

**UPDATE ON THE IMPLEMENTATION
OF THE RECOMMENDATIONS OF THE
UN JOINT INSPECTION UNIT'S
REVIEW OF THE
MANAGEMENT AND
ADMINISTRATION OF UNAIDS**

Update on the implementation of the recommendations of the UN Joint Inspection Unit's Review of the management and administration of the Joint United Nations Programme on HIV/AIDS (UNAIDS)

November 2020

The management response to the UN Joint Inspection Unit's (JIU) review of the management and administration of UNAIDS was completed in November 2019 and discussed at the PCB's 45th meeting in December 2019. Based on their review, the JIU Inspectors made 8 formal and 25 informal recommendations for improvement. Three of the formal recommendations were directed towards the PCB, and five to the UNAIDS Executive Director. A PCB Working Group has considered the recommendations directed towards the Board and has reported separately on its deliberations and views (UNAIDS/PCB(47)/20.37), including with regards to relevant informal recommendations.

Implementation of the JIU's recommendations is contributing to UNAIDS' transformation – a unified programme of change will ensure that capacities, structures and working methods of the Secretariat and Joint Programme keep evolving to be fully responsive to the opportunities and challenges which countries will face in the next decade of the HIV response, including the unprecedented social and economic implications of the COVID-19 pandemic. The JIU's recommendations are informing the strengthening of key management and governance systems and practices, and provide impetus and support for the full implementation of the *Management Action Plan for a healthy, equitable and enabling workplace for all UNAIDS staff*.

The present paper provides an overview of developments up to 11 November 2020. It notes where progress is being reported elsewhere vis-à-vis related change processes (e.g. Strategy development update, response to the independent evaluation of the UN System response to AIDS 2016-2019, Management Action Plan).

Formal Recommendations (recommendations for the PCB are in blue , and those directed towards the UNAIDS Executive Director are in green)	Status
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.	<ul style="list-style-type: none"> UNAIDS is fully committed to supporting countries achieve their goal of ending the AIDS epidemic by 2030 as part of the 2030 Sustainable Development Agenda. A highly-inclusive Strategy development process is underway. Please refer to UNAIDS/PCB(47)/20.33; UNAIDS/PCB(47)/20.34.
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	<ul style="list-style-type: none"> The management response to the <i>independent evaluation of the UN System response to AIDS 2016-2019</i> (UNAIDS/PCB(47)/20.32) sets out a number of actions that will strengthen operational planning and

<p>UNAIDS, including with regard to secretariat structures, staffing, financial resources and field presence.</p>	<p>implementation. The next UBRAF is the key tool for operationalizing the next Strategy. A more fully articulated theory of change and the revised results framework will promote greater clarity regarding the required inputs and associated costs across the Joint Programme for delivery of the Strategy overall, and vis-à-vis specific results areas and targets. The Joint Programme will better articulate what skills, knowledge, experience and partnerships are being leveraged through the staff and staff time of various UN entities – Cosponsors and beyond – towards achieving the goals of the Strategy. Vis-à-vis the Secretariat, an institutional review process is getting underway, with a view to ensuring a workforce with the right skills, performing the right functions, in the right locations, and supported to deliver, thereby maximizing the role of the Secretariat to lead and coordinate the Joint Programme’s contribution towards countries’ achievement of their goals and targets. The Secretariat’s organizational culture transformation agenda will ensure a safe, equal and empowering working environment for all staff and strengthen delivery into the future.</p>
<p>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.</p>	<ul style="list-style-type: none"> • The Report of the PCB Working Group on the JIU Management and Administration Review of UNAIDS (UNAIDS/PCB(47)/20.37) addresses this issue and proposes that the PCB approve an annex to the Modus Operandi that clarifies the Board’s roles and responsibilities with respect to oversight and accountability of the Joint Programme. Please refer to paras.11-13 of the Working Group’s report, and Annex 2 (proposed annex to the Modus Operandi).
<p>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.</p>	<ul style="list-style-type: none"> • The Secretariat has reviewed its corporate legal service needs and arrangements with the WHO Office of Legal Services. A proposed job profile has been developed for an in-house legal advisory function. This will be further considered within the broader institutional review and alignment of the Secretariat.
<p>Recommendation 5 The Programme Coordinating Board should consider creating an independent and external oversight committee to provide</p>	<ul style="list-style-type: none"> • The Report of the PCB Working Group (UNAIDS/PCB(47)/20.37) addresses this issue and recommends that the PCB create such an

<p>independent expert advice to the Programme Coordinating Board and to the Executive Director in fulfilling their governance and oversight responsibilities.</p>	<p>independent, external oversight committee. The Working Group has invited the PCB to consider the draft terms of reference it has developed for this committee. Please refer to paras.14-16 of the Working Group's report, and Annex 3 (draft terms of reference for an advisory committee).</p>
<p>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.</p>	<ul style="list-style-type: none"> • This recommendation has been implemented as of June 2020. • The PCB has requested a written management response to the external and internal auditors' reports for all future PCB meetings within the agenda item "organizational oversight reports".¹
<p>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.</p>	<ul style="list-style-type: none"> • The institutional review of the Secretariat will assess current structures and capacities, needs into the future, and propose options for aligning and optimizing the deployment of Secretariat staff. The development and delivery of the next human resources strategy will also benefit from the recent strengthening of capacity and systems under the Management Action Plan, as well as work underway to transform the organizational culture and increase support to staff wellbeing.
<p>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.</p>	<ul style="list-style-type: none"> • UNAIDS agrees with the recommendation to keep the Economic and Social Council (ECOSOC) informed about the JIU's recommendations and the status of their implementation. UNAIDS plans to work with the ECOSOC Secretariat to bring this information to the Council in 2021.

<p>Informal Recommendations (those considered by the PCB Working Group are in blue)</p>	<p>Status</p>
<p><i>Chapter II: strategic and operational planning</i></p>	

¹ See decision point 11.4. https://www.unaids.org/sites/default/files/media_asset/Decisions_%28PCB46%29_EN.pdf

<p>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)</p>	<ul style="list-style-type: none"> As noted in the management response to the <i>independent evaluation of the UN System response to AIDS 2016-2019</i> (UNAIDS/PCB(47)/20.32), the country envelope mechanism will be updated to align to the next UNAIDS Strategy and best leverage UN system capacities. A stocktaking exercise will be carried out to learn from experience with the first cycles and consider how to improve the mechanism. Subject to the availability of resources, a more detailed evaluation will be carried out in late-2022/early-2023, reviewing the evolution and performance of the mechanism.
<p>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)</p>	<ul style="list-style-type: none"> Management has not accepted this recommendation as there is benefit to having multiple entry points. The Secretariat's Executive Office plays a key role vis-à-vis the Committee of Cosponsoring Organizations (CCO), supporting the Executive Director to leverage the collective leadership of Joint Programme's executive heads. The Director of Governance and Multilateral Affairs serves as the overall focal point for Joint Programme policy and strategic direction, and serves as the secretariat of the CCO. The Department of Planning, Finance and Accountability works closely with Cosponsors on performance monitoring and reporting. Programmatic leads at different levels of the Secretariat have critical roles in engaging the expertise of co-sponsors, in line with the UNAIDS division of labour, to amplify policy advocacy and leadership, coordinate efforts, and accelerate progress towards HIV targets.
<p>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)</p>	<ul style="list-style-type: none"> The new UBRAF, developed under the overall leadership of the CCO, will reflect the human and financial resource requirements and inform the necessary deployment of human and financial resources towards delivering on the UNAIDS Strategy and the specific outputs and results outlined in the UBRAF. It will reflect the mix of HIV-specific and non-HIV-specific (HIV-sensitive) expertise being leveraged to support countries to achieve HIV targets, in the broader context of Agenda 2030. The Executive Director is committed to working closely with the PCB and CCO Heads of Agency so that the Joint Programme has the

	resources needed to deliver the UNAIDS Strategy – fully leveraging the individual and collective strengths of the UN system.
<i>Chapter III: governance</i>	
<p>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)</p>	<ul style="list-style-type: none"> • The guiding principles were reviewed and updated by the Committee of Cosponsoring Organizations (CCO). The revised principles reflect the common commitment of cosponsors to supporting countries in their efforts to end AIDS as a public health threat as part of realizing Agenda 2030 goals. Revisions reflect current Joint Programme terminology, changes in the allocation of funding within the Joint Programme, implementation of a new operating model for UNAIDS, and changes in the broader HIV and global health environment. For further detail, please refer to the Report of the PCB Working Group (UNAIDS/PCB(47)/20.37), para.17. The updated principles are provided in Annex 4. • The Secretariat will continue to develop and implement strategic partnerships and joint support to countries with UN System entities beyond the Cosponsors, as relevant (e.g. UN-Habitat, IOM, OHCHR).
<p>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)</p>	<ul style="list-style-type: none"> • Please refer to the Report of the PCB Working Group (UNAIDS/PCB(47)/20.37), paras.18-19.
<p>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)</p>	<ul style="list-style-type: none"> • Please refer to the Report of the PCB Working Group (UNAIDS/PCB(47)/20.37), paras.20-21.

<p>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)</p>	<ul style="list-style-type: none"> • Please refer to the Report of the PCB Working Group (UNAIDS/PCB(47)/20.37), paras.22-23.
<p><i>Chapter IV: oversight and accountability</i></p>	
<p>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)</p>	<ul style="list-style-type: none"> • As noted in the most recent update on implementation of the Management Action Plan (UNAIDS/PCB(46)/20.16), several steps have been taken to reorganize the Executive Office and optimize reporting lines to the Executive Director. Matrix line management has been introduced for Regional and Country Offices to enable more seamless support to the field. Revised delegations of financial authorities for regional and country offices have been implemented, as well as in human resources matters. The upcoming institutional review and alignment of the Secretariat is an opportunity to further consider and optimize reporting lines and delegations of authority.
<p>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)</p>	<ul style="list-style-type: none"> • An update on implementation of the Management Action Plan (UNAIDS/PCB(46)/20.16) was provided to the PCB at its 46th meeting. Since then, progress has continued, including: preparations to launch an externally-administered staff survey focusing on staff engagement, diversity and inclusion and the UNAIDS Secretariat working environment (survey to be run in November); review of the revised draft WHO policy on the prohibition of harassment, sexual harassment, discrimination and abuse of authority (the UNAIDS Secretariat will either follow this policy or launch its own by January 2021); discussions on proposed revisions to the Memorandum of Understanding between UNAIDS and WHO Internal Oversight Services, incorporating service levels and time targets; development of compliance and oversight dashboards to enhance internal control and enable more timely and targeted operational support to offices and teams; and development of a common methodology for routine inspection visits.

<p>Informal Recommendation 10 [Training on risk management] needs to be conducted as a matter of priority. (para. 91)</p>	<ul style="list-style-type: none"> The most recent update on implementation of the Management Action Plan (UNAIDS/PCB(46)/20.16) noted that risk management and related assessment and reporting processes have been strengthened during the recent biennium work-planning process, including by integrating those processes into online work-planning platforms, and by providing training webinars and direct support to staff who do internal control assessments. The online training course “Preventing Fraud and Corruption at the United Nations” was made mandatory for all UNAIDS Secretariat staff in September 2020.
<p>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)</p>	<ul style="list-style-type: none"> This recommendation has been implemented as of April 2020 and will become a continuing practice.
<p>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)</p>	<ul style="list-style-type: none"> As noted in the most recent update on the Management Action Plan (UNAIDS/PCB(46)/20.16), the Ethics Office is now a standalone office, reporting to the Executive Director through the Chief of Staff. Plans are underway to have a Director of the Office in place by second quarter 2021, following a competitive recruitment process open to both internal and external candidates. Term limits will apply to the appointment, up to two consecutive appointments of four years.
<p>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)</p>	<ul style="list-style-type: none"> A proposed revision to the Memorandum of Understanding between UNAIDS and WHO Internal Oversight Services is under discussion. Audit coverage will be optimized, as necessary, within the broader management accountability and internal control context (“three lines of defence”). Views of the PCB Working Group and wider PCB will be considered as the Memorandum of Understanding is finalized.
<p>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)</p>	<ul style="list-style-type: none"> The Department of Planning, Finance and Accountability has enhanced its support to offices’ follow up to internal audit findings and recommendations. Since the last report to the PCB, 115 recommendations (out of 381) have been closed.

<p>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)</p>	<ul style="list-style-type: none"> • This recommendation has been reflected in the proposed revision to the Memorandum of Understanding between UNAIDS and WHO Internal Oversight Services.
<p>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)</p>	<ul style="list-style-type: none"> • UNAIDS has a policy on information management, usage and security, and the UNAIDS Management Accountability Framework notes there are several policies guiding standards of conduct, including the obligation to maintain confidentiality. The organization has recently restated its firm commitment to confidentiality of key processes and support services for staff (e.g. through the Ethics Office, Staff Health and Wellbeing / Staff Counsellor) in the updated edition of <i>The Compass: A guide to services for UNAIDS staff members</i>. An internal audit of data management practices is currently underway, performed by WHO Internal Oversight Services, and senior management looks forward to reviewing the eventual findings and recommendations.
<p>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)</p>	<ul style="list-style-type: none"> • The External Auditor presented directly to the PCB this year under the agenda item on organizational oversight reports. This practice will continue into the future. • The PCB Working Group deemed this recommendation to have been effectively implemented by PCB decision 9.4 at its 45th meeting and determined that no additional action is needed.
<p>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</p>	<ul style="list-style-type: none"> • The PCB Working Group considering the multiple, interdependent factors influencing the appropriate level of audit coverage. The Working Group agreed with the JIU that the Secretariat’s audit coverage should be as robust and strategic as possible, but the determination of the optimal level of audit coverage, as the third line

<p>the Internal and External Auditors, while respecting their independence (para 123)</p>	<p>of defense in risk management, would ideally be done with more time than the Working Group mandate allows. The Working Group determined that the independent, external oversight advisory committee would be best placed to make a recommendation to the PCB and the Executive Director regarding the optimal scope of audit coverage for the Secretariat. Please refer to paras.25-26 of the Report of the PCB Working Group (UNAIDS/PCB(47)/20.37).</p>
<p>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)</p>	<ul style="list-style-type: none"> • Please refer to the Report of the PCB Working Group (UNAIDS/PCB(47)/20.37), paras.27-28.
<p><i>Chapter V: human resources management and administrative services</i></p>	
<p>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)</p>	<ul style="list-style-type: none"> • The Senior Leadership Team met in October to review recommendations for strengthening mobility and discussed these in the context of the UNAIDS transformation and upcoming institutional review and alignment exercise. Cabinet has endorsed the broad parameters for mobility, and transitional arrangements will be put in place for 2020/2021, integrating mobility with the alignment. An assessment centre for UNAIDS Country Director positions will be run virtually. UNAIDS' future mobility programme will be designed to ensure that the organization retains required specialist knowledge, while enabling staff members to serve and grow in different roles, overall enhancing the versatility and flexibility of the workforce.
<p>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)</p>	<ul style="list-style-type: none"> • The institutional review and alignment of the Secretariat will optimize the deployment of staff skills and capacity, towards leveraging the full potential of the Joint Programme and best supporting countries and communities to achieve their 2030 goals.
<p>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</p>	<ul style="list-style-type: none"> • Induction training and leadership coaching has been reinforced through the implementation of the Management Action Plan. These

<p>provision of managerial training, as listed in the four pillars of the Human Resources Strategy. (para. 138)</p>	<p>themes and activities will also be addressed within the next human resources strategy.</p>
<p>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)</p>	<ul style="list-style-type: none"> The Executive Director and Deputy Executive Director, Management and Governance <i>a.i.</i>, continue to engage in close dialogue with the UNAIDS Secretariat Staff Association (USSA). The USSA is represented on key internal consultative and advisory bodies, including the newly-established Alignment Task Team, which will support staff engagement in the upcoming institutional review and alignment exercise, and help enlist the collective best thinking of the organization on strengthening UNAIDS' work for the future.
<p>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)</p>	<ul style="list-style-type: none"> As noted above, proposed revisions to the Memorandum of Understanding with WHO Internal Oversight Services is under discussion. Arrangements with the WHO Office of Legal Services have been reviewed and will be updated, as necessary, in the context of possibly establishing in-house legal counsel.
<p><i>Chapter VI: going forward</i></p>	
<p>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)</p>	<ul style="list-style-type: none"> UNAIDS will pursue opportunities to highlight lessons learned and good practices in various contexts, overall illustrating how the Joint Programme is leveraging the skills, capacity and partnerships of the UN system, towards supporting communities and countries to achieve their goal of ending the AIDS epidemic by 2030. The UNAIDS web site provides an important platform for ongoing sharing of the Joint Programme's work and results, including in the context of the COVID-19 pandemic and response, highlighting our added value, particularly vis-à-vis engaging communities. Plans are underway to enhance the UNAIDS transparency portal (open.unaids.org).

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