



TERMS OF REFERENCE

Working Group of the Programme Coordinating Board (PCB) to propose options to implement the recommendations of the Joint Inspection Unit (JIU) to the PCB

Working Group of the Programme Coordinating Board (PCB)

INTRODUCTION

In accordance with decision 9.2 of the 45th meeting of the UNAIDS Programme Coordinating Board (PCB), which took place from 10-12 December 2019, **9.2 Decides to establish, through its Bureau, a geographically balanced, time-bound PCB working group with a non-extendable mandate to review the relevant JIU recommendations addressed to the Board, and to provide an initial report on progress to the 46th Programme Coordinating Board and to provide its final report with implementation options for the consideration of the Programme Coordinating Board at its 47th meeting**, a working group is established.

BACKGROUND

The Joint Inspection Unit (JIU) is the only independent external oversight body of the United Nations system mandated to conduct evaluations, inspections and investigations system wide.

Its mandate is to look at cross-cutting issues and to act as an agent for change across the United Nations system. JIU works to secure management and administrative efficiency and to promote greater coordination both between UN agencies and with other internal and external oversight bodies. For the past 50 years, the Unit has been dedicated to assisting the legislative bodies of numerous United Nations organizations in meeting their governance responsibilities. JIU provides support in the context of these agencies' oversight function regarding human, financial and other resources. In its reports and notes, the Unit identifies best practices, proposes benchmarks and facilitates information-sharing throughout the organizations of the UN system that have adopted its Statute.

The review of the management and administration of the Joint United Nations Programme on HIV/AIDS (UNAIDS) (JIU/REP/2019/7) was conducted as part of the JIU's 2018 programme of work but was suspended in July 2018 due to the overlap of two other independent reviews, which were commissioned at that time. JIU was also concerned that concurrent reviews would have an impact on staff availability. In early 2019, a new timeline was discussed with the senior management of the UNAIDS secretariat and JIU resumed its review.

The response was completed on 13 November 2019, following receipt by the Executive Director of the JIU's final report.

The objective of the review was to provide an independent assessment of the regulatory frameworks and related practices concerning the management and administration of UNAIDS, with a view to highlighting areas for improvement. The review focused on the following areas:

- Strategic and operational planning;
- Governance;
- Oversight and accountability; and
- Human resource management and administrative services.

Based on the review, the Inspectors made formal and informal recommendations for improvement. Three (highlighted below) of the eight formal recommendations are to be considered by the Programme Coordinating Board (PCB) and five by the UNAIDS Executive

Director. The Inspectors proposed an additional 25 informal recommendations. The compiled formal and informal recommendations are included in annex 1.

FORMAL RECOMMENDATIONS OF THE JIU

The review contains eight formal recommendations and twenty-five informal recommendations aimed at clarifying the strategic vision of UNAIDS, its secretariat and cosponsors by filling several critical gaps – in governance, oversight and accountability, human resources management and administrative services – to make it more efficient, effective and accountable. While all the recommendations are presented in annex 1, the Working Group is only expected to propose implementation options for those recommendations directed to the PCB. The formal recommendations are cited below for ease of reference. Relevant informal recommendations are highlighted in boxes in annex 1 for consideration by the Working Group.

Recommendation 1 Beginning in 2020, the Programme Coordinating Board should develop a long-term strategy to achieve the targets and goals of UNAIDS with regard to the 2030 Agenda.

Recommendation 3 By the beginning of 2021, the Programme Coordinating Board should revise its Modus Operandi to clarify its roles and responsibilities and imbed oversight and accountability mechanisms in the oversight of UNAIDS and its secretariat.

Recommendation 5 The Programme Coordinating Board should consider creating an independent and external oversight committee to provide independent expert advice to the Programme Coordinating Board and to the Executive Director in fulfilling their governance and oversight responsibilities.

SCOPE OF WORK OF THE PCB WORKING GROUP

The Working Group is tasked to review the above **JIU recommendations 1, 3 and 5 as well as the relevant informal recommendations directed to the PCB and:**

- Provide a progress report to the Programme Coordinating Board at its 46th meeting in June 2020;
- Provide a final report with implementation options for the consideration of the Programme Coordinating Board at its 47th meeting in December 2020.

ESTABLISHMENT OF THE WORKING GROUP

Role of the PCB Bureau

As required by decision 9.2 of the 45th PCB meeting that the Working Group is established “through its Bureau”, the PCB Bureau, at its first and second meetings, discussed draft terms of reference of the Working Group including its composition and options for the chairing of the Working Group ([Bureau meeting notes](#)).

The PCB Bureau finalized the terms of reference for consideration by the PCB through intersessional decision making and selection of its membership.

In alignment with the Modus Operandi, the PCB Bureau may provide guidance and feedback as requested by the Working Group. The PCB Bureau is “intended to maximize the effectiveness and efficiency of the PCB.” As per the Modus Operandi, the PCB Bureau is charged with “facilitating the smooth and efficient functioning of PCB sessions, facilitating transparent decision making at the PCB, and providing guidance on PCB documentation as needed.”

Composition of the PCB Working Group

On the basis of the discussion of the PCB Bureau and drawing on the experience of the establishment of previous PCB working groups with reference to decision 6.5 of the 27th meeting of the PCB and decision 9.2 of the 45th PCB meeting as well as the exceptional discussions on the composition of this group at the 45th meeting of the PCB, the membership of the Working Group:

- shall be geographically balanced, timebound with a non-extendable mandate;
- composed of two Member states per region (for a total of ten Member states); two representatives from the NGO delegation; two representatives from the cosponsors;
- Member States through their ECOSOC regional groups (Africa, Asia, Eastern Europe, Latin America and the Caribbean, Western Europe and other Group), PCB NGOs and Cosponsors will put forth two consensus nominees to the PCB Bureau;
- the PCB Chair and Bureau will send, through UNAIDS Secretariat, a call to PCB members to nominate their representatives as per the above description of the membership;
- the PCB Bureau will announce the composition of the PCB Working Group. All information on the meetings of the Working Group will be available on the [PCB website](#); and
- To ensure that the Working Group is “geographically-balanced” (as each representative will maintain an advocacy role) and in accordance with the role mandated by the Modus Operandi to serve as a neutral moderator of the Board, the PCB Chair will serve as Chair of the Working Group. The Chair will facilitate the work of the Working Group and serve in a neutral capacity.

Recommended knowledge and skills for members of the Working Group:

- Familiarity with the work of UNAIDS, particularly at the Secretariat, at country, regional and/or global levels;
- Experience in UN Governance Bodies;
- In-depth knowledge and experience in:
 - Audit and ethics reviews;
 - International organisations and multi-cultural environments;
 - Risk management oversight; and
 - Oversight of public bodies.

Deliverables

In accordance with decision 9.2 of the 45th meeting of the Programme Coordinating Board, the Working Group is expected to:

- Present a progress report at the 46th PCB meeting in June 2020;

- Hold a PCB briefing on the options to be proposed at the 47th meeting of the PCB
- Present the final report with implementation options at the 47th PCB meeting in December 2020.

The Working Group is expected to have four meetings and one PCB briefing on the options that would be proposed in the final report for the consideration of the Board in December 2020. Background documentation as well as reports of the meetings of the Working Group will be posted on the [PCB website](#). As part of the process for all PCB documentation, the Working Group will provide regular updates to the PCB Bureau following each meeting. The methodology of these updates will be determined by the Working Group and the PCB Bureau.

Timeline

- 1. Finalisation of draft TOR:** end January – fourth week of February 2020.
- 2. Final approval of the TOR:** fourth week of February 2020 through intersessional decision-making process.
- 3. Call for Membership:** first week of March 2020.
- 4. Announcement of Composition of Working Group:** first week of March 2020
- 5. First meeting:** mid-March 2020
Initial discussion and agreement on methodology of work
- 6. Second meeting:** mid-April 2020
Discussion and agreement on approach to propose options for the implementation of the JIU recommendations to the Board.
- 7. Presentation of the progress report to the 46th PCB meeting:** 23-25 June 2020
- 8. Third meeting (Virtual):** mid-September 2020
Discuss the feedback of the Board on the progress in the review. Discussion and agreement on final proposed options.
- 9. PCB briefing:** mid-October 2020
Briefing on the options proposed.
- 10. Fourth meeting:** late-October 2020
Meeting to finalise PCB report based on feedback from PCB briefing
- 11. Presentation of the final report to the 47th PCB meeting:** 15-17 December 2020
- 12. Review and endorsement of the final report by the PCB** at the 47th PCB in December 2020.

Estimated Budget

Meetings of the Working Group	Estimated Costs
Meeting Costs (for a total of three in person-meetings- assuming they are held in Geneva)	\$9,000
Travel (six people for three meetings- flights @ \$ per person	\$50,400
Per diem (Six people for three meetings – 6 days @ \$ per day)	
Contingencies	\$6,500
PCB Briefing	\$5,300
Independent PCB Reports Writer	\$5,000
Total	\$76,200

Annex 1. Recommendations of the JIU

The recommendations relevant to the Working Group are in the bolded boxes below.

Formal Recommendations:

Recommendation 1 Beginning in 2020, the Programme Coordinating Board should develop a long-term strategy to achieve the targets and goals of UNAIDS with regard to the 2030 Agenda.

Recommendation 2 By the end of 2022, the Executive Director should present to the Programme Coordinating Board operational plans, together with defined timelines and targets, that reflect the long-term strategy of UNAIDS, including with regard to secretariat structures, staffing, financial resources and field presence.

Recommendation 3 By the beginning of 2021, the Programme Coordinating Board should revise its Modus Operandi to clarify its roles and responsibilities and imbed oversight and accountability mechanisms in the oversight of UNAIDS and its secretariat.

Recommendation 4 The Executive Director should consider setting up an in-house legal advisory function that reports to the Executive Office and centrally coordinates legal matters.

Recommendation 5 The Programme Coordinating Board should consider creating an independent and external oversight committee to provide independent expert advice to the Programme Coordinating Board and to the Executive Director in fulfilling their governance and oversight responsibilities.

Recommendation 6 By the end of 2020, the Executive Director, in consultation with the Bureau of the Programme Coordinating Board, should establish a regular stand-alone agenda item at one of the Board's meetings each year to cover internal and external audits, ethics and other topics on accountability presented by the appropriate independent functions, in their respective reports to the Board.

Recommendation 7 By no later than 2022, the Executive Director should develop and implement a new human resources strategy for the secretariat that aligns with and supports the strategic direction of UNAIDS and sets out the initiatives related to workforce planning, position profiling and grading, and appropriate delegation of authority and reporting lines.

Recommendation 8 The Executive Director should include an annex to the 2021 biennial report to the Economic and Social Council, outlining the substantive recommendations that have been made in the areas of governance, oversight and accountability and provide a status update on their implementation.

Informal Recommendations:

Chapter II: strategic and operational planning

Informal Recommendation 1 UNAIDS should independently evaluate the country envelope process to determine its efficiency and effectiveness, either within the current UBRAF evaluation or as a stand-alone effort. (para. 25)

Informal Recommendation 2 The secretariat should designate a high-level official to be a central point of contact for the cosponsors, to coordinate communication and rebuild relationships at the global and technical levels. (para. 33)

Informal Recommendation 3 The executive heads of the co-sponsoring organizations should determine if their involvement in UNAIDS is still aligned with their respective organization's mandate, mission and strategy, as well as their commitments in relation to the 2030 Agenda. (para. 34)

Chapter III: governance

Informal Recommendation 4 The relevance and validity of the guiding principles [for cosponsoring organizations] should be re-evaluated, and stronger linkages between the PCB and the governing bodies of the cosponsors should be explored. (para 51)

Informal Recommendation 5 This [i.e. bringing further definition to its responsibilities] also includes the PCB's roles and responsibilities in handling allegations against the Executive Director or any other official handling oversight issues (e.g. ethics officers, investigators, auditors, other senior officials, etc) that could pose a conflict of interest in handling such issues, which is a best practice that is not currently reflected in the policies or procedures of UNAIDS or its secretariat. (para 60)

Informal Recommendation 6 PCB may wish to revise paragraph 5 of the Modus Operandi, which covers the functions of PCB to establish [the practice of reports of the auditors and data and information on ethics activities and investigations being more critically assessed by the PCB. (para 75)

Informal Recommendation 7 PCB is encouraged to open a dialogue with the United Nations Secretary-General on [the term limit of the Executive Director and explicit performance expectations for the position] to assist in providing more clarity and transparency on its expectations of UNAIDS, and more certainty in succession planning. (para 80)

Chapter IV: oversight and accountability

Informal Recommendation 8 The Inspectors strongly encourage the secretariat to implement more decentralized reporting lines and develop comprehensive delegations of authority to clarify the authority and responsibilities of all managers. (para. 87)

Informal Recommendation 9 The Inspectors strongly support the full implementation of [the initiatives covered in the recent management statement and in the update on progress in the implementation of the Management Action Plan for a healthy, equitable and enabling workplace for all UNAIDS staff]. The Executive Director should ensure that all areas for change listed in the update are implemented within the set timeline and are regularly audited and reported to PCB. (para. 89)

Informal Recommendation 10 [Training on risk management] needs to be conducted as a matter of priority. (para. 91)

Informal Recommendation 11 As recommended by the External Auditor in his recent report, the Executive Director should append [an annual statement on the effectiveness of internal controls] to the financial statements in order to provide assurance of internal controls. (para. 92)

Informal Recommendation 12 The Inspectors further encourage the Executive Director to review and strengthen the secretariat's ethics function and establish one that is fully independent by following JIU recommended best practices, as well as consider how to best support the office with appropriate staffing and/or backup. Additionally, the Ethics Office should submit an annual report, or a summary thereof, unchanged by the management, directly to PCB. (para. 103)

Informal Recommendation 13 The Inspectors are of the opinion that the current coverage by the Internal Auditor is insufficient to cover the activities of the secretariat's headquarters, 6 regional offices, 3 liaison offices and 78 country offices worldwide. The Inspectors recommend that WHO/IOS and the UNAIDS secretariat reexamine the MOU signed in 2008 and update its scope and arrangements, taking into consideration the implications for risks and resources. (para. 109)

Informal Recommendation 14 The Executive Director should ensure that the recommendations by the Internal Auditor are prioritized and high-risk and high-impact recommendations implemented without delay. (para. 110)

Informal Recommendation 15 The Executive Director should meet with the Internal Auditor at least once a year as one of the roles of the Internal Auditor is to provide independent, objective assurance and advice to the Executive Director and apprise him or her of any emerging risks and trends that would have an impact on secretariat operations. In addition, the Executive Director plays a critical role in setting the "tone at the top" and should show commitment to the issues raised by the Internal Auditor and implement the accepted recommendations. (para. 111)

Informal Recommendation 16 The Executive Director should ensure that confidential information of any type is properly handled and secured to avoid further damage to the reputation of UNAIDS. (para. 113)

Informal Recommendation 17 In fulfilling the responsibility as chief representative of the financial statements of UNAIDS, the Executive Director should meet with the External Auditor at least once a year. In addition, the External Auditor should present his or her report directly to the PCB and answer any questions or concerns that the PCB members may have, which will also enhance the oversight responsibility of PCB. (para 122)

Informal Recommendation 18 The secretariat would benefit from the expansion of the audit coverage to better reflect the secretariat's field operations, where risks are higher compared with headquarters- based operations. The Inspectors suggest PCB and the Executive Director review and determine the appropriate level of audit coverage, in consultation with the Internal and External Auditors, while respecting their independence (para 123)

Informal Recommendation 19 A report to PCB should contain a status matrix indicating the acceptance or rejection of the JIU recommendations and the implementation status of previous recommendations, in order to enhance transparency, accountability, and system-wide coherence. (para 126)

Chapter V: human resources management and administrative services

Informal Recommendation 20 The Inspectors fully support the comprehensive review of the mobility policy and its implementation, taking into consideration the organizational needs, costs and matching staff skills with post profiles. Considering the cost implication of the mobility policy, such a review should include input from the Department of Planning, Finance and Accountability. (para. 134)

Informal Recommendation 21 The Inspectors suggest that the Executive Director re-examine job profiles and grading, starting with the secretariat's Director-level posts, to align the grades on similar positions in the United Nations system. (para. 136)

Informal Recommendation 22 It is essential for the secretariat to continue and enhance induction support for first-time heads of office, as well as the provision of managerial training, as listed in the four pillars of the Human Resources Strategy. (para. 138)

Informal Recommendation 23 The Executive Director should be attentive and responsive to concerns raised by secretariat staff and take swift actions as appropriate. (para. 147)

Informal Recommendation 24 The Executive Director, in consultation with WHO, should consider updating its 2001 letter of agreement to reflect the current realities and consolidate subsequent agreements, MOUs and exchanges of memorandums into a comprehensive agreement with appropriate performance expectations, where appropriate. (para. 152)

Chapter VI: going forward

Informal Recommendation 25 The Inspectors encourage the secretariat and co-sponsors to document the valuable lessons learned and good practices of UNAIDS as a model to inform future programmatic and United Nations reform efforts currently under way, especially at the country level. (para. 162)

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