



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

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Item 4 of the provisional agenda

**Audit and investigation matters**

## Report of the Advisory Committee on Oversight for the period from 1 January to 31 December 2024

### *Summary*

This annual report outlines the activities of the Advisory Committee on Oversight (ACO) from 1 January to 31 December 2024, and presents the findings made to UN-Women in two key areas of review: (1) oversight functions and (2) governance, risk management and internal controls systems.

The ACO recognizes UN-Women's commitment to organizational excellence and business transformation as fundamental to achieving its overall goals. The senior leadership has identified three strategic priorities through the end of 2025: developing the new Strategic Plan 2026–29, implementing change management under the “Pivot to the Regions and Countries” initiative, and preparing for Beijing +30. In parallel, UN-Women must continue its ongoing operations, creating a demanding agenda over the next year, further intensified by global political pressures and resources challenges. A strong senior leadership and well-co-ordinated roadmap with clearly defined milestones are crucial to ensuring alignment across the multiple demands of these initiatives, while maintaining a robust corporate governance framework, resource efficiency, and effective control mechanisms.



## **I. Introduction**

1. In accordance with item 32 of the Advisory Committee on Oversight's (ACO) terms of reference, the thirteenth report of the ACO 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 of the ACO in 2024, including the topics reviewed, as well as the observations and recommendations to UN-Women regarding its governance, accountability and control systems. This report is made available to the Executive Board, and the Chair presents it to the Board upon request.

2. In October 2023, the Under-Secretary-General/Executive Director approved the updated terms of reference for the ACO, which are available here: [www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/About%20Us/Accountability/UN-Women-Advisory-Committee-on-Oversight-Terms-of-reference-en.pdf](http://www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/About%20Us/Accountability/UN-Women-Advisory-Committee-on-Oversight-Terms-of-reference-en.pdf). The terms of reference outline the purpose of the ACO, which is to assist the Executive Director of UN-Women in fulfilling her oversight responsibilities in accordance with relevant best practices in governance, internal control, and risk management. The Committee has an advisory role and is not a governance body.

3. The members of the ACO are listed in the Annex of this report. As a body, the ACO membership represents expertise in financial reporting and programme matters, accounting, governance, internal audit and investigation, evaluation, external audit, internal control, and risk management practices and principles, as well as United Nations intergovernmental and normative work and processes. Members are independent of and external to UN-Women. Additionally, Committee members complete an annual confirmation of independence for the Under-Secretary-General that ensures transparency, without compromising any interests.

## **II. Advisory Committee on Oversight activities as of 31 December 2024**

4. In 2024, the ACO convened three in-person full committee meetings, including one held as part of a field mission to the Eastern and Southern Africa Regional Office (ESARO) and Kenya Country Office (KCO). In addition, the Committee conducted sessions on specific topics, such as a review of UN-Women's 2023 financial statements prior to their submission to the Executive Director, and a review of the Internal Audit and Independent Evaluation risk assessments and plans for 2025. The schedule of the ACO's meetings in 2024 is attached as an Annex to this report.

5. Participants from UN-Women in full Committee meetings included the Under-Secretary-General/Executive Director, the two newly appointed Deputy Executive Directors (DEDs), the Chief of Staff, and relevant senior management representatives responsible for programmes, operations and internal oversight matters. As needed, the Committee also held private sessions with the UN Board of Auditors (UNBoA), the Director of Independent Evaluation, Audit and Investigation Services (IEAIS), and the Ethics Advisor, without management present.

6. In addition, the ACO met with Director of the Investigation Division of the Office of Investigation and Oversight Services of United Nations (UN-OIOS), which has been providing investigation services to UN-Women under a Memorandum of Understanding since 2018.

7. The Chair of the ACO attended the Executive Board's annual session in June 2024 to present the ACO's 2023 Annual Report. The ACO Chair also participated in the Ninth meeting of the Representatives of the UN System Oversight Advisory Committee in

December 2024. Furthermore, the ACO Vice-Chair contributed to a panel discussion at the annual meeting of UN Representatives of Internal Audit Services (UN-RIAS) in September 2024 sharing best practices on internal audit and oversight-related matters.

8. After each formal meeting, the ACO prepared summary advice for the Executive Director and the two DEDs. Follow-up actions resulting from these discussions were circulated to relevant managers through the ACO Secretariat.

### **III. Advisory Committee Review and Advice: Oversight Functions**

9. This section of the report covers the ACO's review of and advice on the various oversight functions relating to UN-Women.

10. Observations related to Independent Evaluation, Audit and Investigation Services (IEAIS):

(a) The Independent Evaluation, Internal Audit and Investigation functions operate under the oversight of the Director, IEAIS. The Internal Investigation Function (IIF), is newly established in 2024 to enhance the sustainability and effectiveness of UN-Women's investigation services, complementing the work of UN-OIOS.

(b) IEAIS conducts advisory assignments and assessments on new programmatic efforts and major initiatives, leveraging audit and evaluation expertise. This advisory work has helped to enhance UN-Women's internal governance, risk management and programmatic decision-making while maintaining independence. IEAIS also supports UN-Women's Anti-Fraud program through reviews and lessons-learned on fraud and misconduct related risks.

(c) The Director, IEAIS and her staff participate as active observers in the internal governance and decision-making bodies, including the Business Review Committee, the project implementation committee for Quantum and Pivot to the Regions and Countries, (in previous documentation called the "Pivot to the Field", referred to in this document as "the Pivot") and the Global Management Team meetings. Audit, evaluation and investigation findings are discussed regularly with senior management.

(d) In addition, the Director, IEAIS engaged bi-laterally with the Executive Director, as well as other senior leadership as needed to discuss significant themes and implications arising from IEAIS findings, reinforcing both management support to and the independence of the IEAIS function.

(e) The ACO recognises the benefits of co-locating Internal Audit Service (IAS) and Independent Evaluation Service (IES) within UN-Women. While these services remain distinct and operate independently with separate staffing and budget structures, they collaborate by jointly conducting evaluations and audits of key Country Offices, and exchanging insights on corporate views.

(f) The Committee affirms that IEAIS operates independently, ensuring robust oversight of governance, risk management and the control environment within UN-Women.

#### **A. Internal Audit: Internal Audit Service (IAS)**

11. The ACO engaged with IAS throughout the year by reviewing its workplan and progress of the plan as well as any impediments in its work during the year.

12. The ACO has reviewed the Report on Internal Audit and Investigation activities for the period from 1 January to 31 December 2024 to be submitted to the Executive Board at its annual session and has taken note of the significant findings contained in it as well as the results of investigation activities.

13. Common themes for UN-Women's consideration continue to emerge from IAS's work, including assurance reports covering country and regional offices, headquarters operations, and advisory assessments on specific topics. The key themes and observations, along with insights from other oversight functions will be addressed in Section IV of this Report.

14. The ACO notes that the IAS has consulted with the UNBoA and IES and has taken into account UN Joint Inspection Unit's workplan when planning and coordinating its audit activities. This approach aims to reduce duplication of efforts and increase the audit coverage and overall assurance available to UN-Women.

15. IAS continues to strengthen its Quality Assurance and Improvement Program as mandated by internal professional standards. This is achieved through survey feedback from key stakeholders, implementation of recommendations from 2023 External Quality Assessment and ongoing professional development and education for IAS staff.

16. Observations:

(a) The Chief IAS position has been vacant since August 2024, and a replacement has recently been identified to fill the vacancy as of May 2025. In the interim, the Director, IEAIS has been double-hatting the role of Chief IAS. This leadership gap has placed additional strain on the IAS team, resulting in delays in completing some planned assignments by year end.

(b) The ACO noted a marked reduction in long-outstanding internal audit recommendations, with 19 items (including 8 high priority) remaining unresolved as of 31 December 2024, compared to 52 recommendations (including 45 high priority) reported in February 2024. The ACO recognizes the organization's efforts in tracking the implementation of audit recommendations through the Quarterly Business Review as well as IAS's significant follow-up efforts in reviewing the outstanding audit recommendations for continued relevance. However, the ACO continues to emphasize the importance of strengthening second-line functions and management oversight to ensure clear ownership and timely resolution of audit recommendations. In particular, the remaining high-priority audit issues related to cybersecurity, data governance and third-party outsourcing should be promptly resolved.

## **B. Evaluation function: Independent Evaluation Service (IES)**

17. The ACO engaged with IES throughout the year, reviewing progress on its plans for 2024 and the evaluation results and findings.

18. The ACO received updates on IES's activities, including its role in strategic and decentralised evaluations, participation in evaluation planning and priority-setting, and support for gender-responsive evaluations within the UN system.

19. Observations:

(a) The ACO welcomes IES's focus on leveraging evaluation findings to inform UN-Women's corporate planning and decision-making processes. Throughout 2024, IES had regular communication with Senior Management and the Business Review Committee while actively contributing to technical reviews and transformation processes at both regional and global levels. The collaboration between IES and the

Strategic Planning Unit in the Strategy, Planning, Resources and Effectiveness Division (SPRED) has helped incorporate evaluations into UN-Women's multi-year strategic planning at country, regional and headquarters levels through the development of Strategic Notes as well as in the preparation of the Strategic Plan 2026–2029. The participation of the Director, IEAIS in Global Management Team discussions on the next UN-Women Strategic Plan, as well as IES membership in the Strategic Plan Integrated Results and Resources Framework work-stream has further reinforced this connection. Additionally, IES's recent synthesis of UN-Women's performance against the current strategic plan, drawing on insights from various evaluation types, will lend further support to this strategic alignment.

(b) In 2024, IES continued its efforts to conduct independent strategic evaluations designed to assess the broader impact of UN-Women's work and support future planning and strategy development. In this regard, IES undertook eight corporate evaluations and studies to evaluate the UN-Women's impact on promoting gender equality and women's empowerment. Of these, two corporate evaluations have been completed: one on UN-Women's support to women's political participation, drawing on insights from the field, and another - a global feminist evaluation of UN-Women's approach to social norms change. Furthermore, a joint synthesis report on Sustainable Development Goal 5, conducted collaboratively with UNICEF, UNDP, UNFPA and WFP, and a rapid formative assessment of Gender Equality Accelerators (GEA) provided evidence to support future planning.

(c) In addition to corporate evaluations, IES also led strategic 'decentralized' evaluations (regional, thematic, and country portfolio evaluations). In 2024 IES conducted eighteen country and regional portfolio evaluations, completing six. There is growing emphasis and IES-led efforts on synthesizing lessons from these decentralized evaluations to gain insights beyond individual programs and projects. However, it is recognized that further efforts are needed to ensure evaluations are strategic and cohesive, rather than fragmented and project-based.

(d) With the increasing demand for decentralised evaluations, the ACO highlights the importance of strengthening UN-Women's evaluation capacity and ensuring the effective use of evaluation findings and recommendations at the regional and country levels. In this respect, IES continues to develop staff capacity and a culture of evaluation through training and coaching.

(e) The ACO welcomes IES's mid-year meetings with Regional Directors, to address issues on enhancing evaluation use and improving the tracking of management response and follow-ups. To effectively convey UN-Women's 'performance story,' sustained efforts are needed to strengthen its ability to measure, utilise, and report on results efficiently and cost-effectively.

(f) The ACO acknowledges the IES's ongoing efforts to promote gender-responsive evaluations across the UN system through its leadership in UNEG working groups, co-chair support for the EvalGender+ initiative, contributions to UN system-wide frameworks for United Nations Sustainable Development Cooperation Framework (UNSDCF) evaluations, and advocacy to promote gender-responsive evaluation in the UN System. In 2024, IES supported several UNSDCF evaluations across all regions, and contributed to national evaluation capacity through the Global Evaluation Initiative (GEI). This is crucial to enabling equality focused and gender responsive country-led evaluations in achieving the Sustainable Development Goals in the UN's Agenda 2030.

(g) Amid growing uncertainty driven by funding challenges, global fiscal constraints, political dynamics, and ongoing transformation, it is essential to review multi-year plans annually to ensure alignment with the highest priorities and

stakeholder needs. The ACO commends IES's agility in this regard, demonstrated through its rapid formative assessment of UN-Women's Gender Equality Accelerators (GEA), providing senior management with timely and relevant information regarding GEA's integration into the 2026–2029 Strategic Plan currently under development.

### **C. Investigation Function**

20. The ACO received updates on investigation activities and outcomes from the Director, IEAIS. During 2024 there were no significant high-profile investigations in UN-Women.

21. Under the updated 2024 Memorandum of Understanding (MOU) with UN-OIOS, the Director, IEAIS acts as the designated liaison for coordination with UN-OIOS. The Director, IEAIS is authorised to assist or conduct investigations, coordinate information requests or referrals, follow up on reports and lessons learned and promote fraud awareness.

22. In August 2024 the IEAIS Charter was approved, granting IEAIS the mandate to conduct investigations. An Internal Investigation Function (IIF) was established with two temporary investigators funded from UN-Women's unallocated cash balance. The IIF has the authority to initiate and conduct investigations into matters referred to it by UN-OIOS. UN-OIOS remains the external investigation service provider, handling reports of misconduct and maintaining a reporting mechanism for complainants.

23. The hybrid investigation model aims to build an operational framework that will eventually allow UN-Women to fully internalize its investigation services, aligning it with the existing structures of other UN entities (e.g. UNFPA, UNDP, UNICEF, UNOPS).

24. Observations:

(a) The ACO supports the internalization of the investigation services, recognising its potential to enhance the timeliness, quality and accountability for investigations.

(b) The hybrid investigation model reflects senior management's commitment to integrity and the development of a sustainable investigation capacity. With demand for investigative services expected to grow under this model - and the long-term goal of fully internalizing the function - it is essential to secure sufficient, ongoing funding and resources to ensure its sustainability.

(c) The ACO notes that the current funding for the hybrid investigation model is limited to a two-year period ending 2025. It is critical to ensure that current funding of IIF is covered by the Institutional Budget 2026–27. In addition, management should consider reallocating UN-Women's resources which are currently funding two investigators in UN-OIOS, to support the eventual full internalization of the independent investigation function.

### **D. Ethics Function**

25. The ACO notes the growing impact of the in-house Ethics Advisor function since its inception in April 2023, and is of the view that a dedicated Ethics Advisory function is essential to embedding ethical values, mitigating risks, and supporting UN-Women's mandate.

26. The Ethics Advisor has taken important steps to promote awareness and adherence to ethical standards through training, clear service channels, and oversight of the Financial Disclosure program. In 2024, requests for ethics services surged by 85% to

approximately 548, reflecting increased engagement across various areas, including general ethics advice, questions on protection against retaliation, requests for outreach and training, advice on standard-setting, policy support, and inquiries related to the Financial Disclosure Program. The Ethics Office's outreach efforts, particularly in the field, have played a key role in strengthening UN-Women's ethical culture.

27. The Ethics Office has made progress in updating key ethics policies, including the issuance of the Protection Against Retaliation Policy in February 2024, which is now publicly available. Additionally, the Outside Activities Policy and the Outside Activities Approval Procedure were released in March 2024. These policies form a crucial part of the ethics framework, ensuring clear standards and guidance for employees in line with industry best practices.

28. Observations:

(a) The ACO remains concerned about the adequacy and sustainability of funding for the Ethics Office. For most of 2024, the office operated with only one staff member and has recently hired a temporary Ethics Analyst, whose contract expires in September 2025. Additionally, the lack of a dedicated travel budget continues to hinder essential field training and orientation activities, leaving the office reliant on ad hoc funding of outreach travel.

(b) The ACO emphasizes that a well-resourced ethics function is critical for effective risk management. The ACO urges UN-Women to prioritize adequate and dedicated budgetary resources to maintain and build on Ethics Office's progress.

## **E. Board of Auditors**

29. The ACO met both the outgoing UN Board of Auditors (UNBoA) from Chile and the incoming team from Brazil in a private session at its July 2024 meeting when it reviewed the UNBoA Report for financial year 2023. The UNBoA briefed the ACO on the management letter issued for the financial year 2023 and the implementation status of past audit recommendations.

30. Observations:

(a) The 2023 UNBoA Report identified 3 key findings related to weaknesses in budget management, programme management private sector partnership, and access rights in the Quantum system. The UNBoA reported good progress in implementation of UNBoA audit recommendations, achieving 92% implementation rate for prior-year's recommendations.

(b) The ACO notes that the UN-Women received the thirteenth consecutive unqualified audit opinion from the UNBoA on its 2023 financial statement.

## **IV. Advisory Committee Review and Advice: Internal Governance, Risk Management and Control Systems; Operational and Programme Management**

31. This section of the report will provide a summary of the ACO's advice to the Executive Director on good practices regarding UN-Women's accountability framework and systems, including governance, risk and financial management.

## **A. Financial Resources**

32. The ACO has consistently highlighted the shortfalls in regular resources (core and institutional budget) which no longer represent the majority of the Entity's funding since 2014. The increasing reliance on non-core has diminished the proportion of total resources to corporate functions, both in the field and at headquarters.

33. While the UN-Women has successfully attracted non-core resources in recent years, these resources have introduced risks and have not provided a stable source of baseline resources needed for robust internal governance structures and second line of defence functions. To address this, the ACO previously noted the potential of direct project costing from non-core resources to support corporate functions. In this regard, the ACO welcomed progress made on direct project costing and looks forward to its consistent application.

34. The ACO also acknowledges the Entity's strong donor reporting performance, with 1,100 donor reports issued in a timely manner, despite the transition to Quantum, which is a critical factor in sustaining non-core funding. Additionally, the ACO takes note of the UNBoA's recommendations to reassess the core programmable allocation formula which has remained unchanged since its adoption from UNIFEM over 20 years ago, and to review the LEADS system to strengthen management of the pipeline of non-core resource mobilization.

35. The ACO is cognizant of the ongoing challenges in mobilizing both core and non-core resources. While the 2024 financial situation remained manageable, the outlook for 2025 and beyond is uncertain. The ACO believes that UN-Women is at an inflection point in shaping its financial structure to ensure sustainable financing for its triple mandate. With rapid growth in non-core resources, planned field deployment, and an increasingly complex geopolitical landscape, there is a need for fresh thinking and innovative approaches to resource mobilization.

36. The ACO welcomes the consideration of new strategies, such as forming partnerships with the private sector and multilateral development banks, strengthening ties with non-traditional donors, and expanding individual giving. It also emphasizes the importance of maintaining a sufficient core funding base and encourages the further development of benchmark financial targets (e.g., defining what constitutes a well-resourced UN-Women) and innovative thinking on a sustainable financial structure.

## **B. Change Management and Restructuring**

37. Change management in UN-Women has been studied and discussed for several years. The ACO is pleased to see tangible progress, with a defined path and milestones now established for the Pivot exercise. It is also encouraging that this process is being approached as an opportunity to evaluate both structure and delivery, ensuring changes contribute to a more optimal organisational architecture for UN-Women. The active engagement of senior leadership, a dedicated internal change management capacity, supported by two external consultancies and a HR Pivot focal point, have likely been key in driving this progress forward.

38. The ACO has been informed that most relocations will start during 2025 and continue until the end of 2026. As with any major transition, uncertainty can impact staff morale and productivity. Drawing from best practices and lessons learned from other agencies that have decentralized, the success of the Pivot exercise will depend on clear, consistent communication from leadership at all levels. The ACO acknowledges the steps already taken to ensure robust communication on the Pivot exercise, through management meetings, the PPTF working group, staff-wide town halls, regular digital updates. UN-Women must continue to maintain effective communication and take a



holistic approach – ensuring transparency, engagement, and use of informal and independent dispute resolution channels.

39. The ACO emphasizes the importance of a strong and visible HR function that delivers a clear HR strategy and action plan with specific timelines, regular status updates, and transparent communication regarding the implications of the Pivot exercise for impacted staff. The ACO notes that several HR-related initiatives within the Pivot project plan were in progress at the time of our review. We have been informed that key HR initiatives, including the Support Strategy for the exercise, are now in place. The ACO will review the implementation of the initiatives during 2025, as well as the measures taken to strengthen the HR function.

40. As the Pivot enters an active phase in 2025, close monitoring will be essential to identify potential challenges early, safeguard business continuity and address staff concerns at key milestones. Additionally, a comprehensive approach to evaluation of the Pivot's outcomes will be necessary to assess its impact on operational efficiency and effectiveness, as well as any unintended effects on performance, clients or staff that require attention.

41. The ACO also supports IAS's plan to conduct a post implementation review of the Pivot in 2026 to assess if the project has achieved the intended benefits/objectives.

### **C. Human Resources**

42. During the reporting period, the ACO received a detailed briefing on the HR function, including the key challenges and opportunities within UN-Women workforce. The ACO was informed of the real-time personnel dashboard, which highlighted that affiliate personnel continued to outnumber staff, with affiliates comprising approximately 65% of the workforce as of October 2024. The consistent use of affiliate contracts for staff functions remains a concern.

43. While workforce growth over the past 9 years reflects the attractiveness of UN-Women's mandate, the disproportionate reliance on affiliate personnel poses risks. High turnover and instability could impact institutional knowledge, undermining UN-Women's ability to deliver on its strategic goals. The limited career growth opportunities in UN-Women compared to other UN agencies further challenge talent retention.

44. The ACO continues to emphasize the urgent need to strengthen HR capacity and leadership of the HR function, particularly given the demands of an expanded workforce and the Pivot exercise. A timely HR support strategy for affected personnel will be critical to the success of the Pivot and broader culture change efforts.

45. Management has recognized the need for strengthened HR leadership and resources, commissioning an external consultancy review under the supervision of the DED for Resource Management, Sustainability and Partnerships. The review consists of two phases: the first, initially due in January 2025, aims to propose options for an optimal HR structure for UN-Women to effectively carry out the people function and support its workforce; the second phase, expected by July 2025, will develop a People Strategy and implementation plan aligned with UN-Women's Strategic Plan 2026–29.

46. At the time of this report, delivery of findings and recommendations from the first phase is yet to be delivered. The ACO looks forward to further updates from management. Additionally, given that the planned HR internal audit in 2024 being deferred due to the ongoing consultancy review, IAS is encouraged to collaborate

closely with the consultant to ensure that HR controls and risks are thoroughly addressed, and to monitor the implementation of the resulting recommendations.

## **D. Financial Statements and Systems**

47. The Committee reviewed the draft financial statements for the year ended 31 December 2023. The Entity has received an unqualified audit opinion from the UNBOA for the thirteenth consecutive year since its inception in 2010. The Committee welcomes the timely finalization of the 2023 audited financial statements and the clean audit opinion, despite the challenges of the Quantum system implementation.

48. The Committee regularly received updates from DMA on financial issues and SPRED on budgetary matters. It also received positive feedback from the UNBoA on the cooperation they received from the finance function and management in the process of auditing the financial statements.

## **E. Information and Communication Technology**

49. In 2020 UN-Women joined UNDP in replacing ATLAS, its long-time Enterprise Resource Planning (ERP) system which was also utilized by several UN funds and programs, with an Oracle-based system (referred to as Quantum).

50. The ACO received regular updates on Quantum's implementation. Phase 1, launched in January 2023 was set to conclude by end-2024. A joint audit by KPMG for UN-Women, UNDP and UNFPA rated Phase 1 as "Some Improvement Needed". The audit assessed Quantum's performance as relatively satisfactory with some initial "teething problems". The audit highlighted 12 recommendations – seven specific to UN-Women and five requiring joint actions with UNDP. Key areas for improvement included stronger cybersecurity and data protection, clearer policies for data change management, and enhanced reporting for payment reconciliation with partners.

51. Phase 2 (Quantum+) implementation is underway and is intended to improve data integration across objectives, results and resource allocation through enhanced monitoring and reporting modules. The first wave of Phase 2 is set to complete in second half-2025, followed by the second wave by end-2026. The first wave prioritizes functionalities supporting UN-Women's baseline data for its 2026–2029 Strategic Plan.

52. The full implementation of Quantum+ functionalities is essential for the organization's efficiency, especially as the Pivot operations become more decentralised. Reliable, integrated data is crucial for strategic planning, reporting and accountability. The ICT/ERP Board must ensure adequate funding, time and resources to deliver Quantum+ with the required functionality to improve UN-Women's capability to report on the Strategic Plan outcomes from the outset of implementation. This is crucial for maintaining credibility, transparency and accountability with current and future donors and partners.

## **F. Third-Party Risk Management**

53. The ACO acknowledges the management's efforts to enhance user awareness and accountability regarding third-party risk management following the recent data leakage incident affecting UN-Women's data stored with UNDP. Additionally, UN-Women's information security team is developing a third-party information security risk management procedure and has initiated a consultancy exercise to establish an outsourcing framework to strengthen the monitoring and management of third-party risks. The ACO also recommends prioritizing the implementation of

recommendations arising from the internal audit of third-party risks management, and maintaining a centralised inventory of major outsourced service providers.

## **G. Other Significant Internal Governance and Control Matters**

54. The ACO will continue to monitor the developments on other internal governance and controls issues it has raised in recent years. These include:

(a) The Enterprise Risk Management (ERM) programme has matured to an “Established” level. However, there is room for improvement in corporate risk reporting to enhance risk escalation and top-down monitoring of mitigation actions. The ACO has been informed of enhancements to the Corporate Risk Report, which will enable the Risk Management Committee to conduct in-depth review of key risks going forward. Given the challenges posed by uncertain financial resources and major restructuring initiatives, the ACO continues to stress the importance of adequate resourcing in risk management and strengthening the first and second-line control functions, especially in the light of uncertain financial resources and major restructuring initiatives.

(b) Finalising the Statement of Internal Controls process to demonstrate management accountability and responsibility for risk management and internal controls. The Division of Management and Administration (DMA) has been assigned this responsibility and has planned to include a statement of internal controls as part of the 2024 financial reporting. A comprehensive Statement of Internal Control will be developed at a later stage.

(c) The implementation of the Generation Equality (GE) initiative is planned for completion in 2026. Management has committed to further strengthen governance around GE and UN-Women’s convenor role, including efforts for greater transparency and improved communication about GE’s alignment with UN-Women’s mandate and strategic priorities.

## **V. Conclusion**

55. The ACO continues to endorse UN-Women’s efforts in collaborating with partners and stakeholders both within and outside the UN System towards achieving its strategic objectives of advancing gender equality and promoting the women’s empowerment globally.

56. The ACO commends UN-Women for its commitment to organizational excellence and business transformation during implementation of the Strategic Plan for 2022–25. It is important that the focus on improving organisational effectiveness and efficiency remains as a fundamental basis for the next Strategic Plan 2026–2029.

57. A key focus for the ACO in 2025 is to engage with management on the development of the new Strategic Plan 2026–29, and determine the impact of the evolving geopolitical challenges on UN-Women’s mandate, funding and resources, and review the risk mitigation measures.

58. Finally, the ACO would like to thank UN-Women management, staff, and the ACO secretariat for facilitating all its meetings and ensuring high-quality participation and discussions during 2024.

## VI. Annexes

### A. Advisory Committee on Oversight Membership in 2024

<i>Member Name</i>	<i>Comments</i>
Ms. Mei Kit Wan (Singapore)	Current Chair of the ACO. Member since February 2019: serving on second term which ends in February 2025. Extended to end 2025.
Ms. Aicha Pouye (Senegal)	Member since February 2019; serving on second term which ends in February 2025.
Mr. Robert Lahey (Canada)	Current Vice-Chair of the ACO. Member since October 2019: serving on second term which ends in October 2025.
Mr. Chris Hemus (South Africa and United Kingdom)	Member since August 2022 serving on first term, which ends in August 2025.
Ms Jennifer M. Lester (Jamaica)	Member since October 2023 serving on first term, which ends in October 2026.
Ms Dorothy Lucks (Australia)	Member since October 2024 serving on first term, which ends in October 2027.

### B. UN-Women Advisory Committee on Oversight 2024 Meeting Dates

25 Feb–1 Mar 2024	Field Visit to Regional/Country Office and 1st ACO Meeting (In-person, Kenya, Nairobi)
23 Apr, Apr 26 2024	Review of UN-Women financial statement 31 December 2023 (In-person, New York with a follow-up video conference)
4 Jun 2024	Discuss with Executive Director, the ACO 2023 Annual Report to the Executive Board (Video conference)
16-18 Jul 2024	2nd ACO Meeting (In-person, New York)
16-18 Oct 2024	3rd ACO Meeting (In-person, New York)
9 Dec 2024	Review of Internal Audit Plans 2025 (Video conference)