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Open agreed internal audit actions older than 18 months as at 31 December 2024

Addendum to the UNICEF Office of Internal Audit and Investigations 2024 annual report to the Executive Board

Summary

This document presents an addendum to the UNICEF Office of Internal Audit and Investigations 2024 annual report to the Executive Board ([E/ICEF/2025/AB/L.3](#)) and should be considered as part of that document.

This addendum provides information on the status of the 27 internal audit agreed actions that were older than 18 months as at 31 December 2024.

* [E/ICEF/2025/11](#).



Open agreed internal audit actions older than 18 months as at 31 December 2024

A. Audit report title: Enterprise risk management

Published: August 2022. Eight agreed actions aged 28 months as at 31 December 2024.

<i>Agreed action and risk prioritization</i>	<i>Current status (as of March 2025)</i>
<p>1. Governance structure [high priority]: Management agreed to clarify and communicate the roles, responsibilities and accountabilities for enterprise risk management governance and oversight, including those of the Executive Board, the Executive Director, the Office of the Executive Director and the Global Management Team, as well as the composition and roles and responsibilities of the Senior Management Risk Committee. Policies to be updated accordingly.</p>	<p>The Senior Management Risk Committee was reoriented and reconstituted, with broader cross-disciplinary participation of senior management and chairpersonship by a Deputy Executive Director on a rotational basis. Enterprise risk management has been added as a regular agenda item at the Executive Board sessions. Full closure of the agreed action is pending completion of the update on the risk policy, which has started later than planned due to changes in the update process for policies and the parallel update of the emergency procedures, which have linkages with the risk policy. The adjusted implementation date is 31 December 2025.</p>
<p>2. Risk culture [medium priority] Management agreed to ensure that the “tone from the top” of UNICEF demonstrates the importance of responsible risk management by all staff, including strategy and policy approval; to revise the UNICEF Competency Framework to encourage smart risk management; to establish an internal communication plan; and to revise the enterprise risk management strategy, develop an implementation plan and share good practices for achieving the desired risk culture.</p>	<p>Progress has included risk management being highlighted at Global Leadership Meetings and townhall meetings for all staff. The Chief Risk Officer is a standing member of risk-related director-level governance meetings and the Senior Leaders’ Orientation. A broader communication strategy and plan will be developed by March 2025, targeting the different types of cultures and risk attitudes within the organization, across country typologies. Implementation is ongoing and the revised date for full completion is 31 December 2025.</p>
<p>3. Risk appetite [high priority] Management agreed to finalize the risk appetite statement, its communication and operationalization, and adequate training.</p>	<p>The new enterprise risk management strategy includes an initial organization-wide risk appetite statement that will be further refined, operationalized and shared as part of the enterprise risk management policy update. The revised implementation date is 31 March 2025 for finalization of the risk appetite statement, and communication, operationalization and adequate training by 31 December 2025.</p>
<p>4. Development of an enterprise risk management vision [high priority] Management agreed to develop a long-term enterprise risk management vision for endorsement by the Senior Management Risk Committee and the Executive Director, to update the strategy and the policy accordingly and to review them regularly.</p>	<p>The vision and strategy have been approved. The enterprise risk management policy will be updated in 2025, in line with the new vision.</p>
<p>5. Organizational structure and resources [high priority] Management agreed to support the recruitment of a Chief Risk Officer; reposition the enterprise risk management secretariat for functional independence and authority; assess the resources required to support delivery of the vision; and define roles, responsibilities and accountabilities across UNICEF offices.</p>	<p>The Chief Risk Officer was recruited, and the enterprise risk management secretariat repositioned for reporting independence. A structural resource request was developed based on benchmarking with other United Nations organizations and will be discussed in mid-2025.</p>
<p>6. Risk capabilities [medium priority] Management agreed to perform a training needs analysis, to develop a training programme and to establish a community of practice to support delivery of the enterprise risk management strategy.</p>	<p>The new strategy outlines a training programme. Also planned is a dedicated enterprise risk management intranet page as a common knowledge repository, as well as a community of practice. The revised implementation date is 30 June 2025.</p>

7. Risk monitoring and reporting [medium priority]

Management agreed to support the Senior Management Risk Committee in the review and monitoring of the top and emerging risks for UNICEF and associated mitigating actions, and to develop risk management information and reporting tools to address the risk management information needs of stakeholders.

A top risk survey was conducted for discussion by the Senior Management Risk Committee and the Executive Board will receive a report on the top risks at the 2025 annual session. Stakeholder needs for risk reporting – and escalation – are being assessed and progress has been made in embedding risk consideration in management meetings. The revised implementation date is 31 December 2025.

8. Risk management systems and processes [medium priority]

Management agreed to assess whether the enterprise, governance and risk management platform is the appropriate tool to meet the organization's enterprise risk management needs, taking into account the lessons learned, cost-benefit considerations and integration options.

A mapping of different tools was conducted, and a workshop was held to understand the synergies between enterprise risk management and emergency preparedness. Use of the enterprise, governance and risk management platform has been made optional, with simpler alternatives being piloted. The revised implementation date is 31 December 2025.

B. Audit report title: Education Cannot Wait

Published: November 2022. Four agreed actions aged 25 months as at 31 December 2024.

*Agreed action and risk prioritization**Current status (as of March 2025)***9. Governance structure [medium priority]**

The Education Cannot Wait High-Level Steering Group agreed to strengthen the organization's governance structure by reviewing the size and composition of all of its committees, with a view to ensuring balanced representation and defined term limits. It also agreed to adopt a performance review process for the Steering Group and the Executive Committee, based on indicators approved by the Steering Group.

The update of Education Cannot Wait governance documents has awaited the formalization of UNICEF hosting arrangements. The draft hosting arrangements were issued in June 2024 and are being finalized. The revision of the Education Cannot Wait operations manual, which is dependent on finalization of the hosting arrangements, has been delayed. The revised implementation date is 30 April 2025.

10. Regulatory framework [medium priority]

The High-Level Steering Group agreed to ensure that the UNICEF hosting arrangement is reviewed after approval of the strategic plan, while also considering the maturity level of the fund and the partnership. It also agreed to define the roles, responsibilities, accountabilities and obligations of UNICEF and Education Cannot Wait in the operations manual; and to develop guidance on whistleblower protections, a policy on the misuse of funds and prioritization of the missing elements of its ethical framework.

The update of the Education Cannot Wait governance documents has awaited the formalization of UNICEF hosting arrangements. The draft hosting arrangements were issued in June 2024 and are being finalized. The revision of the Education Cannot Wait operations manual, which is dependent on finalization of the hosting arrangements, has been delayed. The revised implementation date is 30 April 2025.

11. Staff management [medium priority]

The Education Cannot Wait secretariat agreed to work with UNICEF on equity terms and conditions for staff transfer or secondment; develop a gender strategy; and to articulate and include in the hosting agreement procedures on assessing Education Cannot Wait executive performance, disciplinary action and staff protection and rights.

The update of the Education Cannot Wait governance documents has awaited the formalization of UNICEF hosting arrangements, which were issued in draft in June 2024 and are being finalized. The revision of the Education Cannot Wait operations manual, which is dependent on finalization of the hosting arrangements, has been delayed. The revised implementation date is 30 April 2025.

12. Grants and grantees [medium priority]

The Education Cannot Wait Steering Group, through the Education Cannot Wait secretariat, agreed to strengthen its grantee base and grant management by identifying mechanisms and monitoring agreed criteria to diversify the grantee base to increase participation of local grantees; transparently allocating grants, with appropriate monitoring mechanisms; developing a road map for increased coordination with the Global Partnership for Education and other major education funds at national and international levels; and including clear criteria and objective monitoring mechanisms in the Education Cannot Wait framework.

An approach to improve local and national grantee participation is under implementation. The Executive Committee-approved acceleration facility strategy is under implementation. The collaboration note between Education Cannot Wait and the Global Partnership for Education is being finalized. The revised monitoring framework has been implemented. The revised date for implementation is 30 April 2025.

C. Audit report title: Sanitation and Water for All

Published: November 2022. Nine agreed actions aged 25 months as at 31 December 2024.

<i>Agreed action and risk prioritization</i>	<i>Current status (as of March 2025)</i>
<p>13. Governance structures [medium priority]</p> <p>The Sanitation and Water for All partnership agreed to strengthen its governance structures by establishing an objective process for periodically assessing the effectiveness of all key governance structures, for review by the Steering Committee, and obtaining formal approval from UNICEF on all hosting arrangement agenda items.</p>	<p>Sanitation and Water for All reported that the delay in implementation of the recommendations relate primarily to the organization's governance structures. In January 2024, the UNICEF Office of Internal Audit and Investigations (OIAI) and Sanitation and Water for All agreed to postpone the implementation plan until the hosting arrangement was finalized. This arrangement, received in July 2024, was approved in September 2024. Concurrently, UNICEF began a governance review of all hosted funds, including Sanitation and Water for All. The Sanitation and Water for All Steering Committee requested updates to the governance document to include the UNICEF review outcomes, the new hosting arrangement, OIAI recommendations and findings from the midterm assessment of Sanitation and Water for All Strategic Framework 2020–2023. As the UNICEF review was ongoing at the time of drafting this document, the governance document has not yet been updated.</p> <p>A transition in the leadership of the Sanitation and Water for All partnership also contributed to the delay in the implementation of the agreed actions.</p>
<p>14. Regulatory framework [medium priority]</p> <p>Management agreed to ensure that all accountability, responsibilities and reporting mechanisms of UNICEF hosting arrangements are reflected in the Sanitation and Water for All governance document once the UNICEF hosting arrangement and memorandum of understanding are in place.</p>	<p>Same as above.</p>
<p>15. Staff management [medium priority]</p> <p>Sanitation and Water for All agreed to review and strengthen its staff management by conducting a staffing affordability analysis; adhering to UNICEF post management procedures, regularizing staff agreements with partners; obtaining UNICEF approval for changes in staff duty stations and transnational teleworking; and including appointment of the Chief Executive Officer for the Sanitation and Water for All secretariat, reporting and management guidelines in the Sanitation and Water for All governance document.</p>	<p>Same as above.</p>
<p>16. Related party transactions [medium priority]</p> <p>Sanitation and Water for All agreed to regularly review its financial ability to implement its activities without in-kind support from UNICEF and other partners and to establish mechanisms to recognize and quantify the in-kind contributions of UNICEF and other partners to the organization's results.</p>	<p>Same as above.</p>
<p>17. Grantees management [high priority]</p> <p>The Sanitation and Water for All secretariat agreed to review all agreements with partners and grantees and ensure that the related contracting documents reflect the programmatic substance of the relationship between the Sanitation and Water for All secretariat, the partners and grantees, and also reflect that payments can be tied to delivery/performance. The secretariat also agreed to establish transparent processes for the declaration, management and reporting of any potential conflicts of interest in the identification of grantees and partners.</p>	<p>Same as above.</p>

18. Results framework [high priority]

The Sanitation and Water for All secretariat agreed to ensure that the partnership's value proposition, when compared to the contributions of other water and sanitation partners, is distinguishable; and agreed to ensure that the results framework includes agreed indicators and means of verification. The secretariat further agreed to establish milestones for the steering committee's periodic assessment of the Sanitation and Water for All contribution towards its outcomes, vision and cost efficiencies.

Same as above.

19. Consultants and contractors [medium priority]

The Sanitation and Water for All secretariat agreed to include specific, measurable, achievable, realistic and time-bound key performance indicators in contracts for consultants and individual contractors and to use these indicators to evaluate contractor performance.

Same as above.

20. Risk management [high priority]

The Sanitation and Water for All secretariat agreed to enhance its risk management processes by reviewing its risk identification, assessment and management actions to ensure they are holistic and proportionate to the level of risk; and to include risk management in the agendas of standing meetings of its governance bodies.

Same as above.

21. Medium priority: Ethics and culture [medium priority]

The Sanitation and Water for All secretariat agreed to monitor actions on the prevention of sexual exploitation and abuse and safeguarding and conflicts of interest, and to include whistle-blower protection in its ethics framework.

Same as above.

D. Audit report title: Education Outcomes Fund

Published: December 2022. One agreed action aged 24 months as at 31 December 2024.

<i>Agreed action and risk prioritization</i>	<i>Current status (as of March 2025)</i>
22. Regulatory framework [medium priority] As soon as a hosting agreement between UNICEF and the Education Outcomes Fund is finalized and approved, the high-level steering group, through the Education Outcomes Fund secretariat, should ensure that the roles, responsibilities, accountabilities and obligations of UNICEF and the Education Outcomes Fund are clearly defined and reflected in the Education Outcomes Fund charter and other relevant governance documents.	The hosting arrangement was finalized by UNICEF and signed by the Education Outcomes Fund in July 2024. Since then, the Education Outcomes Fund has reviewed and updated the governance structure, including finalizing the terms of reference for the Board and Global Leadership Council in December 2024. The charter of the Education Outcomes Fund is being revised and is expected to be finalized by the first quarter of 2025. Consultations with Education Outcomes Fund board members and other stakeholders have been integral to this process.

E. Audit report title: Performance management and career development

Published: April 2023. Five agreed actions aged 20 months as at 31 December 2024.

<i>Agreed action and risk prioritization</i>	<i>Current status (as of March 2025)</i>
23. Strategy implementation [high priority] Management agreed to develop a detailed plan of action for implementation of the new vision and strategy for performance management and career development, with clear accountabilities and realistic timelines, resource analysis, a communication strategy, periodic risk analysis, and factoring in interdependencies with the wider transformation of the Division of Human Resources; and to establish an approved annual workplan.	Action was taken to develop a performance management vision implementation plan, RACI (responsible, accountable, consulted and informed) framework for performance management, key performance indicators, roles and responsibilities, programme budget review submission and a 2024 workplan. An organizational culture change expert was engaged. The risk analysis and process for ensuring integration with other elements of the broader talent management framework are under way. The revised date for full implementation is 31 March 2026.

24. Accountabilities and oversight [high priority]

Management agreed to develop and implement a capacity-building programme for all people managers and senior leaders; ensure there are consequences for managers who do not effectively manage staff performance; review the minimum requirements for monitoring of performance management and spreading good practices; and clarify the roles and responsibilities of the Performance Management and Career Development section, human resources business partners and regional office human resources; and digitize offline staff performance-related data sets for analysis and monitoring.

Action was taken to develop a RACI framework, roles and responsibilities, and a new performance management communication site and related guidance. The revised date for full implementation is 30 June 2025.

25. Identifying and managing underperformance [high priority]

Management agreed to develop guidance for the weighting of people management skills and technical competencies to ensure that staff at management level have the appropriate mix of people management skills and technical competencies; to explore the possibility of introducing a probationary period for new hires; and to digitize performance improvement plan data to facilitate monitoring, analysis and decision-making related to underperformance.

The UNICEF procedure on staff selection was updated. Probation was embedded in the policies related to appointments and people management. The Achieve performance management system was also reconfigured to include performance improvement plan case functionality, with global monitoring and quarterly reports. The revised date for full implementation is 31 December 2025.

26. Performance management process [medium priority]

Management agreed to enhance communication of guidance and learning materials available to employees to support the performance management process; define an approach for development by all offices of a competency framework that reflects all relevant functional skills and knowledge, as well as UNICEF core competencies; implement a simple 360-degree feedback approach for all staff with supervisory responsibilities; and determine the methodology and criteria for assessing the results of the 2022 rating pilots and decide whether or not to retain a performance rating system.

The Performance Management and Recognition team developed several new and updated guidelines and launched a new SharePoint site in December 2024. The Performance Management and Recognition team has leveraged the findings of the evaluation of the UNICEF performance management system, conducted by PwC (contracted by the UNICEF Evaluation Office), which indicated a preference among UNICEF staff to move to a “no rating” system. The revised date for full implementation is 30 June 2025.

27. Achieve tool [medium priority]

Management agreed to assess whether Achieve is the appropriate tool to meet the needs of UNICEF, considering costs and benefits, integration within the broader talent management framework and lessons learned; and to develop a business case for an integrated talent management system, as necessary. Management also agreed to develop procedures for data clean up, considering digital data feeds into Achieve for enhanced data analysis, and to review the need for oversight by the Division of Human Resources.

The revised date for implementation of this agreed action is 31 March 2026.