

REPORT OF THE EXTERNAL AUDITOR

Organizational oversight reports

Additional documents for this item:

Report of the work of the Office of Internal Oversight Services for 2025 (UNAIDS/PCB (58)/26.12)

Report of the Ethics Office (UNAIDS/PCB (58)/26.14)

Report of the Independent External Oversight Advisory Committee (UNAIDS/PCB (58)/26.15)

Management response to the organizational oversight reports (UNAIDS/PCB (58)/26.16)

Action required at this meeting—the Programme Coordinating Board is invited to:

- *Accept* the External Auditor's Report for the financial year ended 31 December 2025;

Cost implications for the implementation of the decisions: none



SUPREME AUDIT INSTITUTION OF INDIA
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Dedicated to Truth in Public Interest

**OFFICE OF THE
COMPTROLLER AND
AUDITOR GENERAL
OF INDIA**

Our audit aims to provide independent assurance and to add value to the Management of UNAIDS by making constructive recommendations.

For further information, please contact:

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**Audit of UNAIDS
for the financial
year ended
31 December 2025**

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Report of the External Auditor on the financial statements

Opinion

We have audited the financial statements of the Joint United Nations Programme on HIV/AIDS (UNAIDS), which comprise the statement of financial position (statement I) as at 31 December 2025, the statement of financial performance (statement II), the statement of changes in net assets/ equity (statement III), the statement of cash flow (statement IV) and the statement of comparison of budget and actual amount (statement V) for the year then ended, as well as the notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of UNAIDS as at 31 December 2025 and its financial performance and cash flows for the year then ended in accordance with the International Public Sector Accounting Standards (IPSAS).

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing. Our responsibilities under those standards are described in the section below entitled “Auditor’s responsibilities for the audit of the financial statements”. We are independent of UNAIDS in accordance with the ethical requirements relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and the auditor’s report thereon

Management is responsible for the other information, which comprises the information included in the Director General’s Report for the year ended 31 December 2025 but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to

be materially misstated. If, on the basis of the work that we have performed, we conclude that there is a material misstatement in the other information, we are required to report that fact. We have nothing to report in this regard. Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS and for such internal control as management determines to be necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of UNAIDS to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going-concern basis of accounting unless the management intends either to liquidate UNAIDS or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of UNAIDS.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation or the overriding of internal control;

- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of UNAIDS;
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management;
- (d) Draw conclusions as to the appropriateness of the Management's use of the going-concern basis of accounting and, on the basis of the audit evidence obtained, whether a material uncertainty exists in relation to events or conditions that may cast significant doubt on the ability of UNAIDS to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause UNAIDS to cease to continue as a going concern;
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Furthermore, in our opinion, the transactions of UNAIDS that have come to our notice or that we have tested as part of our audit have, in all significant respects, been in accordance with the WHO Financial Regulations.

In accordance with Regulation XIV of the WHO Financial Regulations, we will also issue long-form report on our audit of UNAIDS.



K. Sanjay Murthy
Comptroller and Auditor General of India

29 April 2026

Long-form report of the External Auditor

Summary

Introduction

We audited the financial statements and reviewed the operations of the Joint United Nations Programme on HIV/AIDS (UNAIDS) for the year ended 31 December 2025. The audit of financial statements and a review of operations was carried out at UNAIDS Headquarters in Geneva, Switzerland.

Overall result of the audit

Audit opinion

We have issued an unqualified audit opinion on the financial statements for the period ended 31 December 2025.

Key audit findings

We reviewed UNAIDS' operations, procurement processes, issues related to asset verification & disposal, Program Funding Agreements (PFA) contracts, etc. Based on audit findings, we recommend the following.

Key recommendations

- a. Audit recommends UNAIDS to ensure the implementation of the planned IT asset tracking platform to enhance monitoring of the complete disposal cycle, including the implementation of Property Disposal Committee decisions. (High)
- b. Audit recommends UNAIDS to further strengthen internal controls so that purchase orders are raised before services commence, and that completed contracts are formally closed in the Enterprise Resource Planning system without delay. (Medium)
- c. Audit recommends UNAIDS to strengthen the monitoring system in respect of Programme Funding Agreements to ensure compliance with applicable provisions before issuance of final payments, by minimizing the identified gaps. (Medium)

Key facts for 2025	(All figures in million US\$)
Total revenue	89.00
Total expenses	181.18
Total assets	193.74
Total liabilities	64.99
Total net assets	128.75

A. Mandate, scope and methodology

1. The Joint United Nations Programme on HIV/AIDS (UNAIDS) is leading the global effort to end AIDS as a public health threat by 2030 as part of the Sustainable Development Goals. UNAIDS provides the strategic direction, advocacy, coordination and technical support needed to catalyze and connect leadership from governments, the private sector and communities to deliver life-saving HIV services.

2. The Comptroller and Auditor General of India has been appointed external auditor of Joint United Nations Programme on HIV/AIDS for a term of four years from 2024 to 2027. The audit was conducted in accordance with financial and regulatory frameworks governing the various activities of UNAIDS, primarily including WHO Financial Regulations and Rules, UNAIDS Financial Regulatory Framework, recommendations/ guidelines of Governing Council and Scientific Council etc. as well as the International Standards on Auditing. The standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

3. The audit was conducted to enable us to form an opinion as to whether the financial statements present fairly the financial position of UNAIDS as on 31 December 2025 and its financial performance and cash flow for the year then ended, in accordance with the International Public Sector Accounting Standards (IPSAS).

4. The audit began with an entry conference on 2 March 2026 during which the audit objectives, scope of audit and the methodology etc., were explained to UNAIDS. Audit observations and recommendations were discussed with the management on 13 March 2026 during the exit conference.

B. Audit objectives

5. The audit of UNAIDS was carried out to assess whether:

- i. Financial statements and related disclosures for FY 2025 were in compliance with applicable Accounting Standards (IPSAS) and Account Balances were reliable. Further, accounting transactions and activities were in compliance with applicable rules, regulations and procedures so that they reflect a true and fair view of the operations of UNAIDS.
- ii. Funds and resources were used for approved purposes, and key transactions comply with applicable regulations, agreements, and delegated authorities.

- iii. Governance, risk management, and internal controls were adequate to safeguard assets, support reliable financial reporting, and enable effective programme delivery.

C. Audit findings and recommendations

C1. Status of implementation of previous external audit recommendations

6. We have reviewed the status of implementation of previous audit recommendations by UNAIDS and observed that four recommendations (one of the Audit Report for the year ended 31 December 2023 and three of the Audit Report for the year ended 31 December 2024) are still under implementation. The status of implementation of the previous year's recommendations is provided in **Annexure-I** to the report.

C2. Financial audit

7. We reviewed the financial statements of UNAIDS as of 31 December 2025, including the accompanying notes and disclosures, to assess compliance with the applicable IPSAS, and the following observation was accepted by Management and necessary adjusting entries/disclosures were made in the financial statements for 2025:

- correction in amount of "Total Operating leases" from US\$ 960,892 in draft annual financial statements to US\$ 1,139,461 reflecting adjustment to the amount in the final version of the annual financial statement under Note 12 of the financial statement 2025.

C3. Compliance audit

8. The issues noticed during compliance audit are as follows:

3.1 Disposal of assets in compliance with Property Disposal Committee (PDC) approval

9. As per Section 6-Verification and control of property, under Property Management Framework of the UN Regulatory policy framework portal, all property of the UN shall be monitored and controlled throughout the life cycle of each item of property, from receipt to disposal. Physical verification of the property of the UN shall be conducted regularly, at the discretion of the head of department or office concerned, and as deemed necessary to ensure adequate control over the property. For capitalized property, physical verification shall be performed at least once during each financial year. The findings of the verification process shall be reconciled with the property records.

10. Further, as per disposal policy of UNAIDS, disposal action must proceed as soon as approval is received from the Property Disposal Committee (PDC) and results of disposal

action (e.g., donation or sale) must be fully documented and shared with Geneva Finance so that timely action is taken to update the ERP¹ Asset Register (i.e., removing the assets from the ERP Asset Register). The timelines stipulated for the disposal of assets is as follows:

Table 1: Timelines of PDC approved disposal actions

Asset category	Disposal method			
	Donation	Sale	Recycling/scrap	Write-off
Office equipment	3 months	3 months	1 month	1 month
Office furniture and fittings	3 months	3 months	1 month	1 month
Vehicles	3 months	6 months	1 month	1 month

11. Based on review of data provided by UNAIDS and test-check of PDC approved cases, we noted the following issues:

- i. the asset register showed errors in entries, such as, 326² assets were retired erroneously, and therefore, were required to be re-entered into the asset register.
- ii. Post approval by the PDC, assets were to be disposed of in a time-bound manner, as noted in table 1 above. In this context a test-check of PDC minutes related to disposal of assets in various regional/country offices of UNAIDS was undertaken and the issues as stated in table 2 were noticed:

Table 2: Asset Disposal Issues – UNAIDS Regional/Country Offices

Country/Office	Asset	PDC Approval	Disposal Status	Issue
Guyana	Vehicle	2022 & May 2025	Not disposed (as of March 2026)	Repeated PDC approvals; ERP asset register not updated
Argentina	Vehicle	July 2025	Not disposed (as of March 2026)	Office closed from 31.12.2025; current custody of asset unclear; register not updated
Venezuela	Vehicle	May 2025	Disposed Feb 2026	Disposal delayed beyond 6-month timeline; asset register still to be updated

¹ Enterprise Resource Planning

² These assets were fully depreciated and have no impact on valuation of UNAIDS assets as at 31 December 2025.

South Africa	Vehicle	2010 (original)	Retired from register Oct 2025	No disposal confirmation available for 14+ years; resubmitted to PDC in 2024–25; re-approved June 2025
UCO Guyana	Canton Image Runner (purchased 2019 at US\$ 3,619)	Sep 2024	Still under process	Disposal pending; being coordinated with UNDP Guyana
Regional Support Team, Western and Central Africa Office	39 IT items (14 monitors for sale, 17 for recycling, 8 to be written off)	23 Jan 2025	Partially pending	8 items recorded in asset register but not found physically

12. The above cases highlight that despite PDC approvals, assets had not been disposed of (as part of the 2024-25 clean up exercise) or were being disposed of with delays. Further, there is no system in place to monitor the actual disposal of the asset after PDC approval as the office concerned is required to update the finance wing only after an asset is disposed off. In case the office is unable or unsuccessful in disposing an asset, this information is not available with the secretariat/finance for any kind of follow up. The ERP asset register is updated only after disposal of the asset.

13. Management stated that the PDC approval documentation cannot be uploaded into the ERP and are, therefore, saved centrally to the UNAIDS finance department sharedrive. They also stated that the asset registers and accounting records were regularly updated with the information provided by the UNAIDS offices to the Department of Finance and Accountability (DFA).

14. We have noted the response of the management. However, the response does not address the issue of delays in the disposal of assets as also absence of mechanism to monitor this aspect. This issue is especially crucial as a number of offices are in the process of merger/closure where custody and safekeeping of assets becomes important.

15. Besides, the number of cases of missing, stolen assets, items subsequently located etc., indicates that required action to clean up the assets registers after each annual physical verification of assets were not fully taken. In view of the ongoing closure of offices and the simultaneous asset clean up exercise, it is important that UNAIDS ensures an accurate

verification exercise and takes subsequent actions related to missing items as a matter of priority.

16. UNAIDS had proposed a review of the Asset Management Policy and a roll-out of a platform for attractive assets (both in 2025). However, neither could be completed as per the targeted timelines. Management replied that upon completion of the 2025 asset verification exercise and clean up actions, the asset policy would be revised in Q3 of 2026 and the platform for attractive items will be implemented in 2026.

3.1.1 Asset disposals of closed offices executed without prior PDC authorization

17. The Managing and Disposing of UNAIDS Assets policy states that “UNAIDS assets must be registered when they are purchased, and they should not be transferred, donated or sold before obtaining approval from the Property Disposal Committee (PDC).” The policy further provides, under step 5 of the disposal procedure, that “under no circumstances should the submitting office proceed with an alternative disposal method unless it is approved by the PDC.” In respect of donations specifically, the policy requires that “before donating any assets, it is necessary to have the signed PDC minutes approving the donation.” The UNAIDS Procurement Manual, Section 16.06, provides that “the authority to proceed with disposal of PPE items will be given by the HQ Property Disposal Committee (HQPDC)” and Section 16.07 establishes that “in order to be considered by the HQPDC, submissions must be made using a fully completed and signed PT.16.01 Disposal Request Form.”

18. A review of disposal documentation across closed offices, conducted as part of the clean-up exercise following the 2023 assets verification had identified that 246 assets with a total original cost of US\$ 558,614 (Net Book Value of US\$ 0 since they were fully depreciated), across 16 fully closed UNAIDS offices, had been retired from the fixed asset register without the prior PDC authorization required under UNAIDS policy. This was documented in an internal DFA memorandum dated 9 September 2024, titled “Closed offices Request for exceptional approval of removal of assets from FA register without PDC approval,” prepared by the Contracts Quality Assurance Officer, DFA, and signed by the Director, DFA. The memorandum explicitly acknowledged “the lack of complete disposal documentation” as the basis for seeking exceptional post-hoc approval, noting that 297 active assets under 16 closed offices had been identified in the fixed asset register, of which 246 remained outstanding for retirement. Within those 246 outstanding cases, 22 assets were found to have only partial disposal documentation. Of particular note, 11 computer assets under the Honduras office, with

a combined original cost of US\$ 22,107, had “PDC approval and disposal request missing,” indicating that the standard prior-authorization process was not initiated at the time of disposal. In addition, under the Somalia office, one communications asset (original cost: US\$ 2,162) and three computer assets (original cost: US\$ 6,464) had received PDC approval for transfer to Djibouti, while one further computer asset (original cost: US\$ 636) had been approved for transfer to UCO Kenya; these transfers were never carried out and were never reported. No fresh PDC approval for an alternative disposal method is evidenced in the file. The remaining 222 assets had no supporting disposal documentation whatsoever. Taken together, these cases indicate that the required prior-approval framework was not operating effectively.

19. Management in its response acknowledged that the prior-approval framework was not adequately maintained in the cases examined. They further stated that in future any asset disposal, including any extraordinary disposal, would be done only via the PDC.

Recommendation 1: Audit recommends UNAIDS to ensure the implementation of the planned IT asset tracking platform to enhance monitoring of the complete disposal cycle, including the implementation of Property Disposal Committee decisions. (High)

20. Management accepted the recommendation.

3.2 Procurement compliance

21. As part of the financial and compliance audit of UNAIDS for the period 1 January 2025 to 31 December 2025, we reviewed 2,052 service Purchase Orders (POs) totalling US\$ 35.43 million in PO value and 576 goods PO lines totalling US\$ 1.19 million. The results revealed systemic weaknesses across two interrelated areas, as detailed below.

3.2.1 Retroactive purchase orders

22. Section 09.09 (ex-post-facto) of the UNAIDS Procurement Manual states that retroactive and post facto approval of contracts is not a procurement process but an administrative procedure for ratifying actions that were not undertaken in full compliance with the procurement rules, and that responsibility and accountability for such actions remain with the submitting unit irrespective of subsequent approval. Section 09.01 further requires that no commitment with any supplier can be made or honoured until the contract has been properly awarded.

23. The review identified 930 of the 2,052 service POs (45.32% by count) as retroactive, representing 70.4% of total PO value reviewed, amounting to US\$ 24.93 million and included

one high-value retroactive case of US\$ 10 million. The extent and concentration of retroactive procurement observed indicates that such practices have become systemic rather than an exception arising from unforeseen circumstances, which the Procurement Manual's ex post facto provisions were designed to accommodate. The high value cases are tabulated in **Annexure-II**.

24. Management stated that retroactive POs may arise in limited circumstances due to operational and system-related factors, including delays at the beginning of the year in establishing new work plans and budget allocations in the ERP system, and urgent or donor-driven requirements. It was further stated that a memorandum issued by the DFA was provided to cover all activity Purchase Requisitions created in January and February 2025.

25. Management also stated that several systemic measures are being implemented, including reinforcing the requirement that procurement actions precede commencement of services, strengthening planning and coordination between programme and operations teams, and enhanced system controls through the rollout of the new BMS platform.

26. Management's acknowledgement and the systemic measures being implemented, including the BMS rollout, are noted. However, the persistence of retroactive procurements indicates a risk that the exception mechanism may become the norm of contracting.

3.2.2 Overdue purchase orders remaining open

27. Section 13.07 (Contract Termination or Closure) of the Procurement Manual requires that upon completion of a contract, management confirm that all contractual obligations have been met, settle final payments, and administratively close the contract file. These provisions are intended to ensure that encumbrances are released promptly when contractual purposes have been discharged and that the organization's financial commitments are accurately reflected at all times. The review identified 206 service POs that remained open beyond their planned completion dates. Of these, 61 POs had planned end dates in 2024 and have therefore been overdue for more than a year. Notably, PO 203414809 (US\$ 218,381, end date 31 December 2024) remained open as at 31 December 2025, notwithstanding that all monthly payments for the April–December 2024 contract period had been processed. A second overdue PO 203636855 (US\$ 112,153, end date 30 June 2025), also similarly remains unclosed. Other significant cases include (PO 203352625, US\$ 83,306), (PO 203483621, US\$ 41,721 (PO 203383484, US\$ 29,808), (PO 203405272, US\$ 27,827), and Oneliner Language & eBusiness Solutions / International Traduction Conseil – ITC (US\$ 21,882 each).

28. Management stated that most overdue POs are operationally completed but continue to appear as OPEN in the ERP system due to technical closure requirements: specifically, a second zero-value receipt line has not been formally recorded, which prevents automatic system closure. Management further stated that periodic encumbrance reminders are issued to offices, regional operations officers follow up on timely closure, and a Power BI dashboard was accessible to all staff throughout 2025 to monitor open POs.

29. Management’s explanation regarding ERP closure requirements is noted. However, the existence of positive unspent balances across a substantial portion of the 206 overdue POs is not fully consistent with a single-cause explanation, and the periodic reminders and dashboard access, while representing active management awareness, have not been sufficient to bring the overdue PO population to an acceptable level within a reasonable timeframe.

Recommendation 2: Audit recommends UNAIDS to further strengthen internal controls so that purchase orders are raised before services commence, and that completed contracts are formally closed in the Enterprise Resource Planning system without delay. (Medium)

30. Management accepted the recommendation.

3.3 Compliance in respect of Programme Funding Agreement contracts

31. Programme Funding Agreements (PFAs) are contractual arrangements designed to provide a legal framework to support activities carried out by partners of UNAIDS. They are used where the activities to be funded will help achieve UNAIDS objectives, outcomes, and outputs. The requesting parties under PFAs are intergovernmental organizations, non-profit non-governmental organizations, and non-profit academic institutions. The Procurement Manual governs the management and processing of PFAs.

32. We test checked 17 PFA Purchase Orders (POs) chosen randomly from the GSM portal and noticed issues related to non-compliance with applicable rules/guidelines and discrepancies as summarised in table 3 below:

Table 3: Audit Findings - Non-Compliance in PFA POs

Sl. No.	PO Number	Issue Observed	Management Response
i.	203501259	Initial payment made exceeding 50% of total	Attributed to input error
ii.	203501259 and 203580268	Payment schedule not adhered to	Due to early termination / splitting of POs Second PO could not be raised

iii.	203501259	Time extension granted based on telephonic request. No written justification on record	Acknowledged and being reviewed
iv.	203580268	Contract value of US\$ 1,252,414 which is more than US\$ 200,000 Termination issued Feb 2025 Financial Report received Nov 2025 Audit report still not submitted Final closure pending	Delay due to US Govt. funding restrictions & due diligence Audit report now scheduled by end March 2026
v.	203605911, 203619197	FACE ³ Reports missing	Acknowledged and being reviewed

33. Management acknowledged the points raised and stated that these items are being reviewed as part of the ongoing reconciliation exercise. Any remaining gaps identified will be followed up with the relevant partners to ensure that the documentation is completed and properly recorded.

Recommendation 3: Audit recommends UNAIDS to strengthen the monitoring system in respect of Programme Funding Agreements to ensure compliance with applicable provisions before issuance of final payments, by minimizing the identified gaps. (Medium)

34. Management accepted the recommendation.

D. Acknowledgement

35. We wish to express our appreciation for the cooperation and assistance extended by the staff and the Management of UNAIDS to the Audit Team.

K. Sanjay Murthy
Comptroller and Auditor General of India

29 April 2026

³ FACE Report: Funding Authorization and Certificate of Expenditure Report

(Annexure I)

Status of implementation of recommendations for the financial period ended 31 December 2025

Sl. No.	Reference to Report and Financial Period	Recommendations	Action Reported by the management	External Auditors Assessment	Status after verification			
					Implemented	Under Implementation	Not Implemented	Overtaken by events
1.	UNAIDS Audit Report 2022	UNAIDS needs to work in closer collaboration with SHI to ensure that the Actuary uses accurate demographic data for more accurate actuarial valuation, in future periods.	Fully implemented during 2025 actuarial valuation.	The latest valuation has been done in 2025. Closed	Yes			
2.	UNAIDS Audit Report 2023	Management may ensure timely creation, updation and monitoring of the BCP in all its offices.	An updated UNAIDS Country Office Business Continuity Plan (BCP) was launched in April 2025 (message) in the shape of a user-friendly BCP framework tailored to the specific needs of our country offices (smaller teams and cloud-based operations). Key enhancements in the updated BCP included: <ul style="list-style-type: none"> ✓ Clear and Streamlined Structure: Simplified navigation to ensure efficiency during crises. ✓ Focus on Essential Services: Prioritization of "Time-Critical Business Services" to maintain core operations. ✓ Cloud Integration: Robust provisions 	Still in progress. Open		Yes		

			<p>for cloud-based systems, including testing protocols.</p> <p>✓ Actionable Checklists: Step-by-step guidance for various emergency scenarios.</p> <p>Full implementation and completion of updated BCP by all required offices planned by end Q4 2026.</p>					
3.	UNAIDS Audit Report 2024	Management to ensure that voluntary contributions received by UNAIDS are accounted in the financial statements in compliance with the accrual concept of accounting.	Implemented – donor contributions included in the financial statements provide evidence of accrual concept of accounting. Schedule 3 of the annual financial statements.	The donor contribution are recognized as revenue as per notes provided in the financial statements to follow the accrual concept. Closed.	Yes			
4.	UNAIDS Audit Report 2024	Management to continue its efforts to monitor the completion/ closure of POs by the concerned offices at regular intervals so as to ensure adherence to the timelines as stipulated in their Manual. They may also explore using the dashboard to	<p>Reminders and clarifications related to procurement policy and open encumbrances were provided to staff during 2025. The ongoing rollout of the BMS also affected timelines, as dashboards and automated alerts are dependent on system configuration decisions that were still under development.</p> <p>Until required BMS/SPM functionality becomes available, monitoring continues through manual and periodic follow ups</p>	Still in progress. Open		Yes		

		automatically generate alerts and reminders regarding projects nearing and past the completion date.	(implementation projection Q3 2026).					
5.	UNAIDS Audit Report 2024	In view of the Gender Equality Marker being an important planning tool, Audit recommends UNAIDS to consider increasing the knowledge of its staff through orientation/ refresher courses using illustrative cases to ensure as far as possible a uniform understanding and application of the GEM.	Information on policy markers, including the Gender Equality Marker, is a standard element of Secretariat activity workplanning guidance, supplemented by orientation webinars following the launching of planning exercises. Management notes that the WHO BMS with linkage to workplans and different modalities to monitor and analyse markers is not yet operational. Options for the use and monitoring of Gender markers in the BMS/SPM -will be analysed during 2026.	Still in progress. Open		Yes		
6.	UNAIDS Audit Report 2024	In the light of non-compliances observed in the contractual agreements being covered in the PFV, audit recommends UNAIDS to ensure that corrective actions covering support, training, use of dashboard and data	PFVs continued to be undertaken but full implementation of the recommendation was delayed due to the following: • Compliance verification for closing/downsizing offices. Given that closing offices and/or partner funding being withdrawn pose a higher risk of irregularities, management deliberately prioritised manual ex ante and ex post reviews of existing agreements over the rollout of new control layers, to ensure immediate risk mitigation.	Still in progress. Open		Yes		

		analysis are carried out.	<ul style="list-style-type: none"> Implementation of the USAID work stop order (US Gov). Following substantial cuts in US Government funding, management was required to prioritise the review, verification, and termination and/or finalisation of a large volume of USG funded agreements. <p>New projection Q3 2026</p>					
7.	UNAIDS Audit Report 2024	Audit recommends UNAIDS to reinforce control on adherence to standard competitive process, document deviations and to upload mandatory supporting documents in the ERP, including past performance. Also, it may ensure that deliverables are made specific in the ToR.	<p>UNAIDS notes that procedures and documentation controls are already in place. Standard competitive processes are established, and guidance exists requiring justification of any deviations, as well as the retention and upload of supporting documentation, including evidence of past performance.</p> <p>Throughout 2025 UNAIDS promoted compliance with competitive processes, e.g. single source exceptions above the relevant threshold always require justification and exceptional approval.</p> <p>At the field level: Staff have been reminded on several occasion of the requirements to complete and upload all relevant documentation.</p>	<p>Communication and reminder have been sent to staff to adhere to the prescribed procedure and to upload the documents.</p> <p>Closed</p>	Yes			
	Total				3	4		

Annexure II — Retroactive Purchase Orders (Selected High-Value Cases)

PO Number	Contract Type	Supplier	Donor / Award Type	Budget Centre	Start	End	PO Value (US\$)
203623928	Letter of Agreement	Oxford Policy Management	USAID – Non-Core	AI/SSA	01.01.25	30.09.25	10,000,000
203714202	APW	Avenir Health, Inc.	Core	AI/DFI	01.08.25	31.12.25	400,000
203650127	General External Services	Microsoft Ireland Operations Ltd	Core	AI/MGT	01.01.25	31.12.25	333,875
203676195	APW	Avenir Health, Inc.	Gates – Non-Core	AI/DFI	01.07.24	31.07.25	300,000
203414809	General External Services	CerFi SA	Core	AI/MGT	01.04.24	31.12.24	218,381
203636039	APW	Accenture AG	Non-Core	AI/MGT	Various	Various	195,300
203655371	APW	Accenture AG	Core	AI/MGT	Various	Various	195,300