. In preparing the present report, account was taken of the provisions of the following documents:

(a) General Assembly resolution [52/212](#) B, in particular paragraphs 2 to 5 thereof, and the note by the Secretary-General transmitting the proposals of the Board for improving the implementation of its recommendations approved by the Assembly ([A/52/753](#), annex);

(b) Paragraph 7 of General Assembly resolution [75/242](#) B, in which the Assembly requested the Secretary-General to ensure the full implementation of the recommendations of the Board of Auditors and the related recommendations of the Advisory Committee on Administrative and Budgetary Questions in a prompt and timely manner;

(c) Paragraph 10 of General Assembly resolution [75/242](#) B, in which the Assembly requested the Secretary-General to continue to indicate an expected time frame for the implementation of the recommendations of the Board of Auditors and the priorities for their implementation, including the office holders to be held accountable and measures taken in that regard;

(d) Paragraph 11 of General Assembly resolution [75/242](#) B, in which the Assembly requested the Secretary-General to provide, in his next report on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations, a full explanation for the delays in the implementation of all outstanding recommendations of the Board, the root causes of the recurring issues and the measures to be taken.

3. With regard to prioritization, the Administration noted that the Board had categorized 7 of the 10 recommendations for the period ended 30 June 2021 as “main recommendations”. While all the accepted recommendations of the Board will be implemented in a timely manner, the main recommendations are considered to be of the highest priority.

4. The status of implementation of the new recommendations as of February 2022 is summarized in tables 1 and 2.

5. As indicated in table 1, of the seven main recommendations issued by the Board, two were not accepted and the other five remained under implementation as of February 2022. Of the five main recommendations that were under implementation, two have been targeted for implementation before the end of 2022, two before the end of 2023 and one before the end of 2024.

Table 1
Status of implementation of the main recommendations of the Board of Auditors as of February 2022

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Department of Management Strategy, Policy and Compliance	1	–	–	1	1	–
Multiple entities	6	2	–	4	4	–
Total	7	2	–	5	5	–

6. As indicated in table 2, of the 10 recommendations issued by the Board, 3 were not accepted and 7 remained under implementation as of February 2022. Of the seven recommendations that were under implementation, four have been targeted for implementation before the end of 2022, two before the end of 2023 and one by the end of 2024.

Table 2
Status of implementation of all recommendations (including main ones) of the Board of Auditors as of February 2022

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Department of Management Strategy, Policy and Compliance	2	–	–	2	2	–
Multiple entities	8	3	–	5	5	–
Total	10	3	–	7	7	–

II. Implementation of the recommendations contained in the report of the Board of Auditors

7. The information requested by the General Assembly on the status of implementation of recommendations contained in the report of the Board of Auditors for the financial period ended 30 June 2021 (A/76/5 (Vol. II), chap. II) is set out below. As indicated in the summary of the present report, most of the Administration's comments have already been included in the report of the Board. Accordingly, additional comments are provided only where deemed necessary.

8. In paragraph 41 of its report, the Board recommended that the Administration perform cross-cutting analyses and workshops with missions to enhance feedback to missions and exchanges between missions, review the number of key controls in risk control matrices, calculate the overall average maturity scale on the basis of the weighted maturity scale of each entity (e.g., budget volume) in order to determine opportunities for improvement in the statement on internal control, and assess the introduction of an electronic platform.

Department responsible: Department of Management Strategy, Policy and Compliance

Status: Under implementation

Priority: Medium

Target date: Fourth quarter of 2022

9. As part of the 2022 statement on internal control process, cross-sectoral consultative workshops, including with peacekeeping operations, are planned. Key controls reflected in the 2021 risk control matrices will be reviewed with the objective of simplifying the framework. In addition, a standard module in Umoja (SAP governance, risk and compliance) is being configured to electronically manage process controls and will be tentatively piloted with entities in the course of 2022. This will provide improved monitoring and reporting capabilities, as well as make the exercise more agile for participating entities.

10. In paragraph 51 of its report, the Board recommended that the Administration define, in the financial agreements with UNOPS, the hierarchies and reporting lines between UNOPS and the Chiefs of the Mine Action Programme at the missions and expand the Secretariat's internal responsibilities matrix to cover cases in which the Mine Action Service implements mine action activities without UNOPS.

Departments responsible: Department of Peace Operations and Department of Management Strategy, Policy and Compliance

Status: Under implementation

Priority: High

Target date: Third quarter of 2023

11. The full implementation of this recommendation is contingent on the General Assembly's consideration of the independent review of the Mine Action Service-United Nations Office for Project Services (UNOPS) delivery model and the alternatives to that model for the delivery of mine action in mission and non-mission settings. A responsibilities matrix will be developed for the delivery model endorsed and resourced by the Assembly.

12. In paragraph 57 of its report, the Board recommended that the Administration determine which categories of assets the missions shall provide to UNOPS for mine action projects and exclude them from financial agreements with UNOPS, include provisions on periodic asset reporting by UNOPS that facilitate IPSAS financial reporting in the new memorandum of understanding, and integrate the Chiefs of the Mine Action Programme into the oversight and management of project assets.

Departments responsible: Department of Peace Operations and Department of Management Strategy, Policy and Compliance

Status: Under implementation

Priority: High

Target date: Third quarter of 2023

13. On the basis of article VIII of the current memorandum of understanding between the United Nations and UNOPS, all the financial agreements with UNOPS include provisions for periodic asset reporting. UNOPS asset reports are currently aligned with the IPSAS standards. The Mine Action Service continues to work closely with the missions on strengthening the oversight and management of assets and will implement any changes required pursuant to the revised memorandum of understanding between the United Nations and UNOPS.

14. In paragraph 61 of its report, the Board recommended that the Administration specify in one central catalogue document which activities fall under the scope of the Mine Action Service.

Departments responsible: Department of Peace Operations and Department of Management Strategy, Policy and Compliance

Status: Not accepted

Priority: Medium

Target date: Not applicable

15. Mine action activities are designed to deliver Security Council mandates and are extensively queried by the legislative bodies in the budget review process. Budget development, review, oversight and responsibility lies with the Mine Action Service, given that mine action is a centralized sector for reasons of efficiency and effectiveness. The Mine Action Service has a leading role in the design of the field programmes, and it consults closely with the missions on budget submissions and budget performance and is consulted whenever a mission seeks to add or modify mine action activities owing to a change in mandate or operational requirements. Mine action activities are reported on regularly in reports of the Secretary-General to the Council and in budget performance reports to the General Assembly. The Mine Action Service performs continuous monitoring and oversight of the field programme activities through its review committee's oversight process, quarterly review monitoring process and periodic field visits. The Mine Action Service continuously monitors the activities performed by its implementing partner, UNOPS, on the basis of agreed financial agreements that outline the activities and budget to be implemented. It is the Administration's view that producing a catalogue of the many things that a mine action component can be tasked with doing in a peacekeeping operation cannot substitute for and will not strengthen the monitoring and oversight performed by the Mine Action Service. The Administration therefore does not accept this recommendation.

16. In paragraph 74 of its report, the Board recommended that the Administration ensure that the delegation of authority to any Officers-in-Charge is visible in the delegation of authority portal, and define and codify the delegation of authority for administrative decisions regarding the management of resources, including human resources, for all drawdown and liquidation activities after the Security Council mandate of a mission has ended.

Department responsible: Department of Management Strategy, Policy and Compliance

Status: Under implementation

Priority: High

Target date: Fourth quarter of 2022

17. In the revised draft of the Secretary-General's bulletin on delegation of authority, which is in the final review stage, there is a proposed modification to the policy to indicate that, when an officer-in-charge arrangement is put in place to assume the function held by an official whose post has become vacant, the authorities are to be delegated to the officer-in-charge in the online delegation of authority portal. The portal had already been enhanced to allow the delegation "in capacity of officer-in-charge" as part of the most recent portal enhancements, implemented in September 2021. The revised draft Secretary-General's bulletin also includes a new section on the exercise of temporary delegated authority at the closure of operations of an entity that clarifies the delegation holder in such scenarios.

18. In paragraph 81 of its report, the Board recommended that the Administration ensure that the administrative instruction on danger pay is complied with and that it is paid only to staff members who are physically present in eligible locations, and that the Administration review the possibility of reclaiming danger pay awarded to non-eligible staff.

Departments responsible: Department of Management Strategy, Policy and Compliance and Department of Operational Support

Status: Under implementation

Priority: Medium

Target date: Second quarter of 2022

19. The Administration's comments were reflected in paragraph 82 of the Board's report for the period ended 30 June 2021 ([A/76/5 \(Vol. II\)](#), chap. II).

20. In paragraph 95 of its report, the Board recommended that the Administration promulgate a human resources downsizing policy for drawdown and liquidation.

Departments responsible: Department of Management Strategy, Policy and Compliance and Department of Operational Support

Status: Not accepted

Priority: High

Target date: Not applicable

21. The Administration wishes to clarify that, while a downsizing policy is under preparation, the operational elements relating to the closure of entities are a distinct matter and are provided through the issuance of guidance. The Administration stresses that it cannot infringe upon the rights of staff to apply and be selected for positions, and the current policy framework does not permit the Administration to impose such a measure. Therefore, having a policy that is focused on keeping staff members available until after the liquidation date to finalize outstanding tasks and ensuring that heads of field units stay at their posts and remain responsible for the closure of their units would not be implementable. The Administration's other comments were reflected in paragraphs 96 to 98 of the Board's report for the period ended 30 June 2021 (*ibid.*).

22. In paragraph 114 of its report, the Board recommended that the Administration ensure compliance with the Staff Regulations and Rules of the United Nations to avoid unjustified indemnity payments after comprehensive placement efforts.

Departments responsible: Department of Management Strategy, Policy and Compliance and Department of Operational Support

Status: Not accepted

Priority: High

Target date: Not applicable

23. The Administration's comments were reflected in paragraphs 115 to 117 of the Board's report for the period ended 30 June 2021 (ibid.).

24. **In paragraph 121 of its report, the Board recommended that the Administration pay enhanced indemnity only after considering each case individually.**

Departments responsible: Department of Management Strategy, Policy and Compliance and Department of Operational Support

Status: Under implementation

Priority: High

Target date: Third quarter of 2022

25. The Administration's comments were reflected in paragraph 122 of the Board's report for the period ended 30 June 2021 (ibid.).

26. **In paragraph 134 of its report, the Board recommended that the Administration establish a centralized analysing and enforcing function to perform cross-cutting analyses of missions' and services centres' property, plant and equipment and inventory holdings, to achieve economies of scale; to identify potential surplus holdings and initiate corrective action; to ensure continuing management of asset disposal; and to eliminate disadvantages for missions and services centres, such as having to bear transport costs when sharing surplus assets.**

Departments responsible: Department of Management Strategy, Policy and Compliance and Department of Operational Support

Status: Under implementation

Priority: High

Target date: Third quarter of 2024

27. The Administration's comments were reflected in paragraph 135 of the Board's report for the period ended 30 June 2021 (ibid.).

III. Implementation of the recommendations contained in the reports of the Board of Auditors concerning United Nations peacekeeping operations for prior financial periods

28. In paragraph 11 of its resolution [75/242 B](#), the General Assembly requested that the Secretary-General provide, in his next report on the implementation of the recommendations of the Board of Auditors concerning the United Nations peacekeeping operations, a full explanation for the delays in the implementation of all outstanding recommendations of the Board, the root causes of the recurring issues

and the measures to be taken. Such explanations have been included in the Administration's detailed comments relating to the relevant recommendations.

29. In annex II to its report for the period ended 30 June 2021 (ibid.), the Board provided a summary of the status of implementation of its 89 extant recommendations issued during the five prior financial periods up to 30 June 2020. Of those 89 recommendations, 53 (59 per cent) were assessed as "Implemented", 22 (25 per cent) as "Under implementation", 9 (10 per cent) as "Not implemented" and 5 (6 per cent) as "Overtaken by events".

30. The Advisory Committee on Administrative and Budgetary Questions, in paragraph 57 of its report (A/75/829), recommended that the Secretary-General keep track in his reports of the initial implementation target dates of the Board's recommendations. Target dates have been provided below for the 31 extant recommendations that were assessed by the Board either as "Under implementation" or "Not implemented".

31. As at 30 June 2021, the overall status of implementation of all the Board's recommendations issued since the 2015/16 financial period up until the 2019/20 financial period (i.e., the five prior financial periods) is shown in table 3.

Table 3

Overall status of implementation of the recommendations of the Board of Auditors from five prior financial periods up to 30 June 2020

(Number of recommendations)

<i>Financial period</i>	<i>Report symbol</i>	<i>Total</i>	<i>Implemented</i>	<i>Under implementation</i>	<i>Not implemented</i>	<i>Overtaken by events</i>
2015/16	A/71/5 (Vol. II)	55	48 (87%)	1 (2%)	0 (0%)	6 (11%)
2016/17	A/72/5 (Vol. II)	75	66 (88%)	0 (0%)	1 (1%)	8 (11%)
2017/18	A/73/5 (Vol. II)	52	31 (60%)	7 (13%)	3 (6%)	11 (21%)
2018/19	A/74/5 (Vol. II)	43	33 (77%)	5 (11%)	3 (7%)	2 (5%)
2019/20	A/75/5 (Vol. II)	30	16 (53%)	9 (30%)	2 (7%)	3 (10%)
Total		255	194 (76%)	22 (9%)	9 (3%)	30 (12%)

32. Table 4 provides a detailed analysis of the status of implementation, as of February 2022, of the 31 extant recommendations from the prior periods that had been assessed previously by the Board to be either "Under implementation" or "Not implemented".

Table 4

Status of implementation of the outstanding recommendations of the Board of Auditors from prior periods as of February 2022

(Number of recommendations)

<i>Department responsible</i>	<i>Total</i>	<i>Closure requested</i>	<i>Under implementation</i>	<i>Target date set</i>	<i>No target date</i>
Department of Management Strategy, Policy and Compliance	11	3	8	8	—
Department of Operational Support	6	2	4	4	—
Department of Peace Operations	3	—	3	3	—
Multiple entities	11	8	3	3	—
Total	31	13	18	18	—

33. Of the 31 recommendations that were assessed by the Board to be either under implementation or not implemented, the Administration has requested the closure of 13 recommendations. The remaining 18 were under implementation as of February 2022, 14 of which are targeted for implementation before the end of 2022, 3 before the end of 2023, 1 before the end of 2024 and 2 that are of an ongoing nature.

A. Recommendations contained in the report of the Board of Auditors for the 12-month period ended 30 June 2016 (A/71/5 (Vol. II), chap. II)

34. In paragraph 40 of its report, the Board reiterated its recommendation that the Administration review the useful lives of fully depreciated assets that are still in use.

<i>Department responsible:</i>	Department of Management Strategy, Policy and Compliance
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Initial target date:</i>	Second quarter of 2018
<i>Revised target date:</i>	Fourth quarter of 2022

35. The United Nations Secretariat decided to participate in the survey of the Task Force on Accounting Standards of the United Nations System Chief Executives Board for Coordination after it was developed in September 2019. The Administration expected that a multi-agency approach towards the useful lives of assets would provide greater transparency among organizations and provide needed results. However, the related report was delayed once again owing to the coronavirus disease (COVID-19) pandemic and was produced only in April 2021, when it was used as the base measure for the updates on the useful lives of assets.

36. The Department of Management Strategy, Policy and Compliance extracted the most recent Umoja data, which contain significantly more activity than the June 2018 data. The most recent data include all active and disposed assets, equipment records, asset quantities and average useful lives of assets. Initial and follow-up meetings with asset category managers have been held to discuss the extracted Umoja data. The Department will use the consolidated data, along with the recommendations from category managers and the relevant stakeholders, to finalize this initial review and determine the new assets' useful lives. The updated useful lives of assets and supporting documentation are expected to be completed by the end of March 2022, with pending updates to the United Nations corporate guidance and policies to be completed afterwards. The update of the new useful lives of assets in Umoja is envisaged to take effect as from 1 January 2023.

B. Recommendations contained in the report of the Board of Auditors for the 12-month period ended 30 June 2017 (A/72/5 (Vol. II), chap. II)

37. In paragraph 464 of its report, the Board recommended that the Administration consider keeping staff members available until after the liquidation date to finalize outstanding tasks.

Departments responsible: Department of Management Strategy, Policy and Compliance and Department of Operational Support

Status: Closure requested

Priority: Medium

Initial target date: Ongoing

Revised target date: Not applicable

38. The Administration's comments were reflected in paragraphs 96 to 98 of the Board's report for the period ended 30 June 2021 ([A/76/5 \(Vol. II\)](#), chap. II).

C. Recommendations contained in the report of the Board of Auditors for the 12-month period ended 30 June 2018 ([A/73/5 \(Vol. II\)](#), chap. II)

39. **In paragraph 37 of its report, the Board recommended that the Administration ensure accountable oversight of the management of material master data to achieve improved and harmonized material master data in the areas of product IDs, units of measurement and material descriptions, with a view to accurately reflecting assets in the financial statements and meeting supply chain requirements.**

Department responsible: Department of Operational Support

Status: Under implementation

Priority: High

Initial target date: Second quarter of 2022

40. The classification of category management hierarchies for all active product identification documents was completed as planned by the end of December 2020. The remaining phases of the material master transformation project remain under implementation. Completion of the project will result in improved and harmonized material master data.

41. **In paragraph 70 of its report, the Board recommended that the Administration issue comprehensive guidance on cost recoveries, including with regard to responsibilities, agreements and contractual relationships, budgeting, pricing, recovering costs and processing in Umoja.**

Department responsible: Department of Management Strategy, Policy and Compliance

Status: Closure requested

Priority: Medium

Initial target date: Second quarter of 2020

Revised target date: Not applicable

42. The comprehensive policy and guidance were issued on 30 December 2021 and are available on the Knowledge Gateway SharePoint site, and the Board was informed

accordingly. The Administration considers this recommendation to be implemented and requests its closure by the Board.

43. In paragraph 74 of its report, the Board recommended that the Administration issue guidance on the appropriate usage of funds commitments and monitor compliance in that regard.

Department responsible: Department of Management Strategy, Policy and Compliance

Status: Under implementation

Priority: Medium

Initial target date: Fourth quarter of 2019

Revised target date: Second quarter of 2022

44. The Administration prepared the draft guidance on the usage of funds commitments, and it is under review. The final version will be posted online in the Knowledge Gateway SharePoint site.

45. In paragraph 153 of its report, the Board recommended that the Administration implement the force generation process in Umoja.

Departments responsible: Department of Peace Operations, Department of Operational Support and Department of Management Strategy, Policy and Compliance

Status: Under implementation

Priority: Medium

Initial target date: Ongoing

Revised target date: Fourth quarter of 2023

46. An interdepartmental working group has been established and work is under way to determine the appropriate scope and requirements for the project. The force generation process is conducted under extant guidance, including the United Nations manual for the generation and deployment of military and formed police units to peace operations, which ensures the transparency of the contributing country selection process and the documentation of the full process. Units for peacekeeping operations are selected from among Member States' units registered in the Peacekeeping Capability Readiness System, administered by the Department of Peace Operations, which is the sole mechanism for the selection of a military or police unit for deployment. Implementing the force generation process in Umoja would require incorporating the System into Umoja, the feasibility of which is to be explored. The deadline to complete the project is, at this stage, provisional and will be further specified as the scope and requirements are defined. The full implementation of this recommendation was delayed because the completion of the revised guidance on the force generation process had to be prioritized, along with the management of the many complications related to force generation and deployment that arose subsequent to the onset of the COVID-19 pandemic. While the recommendation has been implemented for most processes that form part of the overall force generation, its implementation was delayed for the process of selection. This process is undertaken, as explained above, through a specific system (the Peacekeeping Capability Readiness System), which provides for the key requirements outlined by the Board in its findings and facilitates the interface with troop- and police-contributing countries.

47. In paragraph 183 of its report, the Board recommended that the Administration review the objectives, processes and staff requirements of integrated operational teams, considering the upcoming new peace and security structure.

Department responsible: Department of Peace Operations

Status: Under implementation

Priority: Medium

Initial target date: Second quarter of 2019

Revised target date: Second quarter of 2022

48. A departmental management review of the objectives, processes and staff requirements of integrated operational teams is under way. The implementation of this recommendation, as well as associated recommendation in paragraph 185 of chapter II of [A/73/5 \(Vol. II\)](#), was delayed to allow for the significant changes in organizational structures, practices and processes in the Secretary-General's peace and security pillar reform to be consolidated. A further delay in the implementation was incurred while the Department of Peace Operations was awaiting resources to be identified and dedicated to the conduct of the review, owing to competing priorities for the Department.

49. In paragraph 185 of its report, the Board further recommended updating the integrated operational team policy based on this review.

Department responsible: Department of Peace Operations

Status: Under implementation

Priority: Medium

Initial target date: Fourth quarter of 2019

Revised target date: Second quarter of 2022

50. The implementation of this recommendation and the associated recommendation in paragraph 183 of chapter II of [A/73/5 \(Vol. II\)](#) was delayed to allow for the significant changes in organizational structures, practices and processes in the Secretary-General's peace and security pillar reform to be consolidated. A further delay in the implementation was incurred while the Department of Peace Operations was awaiting resources to be identified and dedicated to the conduct of the review, owing to competing priorities for the Department.

51. In paragraph 209 of its report, the Board recommended that the Administration analyse the direct and indirect costs associated with the disposal of unserviceable and expired ammunition from troop- and/or police-contributing countries and inform Members States accordingly.

Department responsible: Department of Operational Support

Status: Under implementation

Priority: Medium

Initial target date: Ongoing

Revised target date: Third quarter of 2023

52. The Administration will undertake a study to review claims received and processed for the disposal of ammunition. The study has been delayed owing to conflicting priorities, lack of ammunition expertise and the ongoing COVID-19 pandemic. The study and collection of the base data related to the claims submitted by the troop- and police-contributing countries for disposed unserviceable and expired ammunition will be initiated by the third quarter of 2022. To support this endeavour, a general temporary assistance position for an ammunitions expert has been requested in the 2022/23 budget for the support account for peacekeeping operations.

53. In paragraph 375 of its report, the Board recommended that the Administration consider publishing tenders for goods and services instead of solely publishing the request for expression of interest.

Department responsible: Department of Operational Support

Status: Under implementation

Priority: Medium

Initial target date: Ongoing

Revised target date: Second quarter of 2022

54. The development of the United Nations Global Marketplace and Ariba interface was completed and fully tested in December 2021. The interface considers whether vendors are subject to sanctions. Fifteen different scenarios were tested, and all issues have been resolved. Phase 2, which will synchronize vendors on the basis of the submission of the expression of interest by vendors, is on track to be implemented in the first quarter of 2022. Phase 3, which will add the vendor to the enhanced software platform based on the submission of the expression of interest, will be implemented after phase 2 is completed.

55. In paragraph 407 of its report, the Board recommended that the Administration amend the policy for rosters with the objective to facilitate roster-building, management and data cleansing.

Department responsible: Department of Management Strategy, Policy and Compliance

Status: Under implementation

Priority: Medium

Initial target date: Third quarter of 2019

Revised target date: Fourth quarter of 2022

56. This recommendation is under implementation, with a revised target date of December 2022.

57. In paragraph 417 of its report, the Board recommended that the Administration review the recruitment process to increase transparency and simplify and shorten the procedure.

Department responsible: Department of Management Strategy, Policy and Compliance

Status: Under implementation

Priority: Medium
Initial target date: Third quarter of 2019
Revised target date: Fourth quarter of 2022

58. This recommendation is under implementation, with a revised target date of December 2022.

D. Recommendations contained in the report of the Board of Auditors for the 12-month period ended 30 June 2019 ([A/74/5 \(Vol. II\)](#), chap. II)

59. **In paragraph 49 of its report, the Board recommended that the Administration correct erroneous staff service and participation data which it has already forwarded to the actuary for the valuation of the after-service health insurance liability, and correct the employee benefits liabilities in the financial statements.**

Department responsible: Department of Management Strategy, Policy and Compliance
Status: Closure requested
Priority: High
Initial target date: Fourth quarter of 2021
Revised target date: Not applicable

60. The project to import data into Umoja on eligible periods of participation in United Nations health plans for active staff was successfully completed. The new data field, measured in months, was added to the census data shared with the actuaries for use in the actuarial valuation as at 31 December 2021. The Administration considers this recommendation to be implemented and requests its closure by the Board.

61. **In paragraph 83 of its report, the Board recommended that the Administration strengthen internal controls to ensure appropriate dependency allowance payments by using Umoja and United Nations systems-wide data.**

Departments responsible: Department of Management Strategy, Policy and Compliance and Department of Operational Support
Status: Closure requested
Priority: Medium
Initial target date: Ongoing
Revised target date: Not applicable

62. To ensure that staff members confirm the employment status and details of their spouses, an additional validation was added to the annual declaration form such that when the staff member indicates that their spouse works for the “Same UN Organization” or “Different UN Organization”, the personnel number of the spouse is required. This is to facilitate any cross-checking with the spouse’s employing organization relative to dependency benefits. This cross-checking must be undertaken

by the offices administering the staff members because United Nations common system data are not available to perform a holistic validation. This change was implemented with the 2018 and 2019 dependency benefits reviews. The Administration considers this recommendation to be implemented and requests its closure by the Board.

63. In paragraph 202 of its report, the Board recommended that the Administration extend the delegation of authority portals' functionalities to specify and limit subdelegations to ensure that the staff member who receives subdelegations is aware of the scope.

Department responsible: Department of Management Strategy, Policy and Compliance

Status: Under implementation

Priority: Medium

Initial target date: Fourth quarter of 2020

Revised target date: Fourth quarter of 2022

64. The enhancements to the delegation of authority portal are in the testing phase. The final release is dependent on the quarterly deployment schedule and the finalization of the revised Secretary-General's bulletin on delegation of authority. Consequently, the target implementation date has been changed to the fourth quarter of 2022.

65. In paragraph 269 of its report, the Board recommended that the Administration document the entire recruitment process of temporary appointments in Inspira and Umoja; the documentation should include all necessary data, especially justification of the need for a temporary appointment and the reasons for its extension.

Departments responsible: Department of Management Strategy, Policy and Compliance and Department of Operational Support

Status: Closure requested

Priority: Medium

Initial target date: Fourth quarter of 2021

Revised target date: Not applicable

66. The guidance on temporary appointments has been finalized and shared with the missions and with the Board. The Administration considers this recommendation to be implemented and requests its closure by the Board.

67. In paragraph 283 of its report, the Board recommended that the Administration ensure that officials with delegation of authority base their selection decision on an assessment of how and to what extent the applicants' competencies meet the requirements, and record both the comparative analysis and the selection decision in the system.

Department responsible: Department of Management Strategy, Policy and Compliance

Status: Closure requested

Priority: Medium

Initial target date: Not applicable

68. The process guide on temporary appointments was issued and the administrative instruction on the staff selection system ([ST/AI/2010/3](#)) covers the evaluation process for applicants applying to job openings. The Administration considers this recommendation to be implemented and requests its closure by the Board.

69. In paragraph 353 of its report, the Board recommended that the Administration ensure international competition by soliciting Internet capacity services and by analysing the market and alternative solutions for transponder capacity.

Departments responsible: Department of Operational Support and Office of Information and Communications Technology

Status: Closure requested

Priority: Medium

Initial target date: First quarter of 2021

Revised target date: Not applicable

70. The Administration has completed the statement of work and technical evaluation matrix and initiated a solicitation process for Internet capacity, ensuring international competition by inviting 46 companies from 22 countries. The solicitation was published on 8 October 2021, with a closing date of 18 January 2022. In addition, an analysis of the market and alternative solution for transponder capacity was undertaken prior to bidding. Given that the requirements of the recommendation to ensure international competition were met, the Administration requests its closure by the Board.

71. In paragraph 389 of its report, the Board recommended that the Administration ensure that heads of field units stay at their posts and remain responsible for the closure of their units.

Departments responsible: Department of Management Strategy, Policy and Compliance and Department of Operational Support

Status: Closure requested

Priority: High

Initial target date: Ongoing

Revised target date: Not applicable

72. The Administration's comments were reflected in paragraphs 96 to 98 of the Board's report for the period ended 30 June 2021 ([A/76/5 \(Vol. II\)](#), chap. II).

73. In paragraph 395 of its report, the Board recommended that the Administration ensure that disposals are compliant with regulation 5.14 of the Financial Regulations and Rules of the United Nations and are authorized.

<i>Departments responsible:</i>	Department of Management Strategy, Policy and Compliance and Department of Operational Support
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Initial target date:</i>	Fourth quarter of 2020
<i>Revised target date:</i>	Second quarter of 2022

74. The Administration will issue updated policy guidance for the common interpretation and application of the Financial Regulations and Rules of the United Nations for the disposal of property. The preparation of the policy document is in progress and is expected to be completed by June 2022.

E. Recommendations contained in the report of the Board of Auditors for the 12-month period ended 30 June 2020 (A/75/5 (Vol. II), chap. II)

75. In paragraph 68 of its report, the Board recommended that the Administration determine the support account share of after-service health insurance expenditure on the basis of actual costs incurred within peacekeeping operations.

<i>Department responsible:</i>	Department of Management Strategy, Policy and Compliance
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Initial target date:</i>	Fourth quarter of 2021
<i>Revised target date:</i>	Second quarter of 2022

76. The data have been collected and the analysis is expected to be completed soon. The support account share of after-service health insurance expenditure will be revised accordingly.

77. In paragraph 75 of its report, the Board recommended that the Administration determine and provide to the actuary the actual health-care cost-sharing between the United Nations and after-service health insurance beneficiaries to appropriately reflect the United Nations cost shares in the next valuation of the after-service health insurance liabilities.

<i>Department responsible:</i>	Department of Management Strategy, Policy and Compliance
<i>Status:</i>	Under implementation
<i>Priority:</i>	High
<i>Initial target date:</i>	Fourth quarter of 2021
<i>Revised target date:</i>	Second quarter of 2022

78. The United Nations has a single health-care system for a pool of active and retired staff. While the health benefits are identical for active staff and retired staff, the scale of premium payments favours retired staff. It is a measure to ensure fairness between the different levels of salary and pension. However, the tipped scale is a matter confined to the group of active and retired staff. The cost-sharing of the Organization is irrelevant to such a scale because the health-care system is managed to set the overall cost-sharing of the Organization at the statutory ratio of either half or two thirds of the premium payments. At the macro level, the actual cost-sharing between the United Nations and after-service health insurance beneficiaries (i.e., the retired staff) is the same as the cost-sharing authorized by the General Assembly and does not affect the actuarial valuation of after-service health insurance liabilities. The Administration continues to consult internally and with the actuary to resolve this matter.

79. In paragraph 154 of its report, the Board recommended that the Administration include provisions, such as liquidated damages, in unmanned aircraft system contracts as a standard that impose additional financial liabilities on the contractor for not meeting the contractual obligations.

Department responsible: Department of Operational Support

Status: Closure requested

Priority: Medium

Initial target date: Not applicable

80. The Administration agrees with the Board's view that unmanned aircraft systems significantly increase security for civilians and the Organization's own troops in missions. The Administration also agrees with the Board's view that United Nations contractors should reliably provide unmanned aircraft systems services as contracted. However, the Administration respectfully disagrees with the Board's recommendation regarding the need to include provisions for specific damages in all unmanned aircraft systems contracts to impose additional financial liabilities on a contractor with respect to the contractor's failure to meet its contractual obligations. To be clear, the Administration consistently includes contractual remedies in all United Nations contracts to protect the Organization against vendor non-performance. The determination as to when and how to use any cost-recovery mechanism depends on the nature of the transaction. With regard to the active unmanned aircraft systems services contracts being managed by the Administration, all such contracts include provisions for liquidated damages and other cost-recovery mechanisms. That said, unmanned aircraft systems services contracts are complex, bespoke documents that are drafted and negotiated by the Administration in consultation with the Office of Legal Affairs. Importantly, the contractual remedies in such contracts are carefully considered and tailored through the contract-drafting process. Accordingly, the Administration maintains its position that a requirement for a specified stock set of contractual remedies to be automatically included in unmanned aircraft systems services contracts is not in the interest of the Organization and respectfully maintains its request for the closure of this recommendation by the Board.

81. In paragraph 155 of its report, the Board recommended that the Administration waive unmanned aircraft systems-related claims, such as liquidated damages, only after officially recorded considerations and authorization by an Assistant Secretary-General.

Department responsible: Department of Operational Support

Status: Closure requested

Priority: Medium

Initial target date: Not applicable

82. With regard to the enforcement or application of any liquidated damages provision set forth in contracts, the Administration again notes that such enforcement/application is, by its nature and United Nations long-standing practice, discretionary. This discretion is necessary in part, given the complexity of issues that normally come into play when dealing with contractors with respect to the enforcement of liquidated damages. A contractor does not normally accept the imposition of liquidated damages without asserting what the contractor believes are mitigating circumstances. The Administration again notes that it would appear impractical for it to seek a waiver with respect to a discretionary remedy from a United Nations official at the level of Assistant Secretary-General, given the number of contracts that the Administration manages. Doing so would appear to unnecessarily impede the Administration's efforts of good, efficient contract administration practice, especially in those instances in which the financial magnitude at issue is not substantial. That said, the Administration notes that it already has in place procedures and financial thresholds that provide standard guidance regarding when consent from a United Nations official at the level of Assistant Secretary-General is required with respect to matters of contract administration. Accordingly, the Administration respectfully maintains its request for the closure of this recommendation by the Board.

83. In paragraph 175 of its report, the Board recommended that the Administration, together with the missions, obtain an independent analysis by a group of experts of whether the current exclusive partnership of having the Mine Action Service with UNOPS is cost-effective and delivering on the missions' mandates and evaluate the benefits of the Mine Action Service implementing a certain share of mine action activities itself, for example, by directly administering third-party agreements through Mine Action Service programme managers in the field.

Department responsible: Department of Peace Operations

Status: Under implementation

Priority: High

Initial target date: Second quarter of 2022

Revised target date: Third quarter of 2022

84. The procurement process to engage a consultancy firm to review the efficiency and effectiveness of the Mine Action Service-UNOPS partnership and compare it with other possible mine action delivery systems has been finalized. The Secretary-General will report the results of the review to the General Assembly at its seventy-seventh session.

85. In paragraph 176 of its report, the Board recommended that the Administration include in the new memorandum of understanding with UNOPS clear stipulations on transparency and the provision of supporting documents, on the utilization of existing United Nations contracts and structures, on the consequences of non-compliance and on the UNOPS fee structure.

Department responsible: Department of Management Strategy, Policy and Compliance

Status: Under implementation

Priority: High

Initial target date: Second quarter of 2021

Revised target date: Second quarter of 2022

86. The Administration has reviewed the initial draft memorandum of understanding proposed by UNOPS, and a number of clauses have been modified and new clauses added. Negotiations with UNOPS are in progress.

87. In paragraph 189 of its report, the Board recommended that missions establish internal controls to ensure that vacant core function posts are occupied without delay and avoid filling these posts with temporary appointments and assignments, except to bridge recruitment periods.

Departments responsible: Department of Management Strategy, Policy and Compliance and peacekeeping missions

Status: Closure requested

Priority: High

Initial target date: Fourth quarter of 2021

Revised target date: Not applicable

88. The process guide on temporary appointments was issued and is available to all missions. The guide references staff rule 4.12, stating that “a temporary appointment is granted for a period of less than one year (up to 364 days) to meet seasonal or peak workloads and short-term requirements”. Various missions, including the United Nations Truce Supervision Organization, the United Nations Interim Administration Mission in Kosovo, the United Nations Peacekeeping Force in Cyprus, the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo, the United Nations Multidimensional Integrated Stabilization Mission in Mali, the United Nations Mission in South Sudan and the United Nations Interim Security Force for Abyei, have provided information to the Board indicating that they have addressed this recommendation. The Administration considers this recommendation to be implemented and requests its closure by the Board.

89. In paragraph 202 of its report, the Board recommended that the Administration ensure that the circumstances according to the administrative instruction be given, documented and signed by staff with the appropriate delegated authority before exceptionally extending temporary appointments beyond 364 days.

Departments responsible: Department of Management Strategy, Policy and Compliance and peacekeeping missions

Status: Closure requested

Priority: Medium

Initial target date: Fourth quarter of 2021

Revised target date: Not applicable

90. The process guide on temporary appointments provides guidance on the exceptional extension of a temporary appointment beyond the period of 364 days, to a maximum of 729 days. It is also stressed in the guidance that entities are responsible for documenting their decisions to extend appointments beyond 364 and up to 729 days and maintain such records for audit purposes.

91. This recommendation, as well as the recommendation included in paragraph 209 of the Board's report for the period ended 30 June 2020 ([A/75/5 \(Vol. II\)](#)), have also been addressed from the monitoring side, on the basis of the monitoring report extracts provided by the Business Transformation and Accountability Division. The Administration considers this recommendation to be implemented and requests its closure by the Board.

92. In paragraph 209 of its report, the Board recommended that the Administration ensure that temporary appointments do not exceed 729 days.

Departments responsible: Department of Management Strategy, Policy and Compliance and peacekeeping missions

Status: Closure requested

Priority: High

Initial target date: Fourth quarter of 2021

Revised target date: Not applicable

93. Please refer to the Administration's comments above relating to the recommendation contained in paragraph 202 of the Board's report for the period ended 30 June 2020 (*ibid.*).

94. In paragraph 275 of its report, the Board recommended that the Administration provide training to staff members responsible to ensure the proper recording of fuel data, and regularly monitor and analyse fuel consumption to identify and investigate irregular fuel consumption.

Department responsible: Department of Operational Support

Status: Under implementation

Priority: High

Initial target date: Third quarter of 2022

Revised target date: First quarter of 2023

95. Online fuel management training has been developed and is available to users in the Capacity Development and Operational Training Service's training campus. With regard to the Electronic Fuel Management System, improvements are expected to be made to the System. The Department of Operational Support is working on a draft eFMS-3 project document, which will be submitted for approval upon completion.

96. In paragraph 309 of its report, the Board recommended that the Administration establish a United Nations occupational safety and health management system that also includes COVID-19 measures.

Departments responsible: Department of Operational Support and
Department of Management Strategy, Policy and
Compliance

Status: Under implementation

Priority: Medium

Initial target date: Fourth quarter of 2022

Revised target date: Third quarter of 2024

97. Full implementation of the recommendation is subject to the availability of human resources at United Nations Headquarters and in other Secretariat entities, including missions, by establishing dedicated occupational safety and health posts in those locations.
