



# Executive Board of the United Nations Entity for Gender Equality and the Empowerment of Women

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Audit and investigation

## Report of the Audit Advisory Committee for the period from 1 January to 31 December 2018

### I. Introduction

1. Pursuant to item 32 of the terms of reference of the Audit Advisory Committee (AAC), the seventh report of the Committee to the Under-Secretary-General/Executive Director of the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) provides a summary of the activities undertaken and the advice given by the AAC in 2018. The present report is made available to the Executive Board, and upon request, the Chair presents the report to the Board.

#### A. Background

2. In May 2012, the Under-Secretary-General/Executive Director of UN-Women approved the original terms of reference of a committee to assist her in fulfilling her oversight responsibilities, to be known as the AAC. During 2018, as a result of the in-housing of the internal audit function in UN-Women and co-locating this activity with the evaluation function, the terms of reference were revised to reflect the range of oversight functions under the Committee's purview, and the name of the Committee was changed to the Advisory Committee on Oversight (ACO). In February 2019, the Under-Secretary-General/Executive Director approved revised terms of reference reflecting these changes, which are available from [www.unwomen.org/en/aboutus/accountability/audit](http://www.unwomen.org/en/aboutus/accountability/audit). For purposes of this report for the calendar year 2018, the term AAC will continue to be used.

3. In the autumn of 2012, the first AAC was formally constituted. Item 1 of the terms of reference describes the Committee as having been established to provide the Under-Secretary-General/Executive Director with independent, external advice based on good practice regarding the organization's accountability framework and systems, including risk management. The Committee assists the Head of the Entity in fulfilling her oversight responsibilities in accordance with relevant best practices in risk and financial management, and the promotion of high ethical standards. The Committee



has an advisory role and is not a governance body; no language or clauses in the terms of reference are intended to imply otherwise.

4. In 2018, the Committee comprised five members: Patricia Francis (Jamaica) and Yuen Teen Mak (Singapore), William Fowler (United States of America); Elizabeth MacRae (Canada); and Mary Ann Wyrsh (United States of America). In line with the terms of reference requiring a rotation in Committee members, Mr. Mak left the Committee in October 2018 at the end of its third meeting of the calendar year. Ms. Francis left the Committee at the same time to undertake a senior advisor assignment with UN-Women. In February 2019, the Under-Secretary-General/Executive Director appointed two new members to the Committee to begin serving in 2019. They are Aicha Pouye (Senegal) and Mei Kit Wan (Singapore). The Committee as a whole is made up of experts in financial reporting and programme matters, accounting, governance, internal audit and investigation, evaluation, external audit, internal control, and risk management practices and principles, and United Nations intergovernmental and normative work and processes.

5. In accordance with items 6 and 7 of the terms of reference, all Committee members are independent of and external to UN-Women. Additionally, Committee members complete an annual confirmation of independence for the Under-Secretary-General/Executive Director that assures the transparency of Committee members fulfilling their roles, without compromising any interests.

## **II. Audit Advisory Committee activities and advice as at 31 December 2018**

6. In 2018, the Committee held three face-to-face meetings, from 24 to 26 April, from 17 to 19 July and from 23 to 25 October. UN-Women participants in the meetings included the Under-Secretary-General/Executive Director, Deputy Executive Directors and relevant representatives of programme and operational senior management. As required, the Committee also met without management present and had separate in-camera meetings with the Under-Secretary-General/Executive Director, and the Board of Auditors. The Committee also held private sessions with the Director a.i. of the Independent Evaluation and Audit Services (IEAS) without management present as needed.

7. The Committee also met with the Director of the Office of Audit and Investigations (OAI) of the United Nations Development Programme (UNDP) who reported to the Committee on the legacy audit and investigative activities UNDP carried out in 2018 as a part of the transition to the new internal audit and investigation arrangements in UN-Women. The Committee also met with the Director of the Investigation Division of the Office of Internal Oversight Services (OIOS) of the United Nations, which in 2018 began investigation services under a Memorandum of Understanding with UN-Women.

8. The Chair of the Committee participated in the annual session of the Executive Board in June 2018. In addition to formal meetings, Committee members continued their internal consultations and deliberations, document review and provision of advice to UN Women management via telephone and email interaction.

9. Minutes from the meetings were prepared and approved. The Committee interacted regularly with the Under-Secretary-General/Executive Director after each meeting and formally reported on its deliberations.

## A. Internal audit, evaluation, and investigation

10. As noted in the Committee's 2017 report, decisions were taken in that year to discontinue the Service Level Agreement (SLA) with the Office of Audit and Investigations (OAI) of UNDP for audit and investigation services in order to bring the internal audit services within UN-Women and to make alternate arrangements with OIOS for investigation services.

11. The AAC supported UN-Women's decision to establish in 2018 a single organizational unit to bring the oversight functions of internal audit and independent evaluation under an integrated umbrella, the Independent Evaluation and Audit Services (IEAS). The Committee also supported the UN-Women decision to enter into a Memorandum of Understanding with OIOS to carry out investigation activities on behalf of UN-Women.

12. The Committee commends UN-Women for establishing the overall IEAS, as well as the new in-house Internal Audit function in an expeditious manner. The IEAS office was near full staff at year's end and had performed all planned functions for 2018 with the assistance of the expert oversight professionals who managed and supported the transition.

13. The Committee welcomes Ms. Lisa Sutton as the new Director of the IEAS, as well as Ms. Malika Mukhitdinova as the new Chief of the Internal Audit Service and Ms. Inge Sniukaite, the new Chief of the Independent Evaluation Service to their new roles in this new structure. The AAC would also like to recognize the invaluable services of Mr. Verasak Liengsrirawat and Ms. Jesse Rose Mabutis who served successive terms as Directors, a.i. of the IAES until Ms. Sutton's appointment. Their skills and dedication were key in assisting UN-Women to establish its own internal audit functions in a timely manner, while delivering audit results.

14. The Committee's advice was sought at all stages of the implementation. As noted in its 2017 Report, the Committee reviewed charter statements for the new Independent Evaluation and Audit Services (IEAS), the Internal Audit Service (IAS), and the Multi-year (2018–2021) Rolling Risk-based Audit Plan and Strategy, as well as the 2018 Audit workplan and the 2019 Joint Evaluation and Audit Plan. The AAC Chair also participated in recruitment interview panels for the Director of IEAS, the Chief of the IAS and the internal auditor staff.

15. The Committee notes the informal briefing provided to the Executive Board on the overall plans for the Independent Audit and Evaluation Service, (IEAS) early in 2018, and the Decisions taken at the annual session in June of 2018 on audit matters, including urging UN-Women management to continue to leverage synergies between the Evaluation and Audit functions of the IEAS. In its ongoing review of audit activities and planned activities for 2019, the Committee has encouraged consideration of these synergies and notes several engagements in which staff in internal audit and evaluation are working together to optimize the oversight and assurance results. At the same time, the Committee advises that the two functions should have separate operational budgets and should remain separate units under the IEAS.

16. The Committee has advised UN-Women that to assure the effectiveness and impact of the in-house internal audit resources, and the new IEAS structure, the head of that office should have regularly scheduled opportunities to discuss overall audit and evaluation findings, including summaries of risk, governance and internal control issues with senior management. The Committee asked for and received this type of combined report in its meetings.

## **B. Internal audit function**

17. At each of its meetings in 2018, the Committee was provided with progress reports on the status of both the legacy activities of UNDP, as well as the status of the new internal audit activity. As noted in paragraph 12 above, the IAS completed all planned activities in its 2018 plan. Of note is that IAS continued to expand its focus on UN-Women headquarters governance with an audit of the Civil Society Division.

18. The Charters for both the IEAS and the IAS, approved in early 2018, outline the role of the IAS in providing assurance on key risks to achievement of UN-Women's objectives. The methods for achieving this are systematic assessment of and suggestions for improvement in the effectiveness of risk management, control, and governance processes in UN-Women. The annual results of this work will assist the IAS in developing the audit opinion required by Executive Board decision 2015/4.

19. The stronger focus on assessment of key risks is a change from previous measurement of assurance in 2017 and previous years that relied more heavily on financial coverage. A further change in the approach to assurance is a decision made in 2019 by IAS to discontinue standalone financial audits of projects implemented under the Direct Implementation Modality (DIM). In future, assurance over these projects will be covered under IAS's more comprehensive country office audits where DIM projects exist. This will mean issuance of fewer audit reports but is seen as a better use of oversight resources.

20. The Committee has been consulted by IEAS on the issue of defining assurance under this changed focus and is in agreement with the emphasis on assessment of risks in governance, risk management and control systems in UN-Women in line with professional standards and modern practice. In its 2017 report, the Committee urged that in its risk assessments, IEAS leverage the results of UN-Women's enterprise risk management (ERM) system. The Committee is also encouraged that IAS has in its plans for advisory services, the review of ERM and other governance systems in UN-Women. The Committee is in agreement that an overall mapping of governance mechanisms providing assurance will assist in understanding the extent and level of assurance provided in UN-Women. These efforts will further assist the Entity to improve on the provision of stronger governance, risk management and control processes. Ideally these processes would be codified in an overall Statement of Internal Control for UN-Women.

21. The Committee will continue to work with IAS as it develops its overall assurance statements. One area of assurance for internal audit in the coming year is to examine how certain UN-Women functions outsourced to UN system entities or third-party providers are independently audited. The IAS annual report to the Board summarizes the range of these services and has included them in the risk universe. The Committee is also aware that work of the change management activities discussed in paragraph 39 below will have effects for IAS. To the extent that this effort is also focusing on governance structures in UN-Women there will be opportunities for information sharing and coordination. Also, going forward, as regional or field structures are reviewed for UN-Women, there may be effects on overall audit planning and resource decisions.

22. The AAC notes that the IAS has consulted with the UN Board of Auditors on planning and coordination of audit activities. As noted in its 2017 report, this interaction remains important in terms of the overall assurance available to UN-Women.

## C. Evaluation function

23. At each of its meetings in 2018, the Committee met with IES staff and was provided information on corporate evaluations, work within the UN system on promotion of gender-responsive evaluations, and oversight of the decentralized evaluation system. The Independent Evaluation Service shared with the AAC its Global Evaluation Strategy 2018–2021 and noted for the Committee the linkages to the UN-Women Strategic Plan.

24. A field visit to Senegal and Nigeria in December 2017 by two AAC members resulted in observations for UN-Women about strengthening the interconnectivity between monitoring and evaluations at the regional level. The Committee also noted for UN-Women the importance of IES working closely with UN-Women staff in the regions to reinforce the understanding of monitoring and evaluation as an integral part of managing the implementation of projects to improve performance and achieve results. The Committee was informed that IES is enhancing its collaborations with regions in linking training on evaluation with results-based monitoring to increase awareness of staff on the importance of monitoring.

25. The Committee also noted the role that IES is performing in the larger UN system in terms of working with the United Nations Evaluation Group on evaluations of the common chapter in the Strategic Plans of UNDP, UNFPA, UNICEF and UN-Women, as well as the work on meta-analyses of the gender component of UNDAF evaluations. It also notes the work funded by Norway to enhance evaluation principles of gender-responsive approaches to humanitarian action, evaluating impact in gender equality and women's empowerment, and sharing lessons learned, and the work through the EvalGender+ initiative to strengthen national monitoring and evaluation systems.

26. IES workplans shared with the Committee recognized the opportunities for synergies by taking on more evaluations using IES in-house capacity. The Committee strongly agrees with this approach as it will bring added value in capacity building, creating of ownership, and knowledge retention which will lead to more efficient conduct of evaluations and better results.

27. The Committee has stated in its previous reports that the recommendation in the overall evaluation policy that 3 per cent of UN-Women's total plan/programme budget be dedicated to evaluation appears to be high, given the size of the organization and other resource demands. It notes again here that given the resource challenges faced by UN-Women, the establishment of the IEAS, and the focus on better management of key risks to achievement of the organization's objectives, that some resources within the 3 per cent set-aside could be dedicated to further strengthening governance systems such as programme monitoring or results measurement which are designed to mitigate risk.

## D. Investigations function

28. The Committee received updates from UNDP's Office of Audit and Investigation on legacy investigations that they were bringing to closure in 2018 as part of a transition agreement with UN-Women, including two significant cases. One of these cases was closed in 2018 and the other in February 2019.

29. The Committee also received regular briefings from the OIOS Investigations Division on allegations received, the nature of allegations, assessment of allegations, and the disposition of cases and completed investigations.

30. As noted in its 2017 report, the AAC emphasized that the responsible official for coordinating the investigation function with OIOS be the Director of the Independent Evaluation and Audit Service (IEAS). The Memorandum of Understanding with OIOS was revised to reflect this recommendation. As the Director of the IEAS reports directly to the Under-Secretary-General/Executive Director, IEAS is the most appropriate office for dealing with and communicating investigative findings, and other recommendations and referrals, and for assuring follow up on those matters.

31. However, the Committee has been made aware that the demands of this responsible official role and the need for consistent and quality interactions with OIOS, as well as interaction with and oversight of UN-Women management on disposition of closed cases were not considered in the resourcing of the IEAS office. IEAS has very specific roles to perform in the overall process of interaction with OIOS and overseeing implementation of its output vis-à-vis UN-Women. The AAC suggests that consideration be given to augmenting IEAS staff resources for this important function.

32. There are a number of allegations received by OIOS that are assessed and deemed not to require investigation, but rather are considered by OIOS to be more appropriately the responsibility of management to address. OIOS briefings reveal that many allegations received in its offices essentially represent inadequately or not fully addressed management issues. While they may not meet the investigation threshold, these allegations may still represent a risk to the organization in terms of productivity of staff, the ability of the organization to meet its objectives, and reputational risk.

33. The Committee has been briefed on management efforts to improve workplace relations, and the causes of some of the management issues referenced above. It is important for UN-Women to continue to expedite efforts to determine optimum procedures and practices for responding to the issues raised in these allegations once they have been made, and then returned for action to UN-Women.

## **E. Board of Auditors**

34. The Committee met in each of its sessions with the Board of Auditors (BoAs) to share relevant information and understand the strategies implemented to ensure overall audit coverage for UN-Women, which includes the work performed by the Internal Audit Service. The designated Auditors assigned to UN-Women changed in mid-2018 and, at its July session, the Committee met in joint session with both the incoming and outgoing Auditor teams.

35. The Committee was given regular updates by UN-Women management on the implementation status of the recommendations contained in the BoAs' management letters and reports. The Committee noted the efforts by UN-Women to implement outstanding recommendations. The AAC advised UN-Women that recording and measuring tangible outcomes against the recommendations rather than focusing on process and actions under way would be more optimal in ensuring improvements or changes needed to meet objectives.

## **F. Ethics**

36. In 2011, UN-Women established an institutional arrangement with the UN Ethics Office to provide ethics services to the Entity. During 2018, UN-Women updated its Policy on Protection from Retaliation. In addition, UN-Women updated its policy prohibiting harassment, sexual harassment, discrimination and abuse of

authority which provide frameworks for expected ethical behaviour on the part of supervisors and staff.

37. In the coming year, the AAC looks forward to updates on experience with how these policies are implemented, including information on training for managers and staff.

## **G. Organizational challenges**

38. UN-Women has since its inception worked towards achieving an optimal organizational structure to meet its overall objectives and strategies while at the same time dealing with ongoing resource constraints. This task has been made more challenging by the implementation of regional architecture in 2014 and the legacy issues inherent in integrating four separate entities into one corporate structure. In its 2017 report, the Committee noted the work planned by the Entity in response to an evaluation of its regional architecture to rationalize its footprint, and office typologies in the field.

39. In 2018, these activities continued to be informed and affected by the Secretary-General's initiatives on repositioning the UN Development System to optimize support to the implementation of the 2030 Agenda. UN-Women participates in the UN-wide efforts on the repositioning of the UN Development system, while at the same time undertaking more expanded change management processes of its own, not only to examine country office and regional typologies, but also to focus on headquarters office structures, and skills needed to operate under revised roles and organizational arrangements. At the end of 2018, this internal work was ongoing, with the assistance of a Senior Advisor and several internal task forces. The Committee looks forward to the results of these efforts in the coming year, as well as to briefings on discussions on the positioning of UN-Women going forward under the UN Reform agenda.

40. While this work was under way, the Entity operated without one of its senior Deputy Executive Directors since September 2018, although steps had been taken to fill this post. With this and other vacancies at higher level positions in the organization, the Entity faces key person risks to its overall effectiveness in meeting its objectives.

41. The Committee's emphasis on completing decisions on revised organizational arrangements was based, in part, on its own observations from recent field visits of the effects of resource constraints on staff in regions and country offices. It was found that some offices lacked sufficient staff to perform core functions, faced high turnover of staff due to the lack of predictability of resources, and uneven capacity to oversee offices, all of which can affect achievement of programme objectives.

42. The Committee was briefed during the year by the new Human Resources (HR) Director for UN-Women on efforts to address workforce challenges of the organization. The Committee commends the organization for filling HR business partner positions in the field, and the use of regional hubs to station HR personnel. Both of these actions will assist in the timely filling of positions in the field and had been encouraged by the Committee in its 2017 report.

43. The Committee was provided information on efforts undertaken by HR in response to the 2016 Workforce Survey, including an action plan for managers to address various survey findings. The Committee is encouraged that the organization has fielded training for all staff and managers on managing workplace conflicts and on awareness of reporting procedures on workplace issues in an effort to build trust in the organization's conflict mitigation procedures. These efforts should help to

mitigate the kinds of management related allegations referenced in paragraph 32 above.

44. The Committee was also briefed on the establishment of the Policy, Procedures and Guidance Framework (PPGF) which is intended to serve as a centralized policy portal for all UN-Women staff on internal directives. This tool is anticipated to improve business performance and strengthen compliance. It was conceived as one way to address issues of lack of coherence and awareness of policies, both issues which are identified in internal audit reports for the past year.

45. In its 2017 report, the Committee referenced the need for UN-Women to assess and implement its Second Line of Defence at headquarters and in the field. The Committee was briefed further by the Division of Management and Administration (DMA) on the establishment of the Virtual Global Service Centre (VGSC) adding new regional office capacity to existing headquarters for global preparation of all financial donor reports and provide support on project closure. DMA also provided the Committee with an analysis of the UN-Women Oversight Framework in a Three Lines of Defence model. The Committee commented on some needed changes to categorization of activities in the model, and the fact that both solid First and Second lines of defence are crucial for creating the desired corporate awareness of risk management and strengthening the monitoring capacity of the business process and policy owners.

46. The Committee advised UN-Women that one of its responsibilities under the Second Line of Defence was the conduct of partner audits, originally labelled national implementation modality or NIM audits. The audits are conducted for specific partner activities and are a management responsibility to conduct. The AAC requested follow up from UN-Women on how it would address findings in the most recent UNBoA report on weaknesses in oversight for these audits. UN-Women has noted for the Committee a new policy on use of implementing agency codes for all partner advances and liquidations. In addition, the DMA has developed new procedures for resolution of audit recommendations arising from project partner audits that should assist in more robust oversight of these activities.

47. The Committee looks forward to additional discussion and review of this overall categorization of responsibilities, and project partner audit management policies. It also notes that as part of its advisory services in 2018, the newly formed IEAS initiated assurance mapping of UN-Women to develop a baseline of information on parties responsible for assurance in the Entity. Both of these efforts will advance the cause of developing the Statement of Internal Control noted in paragraph 20.

## **H. Programming activities**

48. Consistent themes in internal audit reports and reports from the UNBoA reviews of country programmes are the need for improvements in selection and monitoring of partners. In the 2017 UNBoA report published in August 2018, improvements were noted in the liquidation of outstanding advances to partners and the substantial work performed on project closure, which allowed prior year recommendations on need for attention to closure to be assessed as implemented.

49. In 2018, the AAC was provided with analyses of the overall universe of UN-Women partners which revealed trends that may need addressing in future programming decisions, and in the overall corporate approach to risk management. It also reveals that despite emphases on Flagship Programming Initiatives (FPIs) initiated in 2015 to cluster country office programmes under overall thematic structures, UN-Women continues to have high levels of smaller programme efforts.



50. This high number of partners with respectively small audited values leads to relatively high transaction costs related to audit management and resolution of advances, in addition to the overall responsibility to monitor and manage for results. The Committee advises that UN-Women continue to examine how the FPIs can address this issue and achieve more economies of scale while still delivering the intended programming.

51. To address other efforts related to partner selection as well as capacity assessment and partner advances management, the Committee was informed that UN-Women is strengthening capacity through training on revised Programme Operations Manual (POM) requirements for partner management. In addition, the Committee was informed that measurements on project closure have been included in management dashboards which provide headquarters, regional and field offices with information on status of programme activities. The AAC encourages the robust use of these tools for accountability and follow up on a regular basis by relevant managers at all levels.

52. The Committee understands that one feature of the management dashboards is information from the Results Management system (RMS), which also provides information on monitoring of results. In its 2017 report, the Committee noted that this system was being more integrated with Enterprise Risk Management in that risk registers were being included in annual work planning processes. The AAC further understands that some work needs to be done to assure consistency between the ATLAS system and RMS. The Committee looks forward to future briefings on how all of these systems are utilized in systematic oversight and accountability of programmes at all levels of the organization.

## **I. Enterprise risk management**

53. UN-Women reported to the Committee in 2018 that risk awareness had increased significantly due to the establishment of online tools, and training for risk focal points, in addition to the use of risk registers in programme planning noted in paragraph 46 above. It was noted that the focal point for the PPGF cited in paragraph 44 above is also the ERM focal point, with a view towards reducing the risks inherent in conflicting policy and guidance documents.

54. Briefings were provided to the Committee on updated risk registers and the overall risk profile of the organization. In reviewing these materials, the Committee reiterated the importance that awareness training associates the risks with concrete examples so that risk management becomes a part of the remit of each manager, and that identified risk owners play an active role in communications about risk mitigation. It is also important that UN-Women has an identified Chief Risk Officer who is responsible for overseeing risk identification and mitigation activities.

55. As noted above, the Committee has noted the value of the ERM risk registers in informing the risk analysis of the IAS. At the same time, the advisory services work under way in IAS on assurance mapping and risk management, and suggested work by UN-Women on a Statement of Internal Control should assist in more robust risk identification and ownership of risk.

## **J. Funding framework and resource mobilization**

56. UN-Women undertook major efforts in 2018 to develop a comprehensive resource mobilization strategy and at the same time enhance its overall organizational ability to deliver on that strategy. In response to a 2017 audit of the Resource

Mobilization function which indicated a number of areas of needed improvement, UN-Women revised its overall strategy which was presented in an informal session of the Executive Board in June 2018. The Structured Dialogue on Financing presented a 2018–2021 Partnership strategy and other analyses which focused on awareness of the funding challenges faced by the Entity.

57. The AAC was briefed on the key messages contained in the strategy related to the growing imbalance in core and non-core resources received by UN-Women, and how this imbalance could lead to difficulties in delivery on non-core projects, the need for diversification in fund sources, the importance of partnerships with other agencies, and strong communications on results of UN-Women programmes. Uses of innovative social media and technology platforms, and increased use of national committees were among strategies discussed.

58. UN-Women started a skills mapping of its Resource Mobilization staff, and reviewed roles and responsibilities to best deliver its strategic results. New leadership has joined the Strategic Partnership Division, and recruitment is under way for a new Director of the Division.

59. The AAC advises that while the overall RM Strategy represents a strong response to issues in the audit and the need for more robust analyses, and plans for added resources, some key issues remain for UN-Women. It is important to communicate the strategy throughout the organization, so that there is buy-in not only for important roles outlined in the strategy, but for overall understanding of funding goals. It is also important to continue to focus on donor reporting, and delivery of the programme as key elements of maintaining and securing resources. The role of regions, and country offices in resource mobilization, and particularly the establishment of realistic targets and goals, continues to be an important consideration.

## **K. Financial statements**

60. The Committee receives regular updates from DMA on budget and financial issues, and particularly about improvements in financial reporting. The AAC has received positive feedback from the UNBoA on the cooperation received from the finance function and management in the process of reviewing the financial statements. The Committee reviewed the draft financial statements for the year ended 31 December 2017. The Committee commends UN-Women on receiving an unqualified audit opinion from the Board of Auditors for the seventh consecutive year since its inception in 2010.

## **L. Information and Communication Technology**

61. The Committee was briefed on UN-Women information and communication technology (ICT) issues in two of its session, which included a review of the draft ICT strategy developed for the Entity. The AAC notes that in linking its work to both the UN-Women strategic plan and to the SDGs, that the ICT is central to the overall success of the organization's programme operations, communication, and impact. The Committee was also briefed on ICT governance structures, which should provide UN-Women with a holistic approach to ICT planning and setting corporate priorities for ICT investments. At the same time, the AAC noted the array of IT systems and tools which have been developed and cautions that there are risks of overburdening staff with a variety of performance information tools, which are not well aligned with each other. The AAC will be interested in more information about how some systems might be more integrated for better accountability, as well as future plans for ERP systems.

### **III. Final considerations**

62. The Committee has reviewed the Report on internal audit and investigation activities for the period from 1 January to 31 December 2018 to be submitted to the Executive Board at its annual session and has taken note of the significant internal audit results identified, as well as of investigative findings contained in it.

63. The Committee expresses its support for the continued strengthening of governance, risk management, internal controls and accountability at UN-Women. However, the Committee continues to be concerned that the current funding situation of UN-Women may affect its ability to adequately resource key accountability functions and activities such as internal audit, investigations as well as enterprise risk management, and monitoring and oversight, which include functions in the Second Line of Defence in Headquarters and the field.

64. The Committee supports the continued collaboration of UN-Women with partners within and outside the United Nations in achieving its strategic objectives in advancing gender equality and promoting the empowerment of women and girls.

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