MANAGEMENT RESPONSE

Organizational oversight reports

UNAIDS

Additional documents for this item:

Intercessional Establishment of the UNAIDS Independent External Oversight Advisory Committee (UNAIDS/PCB (50)/22.17);
Report of the Internal Auditor (UNAIDS/PCB (50)/22.18);
Report of the External Auditor (UNAIDS/PCB (50)/22.19);
Report of the Ethics Office (UNAIDS/PCB (50)/22.20);
Report of the Independent External Oversight Advisory Committee (UNAIDS/PCB (50)/22.21).

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

a. *take note* of the report of the Ethics Office;

b. *accept* the External Auditor report for the financial year ended 31 December 2021;

c. *take note* of the Internal Auditor report for the financial year ended 31 December 2021; and

d. *welcome with appreciation and take note of* the first report of the Independent External Oversight Advisory Committee and look forward to their next report in 2023; and

e. *take note* of Management's response to oversight reports.

Cost implications for the implementation of the decisions: None

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Introduction

1. As requested by the PCB at its 46th meeting, this document contains Management's response to oversight reports. It should be read in conjunction with the documents, Report of the Internal Auditor (UNAIDS/PCB (50)/22.18), Report of the External Auditor (UNAIDS/PCB (50)/22.19), Report of the Ethics Office (UNAIDS/PCB (50)/22.20) and Report of the Independent External Oversight Advisory Committee (UNAIDS/PCB (50)/22.21).

2. In line with PCB decision taken at its 46th session (*11.4 Requests the Executive Director to submit a written management response to the external and internal auditors' reports for all future PCB meetings within the agenda item "organizational oversight reports"*), this report provides an update of actions taken by the Secretariat to ensure full implementation of external and internal audit recommendations.

3. This report includes an overview of the outcome of the investigations to which reference is made in the report of the Internal Auditor for the calendar year 2021, and Management's response to the independent Ethics Office report and to the report of the newly established Independent External Oversight Advisory Committee. This report also includes an analysis of the implementation of recommendations from the Joint Inspection Unit's (JIU) reports.

4. The management of UNAIDS recognizes and wishes to express its appreciation to the Office of Internal Oversight Service (IOS) of the World Health Organisation (WHO) for its continued support to UNAIDS through the provision of independent audit assurance.

5. The management of UNAIDS also recognizes and wishes to express its appreciation to the Office of the Comptroller and Auditor General of India for their support to UNAIDS through the independent external audit service they provide.

6. Management welcomes the new head of the Ethics Office and expresses its gratitude for their report.

7. Management expresses its appreciation to the newly appointed members of the UNAIDS Independent External Oversight Advisory Committee for their report.

8. Management reiterates its commitment to strengthening internal controls and recognizes the importance and value of audit recommendations.

9. The report also contains an overview of actions taken by the Secretariat to further strengthen internal controls, accountability and ensure the effective use of resources.

External audit activities in 2021

10. The external auditor audited UNAIDS financial statements for the year ended 31 December 2021 and performed an on-site review of operations at the Geneva Global Centre.

Unmodified audit opinion on UNAIDS financial statements for the year ended at 31st December 2021

11. UNAIDS financial statements have been prepared in compliance with the International Public Sector Accounting Standards (IPSAS) and in accordance with the Financial Regulations and Rules of WHO.

12. Management is pleased to note that the external auditor issued an "unmodified" or clean opinion on the UNAIDS financial statements for the financial year ended 31 December 2021.

External audit recommendations and management's response

13. Pursuant to their review of operations at UNAIDS headquarters, the external auditor issued seven recommendations in the areas of the Asset Management, Unified Budget, Results and Accountability Framework (UBRAF), ethics, direct financial contributions, programme funding agreements and the Operating Reserve Fund.

14. Management's responses to audit recommendations are outlined in Table 1.

Table 1. Management's responses to External Audit observations and recommendations

Recommendations	*Management's response*
Asset Management	
Recommendation 1 We recommend that UNAIDS ensure incorporation of necessary controls in the ERP system to prevent delayed recording of assets.	Managements supports the recommendation and will follow up with WHO on the inclusion of enhanced controls into the new ERP.
Unified Budget, Results and Accountability Framework	
Recommendation 2 UNAIDS may ensure reporting of all performance indicators of the UBRAF in the Performance Monitoring Report to reflect comprehensive picture of the progress and to measure organizational performance quantitatively using the output indicators.	Management supports the recommendation and will report on progress in line with the recommendation. Management confirms that the 2020-2021 Performance Monitoring Report submitted to the 50th PCB includes reporting against all UBRAF indicators for the whole UBRAF 2016-2021 cycle
Ethics Office	

Recommendations	*Management's response*
Recommendation 3 While reporting the status of allegations received by the Ethics Office, the category "Other cases including misconduct", needs to be disaggregated to truly reflect the nature of the misconduct involved so that there is enhanced transparency and better monitoring.	In agreement with the recommendation. As highlighted in the annual Ethics Office report (UNAIDS/PCB (50)/22.20), statistical reporting will be reviewed.
Recommendation 4 Management may prescribe stage-wise timelines for addressing all categories of complaints and requests for advice.	In agreement with the recommendation and supportive of the establishment of target timelines. The timelines will be developed and data prepared to facilitate input into future reports of the Ethics Office.
Direct Financial Contribution (DFC)	
Recommendation 5 We recommend management strengthen its controls and ensure adherence to procedures in relation to final payments to DFC partners in order to minimize errors.	In agreement with the recommendation. Quality control checks are reinforced.
Programme funding agreements	
Recommendation 6 UNAIDS may strengthen the regulation of programme funding agreements through (a) incorporation of FENSA mechanism in the procurement manual, (b) use of assessment matrix to select proposals, (c) fixing timelines for returning of unspent balance by the implementing partners to UNAIDS, and (d) developing SOP for the conduct of assurance activities.	Management agrees with, and will implement, the recommendations related to the use of assessment matrix to select proposals, fixing timelines for returning of unspent balance by the implementing partners to UNAIDS, and developing SOP for the conduct of assurance activities. In relation to FENSA, Management agrees to review the mechanism, identify relevant practices, and adapt them to ensure compatibility with the specificities of UNAIDS and its key partners.
Operating Reserve Fund	
Recommendation 7 We recommend that Management presents the status of the Operating Reserve Fund to the Programme Coordinating Board, at its formal annual sessions, in line with the rules and procedures governing the Operating Reserve Fund.	Management agrees with the recommendation. The status of the Operating Reserve Fund will be presented to the PCB.

Implementation of past external audit recommendations

15. In their report for the year ended 31 December 2021, the external auditor noted that, of the 13 past external audit recommendations, 5 were implemented, 4 were overtaken by new recommendations and 4 were being implemented as of 31 December 2021 (see Table 2 for details).

Table 2. Past audit recommendations implemented and overtaken by new recommendations

Recommendation	*Status*
Audit report for the year ended 31.12.2020	
We recommend that UNAIDS continue monitoring its Management Action Plan closely and enhance its efforts to achieve the goal of making UNAIDS a healthy, equitable and enabling workplace for all staff, free of any form of harassment or discrimination.	Implemented
UNAIDS should continue to undertake concerted steps to encourage and enable staff to report misconduct, discrimination or harassment without any fear of retaliation.	Implemented
We recommend that the Award Manager / Project Manager may periodically review projects to ensure that a plan is available for utilization of funds and should take timely action in cases where the total amounts are not expected to be spent by the end-date.	Implemented
While appreciating the different reporting needs of different stakeholders, we recommend that UNAIDS should consider improving the performance reporting system by balancing the need for concise reporting with the need for a more simplified and integrated report with enhanced visibility and readability.	Overtaken by new recommendation
Audit report for the year ended 31.12.2019	
Reconcile ratings and achievements provided in the Performance Monitoring Report with that of the UNAIDS Transparency Portal to warrant the accuracy and reliability of information provided to stakeholders.	Implemented
Push forward the implementation of the Management Action Plan, especially on the areas where there is less progress, to address, among others, the staff priority issues and concerns identified in staff surveys, with the end-view of achieving the vision of a healthy, equitable and enabling workplace for all UNAIDS staff.	Implemented
Revisit and enhance the progress-tracking, -rating and-reporting conventions of its achievements to ensure that the criteria and required processes established for the purpose are applied uniformly at the country level.	Overtaken by new recommendation
Enhance alignment between the upcoming 2018–2019 Performance Monitoring Report and the UNAIDS 2018–2019 Workplan and Budget by linking country targets' progress to the UBRAF indicator set in addition to the latest Global Indicator data.	Overtaken by new recommendation
Ensure that future reporting efforts are supported by well-established data collection and review processes to ensure that information is better managed.	Overtaken by new recommendation

16. Table 3 (overleaf) provides Management's update on the recommendations under implementation or not implemented as of 31 December 2021.

Table 3. Management's update on past external audit recommendations

Recommendation	*Management's comments*
We recommend that UNAIDS should adhere to the UBRAF performance indicator guidance in reporting its performance, and ensure better data quality, consistency and comparability.	The 2020–2021 Performance Monitoring Report (submitted to the June 2022 PCB meeting) includes detailed reporting against the full set of UBRAF Strategy Result Areas and the Secretariat Functions indicators. In addition to reporting against the indicators for the 2020–2021 period, this reporting includes the indicator reporting against the full UBRAF cycle (2016–2021), allowing for a proper analysis of trends. Special attention was made for data verification, consistency and quality assurance as per the UBRAF performance indicator guidance. As per the auditor's recommendations, when data were not available for selected indicators for some years and/or not (fully) comparable along the whole period, explanation has been included in the reporting. As part of the development of the final indicators for the new UBRAF 2022–2026 and 2022–2023 Workplan (submitted to the June 2022 PCB meeting), in addition to lessons from past UBRAF performance monitoring and the PCB and auditor's feedback, special efforts and due diligence were made to enhance consistency with the new Global AIDS Monitoring (GAM) indicators of the global HIV response (against which UN Member States report) that have been finalized end 2021. The new UBRAF indicators for 2022-2026 will inform the reporting with the first Performance Monitoring Report for 2022due to be submitted to the PCB in June 2023.
We recommend that Country Office Myanmar may continue to closely monitor the progress on the targets to prevent any slippage in the significant gains made so far on several indicators and to improve on some of the high-risk areas where the progress was slow.	Management notes the External Auditor's comment. Actions have already been taken to closely monitor progress on targets (and take appropriate action as required), but also to support to HIV-related services in priority regions and states, notably through the establishment of an interim coordination mechanism. In addition, in line with the recommendation, UNAIDS will continue to strengthen the following areas: ▪ coordination of the national HIV strategic information technical working group to review the epidemiological data and programme implementation progress and to identify the priority areas for action; ▪ community-led monitoring and reporting in the most-affected areas where public HIV service delivery is limited; and ▪ district-level health information system where all HIV partners report high-quality HIV data.

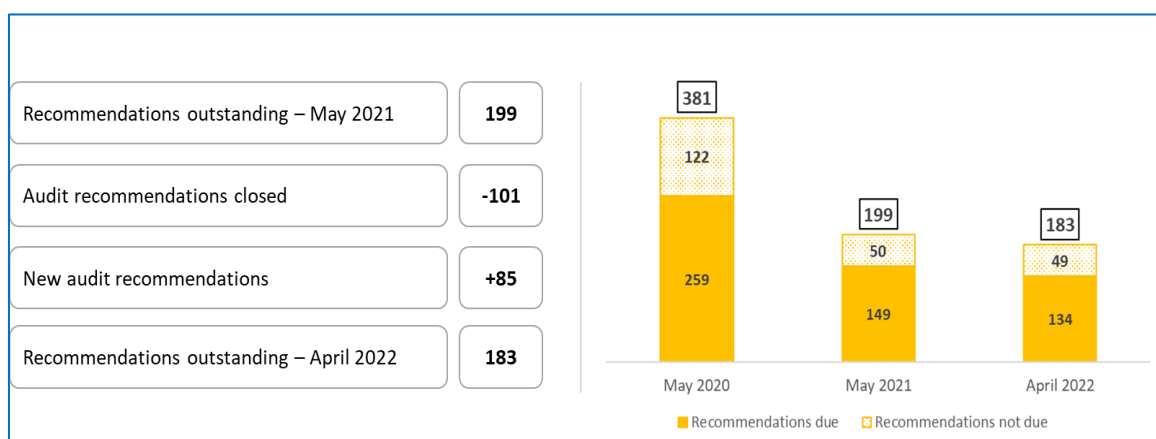| Recommendation	Management's comments
UNAIDS should ensure that the country data on key parameters, disclosed in various reports, should be consistent, complete, accurate and comparable	Due diligence has been reinforced to ensure that consistent, complete, accurate and comparable data are available for countries' reports. This was demonstrated in the 2020 Performance Monitoring Report submitted to the PCB June 2021 and for the quality assurance and finalization of the country reports published on the UNAIDS Results and Transparency Portal (https://open.unaids.org/countries). As part of the development of the indicators for the new UBRAF 2022–2026 and 2022–2023 Workplan, full consistency and complementarity were ensured as much as possible with the 2022 guidance for the GAM (focusing on tracking progress by UN Member States on implementation of the new 2021 Political Declaration on HIV and AIDS) and which was publicly issued in December 2021. The final UBRAF indicator matrix submitted to the June 2022 PCB meeting defines the complete set of new indicators, rationale, data sources, baseline, milestones by 2023 and 2025, and targets by 2026, and includes details on what data will be sourced from the GAM and other sources and information on expected availability. Additional details on methodology for data collection feature in the internal complementary UBRAF indicator guidelines. This will allow for more consistency, accuracy and comparability. This new, final UBRAF indicator matrix for 2022–2026 will inform the reporting with the first Performance Monitoring Report for 2022 due to be submitted to the PCB in June 2023.
We recommend that UNAIDS may consider evaluating the performance of contractors diligently and in a timely manner. As suggested by the Country Office, UNAIDS could develop an organization-wide online platform for contractors' performance evaluation.	Management notes the External Auditor's comment and has already implemented a new online tool to: (i) ensure that all mandatory information is entered correctly and completely; and (ii) improve the timeliness of the process through digitalization (electronic form and e-signature versus paper) and standardization. Moving forward, we will coordinate with WHO to request that the completed contractor performance report be a mandatory requirement in the Enterprise Resource Planning system prior to receipt of the final deliverable/payment.

Internal audit activities in 2021

Internal audit reports and advisory reviews issued in 2021

17. Since May 2021, IOS issued five new audit reports and a total of 85 audit recommendations. As highlighted by IOS, despite the constraints and challenges due to the COVID-19 pandemic, the overall effectiveness of individual controls continued to increase to 70%, compared with 50% in 2019 and 68% in 2020.

18. Management acknowledges and notes the 2021 audit findings from Country Office and Regional Office audits.

19. In line with the Country and Regional Office audit findings, and with a focus on recommendations with high residual risk (e.g. DFC/PFAs), risk management and filling of key positions, UNAIDS is already developing targeted actions. They include, but are not limited to, new mandatory assurance activity requirements and reinforced clearance process, creation of a new contract assurance position, expansion of risk management support, and filling of key positions via the alignment process.

20. With regards to the HQ Password and Account Management audit, Management agrees with the recommendations and actions have already been taken to remediate vulnerable accounts and reinforce multifactor authentication for all staff accounts. With the security platform upgrade, continuous risk detection and automated response to high-risk account activities were enabled to prevent identity theft. Moreover, UNAIDS's password policy and relevant security controls are being reviewed as per audit recommendations and will be updated to adopt relevant and more recent industry guidelines.

21. Overall, a more holistic approach is being adopted to resolve common audit findings, such as risk management, procurement-related issues, assurance activities for noncommercial contracts and overall compliance with rules and regulations. The use of the online dashboards, based on data extracted from the IOS platform, has allowed for the grouping of similar recommendations to facilitate more coordinated closure activities.

Implementation of past internal audit recommendations

22. Management is pleased to note that IOS closed six audit reports during the year and one advisory report.

23. According to the IOS report (Annex 1), the closure rate as of April 2022 is 69%, compared with 72% in May 2021 and 54% in May 2020.

24. As of May 2021, the total number of outstanding recommendations stood at 199. Between May 2021 and April 2022, IOS issued 85 new recommendations and closed a total number of 101 recommendations, resulting in a balance of 183 recommendations outstanding, as of April 2022 (Figure 1).

Figure 1. Outstanding recommendations: year-on-year progress

Recommendations outstanding – May 2021	**199**	
Audit recommendations closed	**-101**	
New audit recommendations	**+85**	
Recommendations outstanding – April 2022	**183**	

May 2020: 381 (259 Recommendations due, 122 Recommendations not due)
May 2021: 199 (149 Recommendations due, 50 Recommendations not due)
April 2022: 183 (134 Recommendations due, 49 Recommendations not due)

■ Recommendations due ☐ Recommendations not due

25. Management is pleased to report that 9 old, outstanding recommendations highlighted in the IOS annual report to the 48th meeting of the PCB have been closed, and that five old audit reports were closed during the year.

26. Management notes that IOS reports an increase in the percentage of recommendations open and overdue compared to last year's report (9% in April 2022, compared to 6% in May 2021 and 21% in May 2020). Swift action will be taken to close the remaining old, outstanding recommendations.

27. Management also recognizes that additional support is required to guide and support audited offices to fully understand the requirements for a successful closure request and how to submit correctly in the IOS platform (Teammate+). Dedicated training sessions will be provided to all offices with outstanding recommendations.

Management's response to recurrent internal audit findings

28. Management is continuously taking steps to further improve accountability and transparency and strengthen internal controls. In relation to the recurrent audit findings, the following is a summary of actions taken or planned.

   a. **Risk management**

   Actions already taken

   ▪ Annual risk assessment and update of risk register. Country Offices, Regional Offices and Global Centre departments successfully assessed the risks on their activities and results for 2022.

   ▪ Guidance and tools. To support managers in their update of risk registers and to improve information on risk mitigation, the online platform was updated and guidance was provided through training materials and quality assurance reviews.

   ▪ Monitoring of progress was enhanced through updated dashboards, providing an overview at both individual office and branch levels.

Further actions to be implemented

To promote an expanded awareness of risk management, the supporting guidance and processes will be updated to ensure wider input from staff, refresher trainings will be provided, and reminders will be sent to all managers outlining their responsibility to promote the culture of risk management.

b. Procurement

Actions already taken

- Sessions on operational efficiencies have been held for all country directors at their respective regional meetings.

- Reminders and updated check lists have been provided to all quality assurance team to reinforce compliance.

- Automated reminders have been implemented to promote faster responses to QA queries on planned procurements.

Further actions to be implemented

Management will build upon and expand existing actions to further streamline procurement clearance procedures to ensure that only the accountable individuals are involved (delegation of authority). The implementation of these strategic process revisions will be supported through organization-wide refresher training of all administrative and operational staff on document preparation and verifications.

To further strengthen a culture of accountability, managers' performance appraisals will include compliance indicators, tracked by real-time dashboards which are available to all staff.

c. Assurance activities on programme funding agreements

Actions already taken

- Reminders have been sent to all quality compliance teams to ensure relevant assurance activities are included in the preparatory documentation and that, where applicable, audits are defined as mandatory deliverables.

- A new, online dashboard is available, providing offices with the at-a-glance status of overdue and upcoming final reports.

- A new dedicated oversight and compliance office team has been created (as part of the alignment exercise), including a new contract quality-assurance officer position, which is tasked with reinforcing the verification and reporting on assurance activities.

Further actions to be implemented

To ensure accurate recording of assurance activities, a new online template will be developed, with the relevant sections being set as mandatory. In addition and to ensure compliance, an additional verification step will be required from assurance activity focal points in each region.

To support offices to identify appropriate assurance activities, new standard operating procedures will be published, defining the type of assurance activities to be undertaken, based upon the type of agreement and/or the approved budget.

d. Declaration of Interest from experts under UNAIDS contracts

In line with audit recommendations, new process and templates for capturing the Declaration of Interest from experts are currently being finalized. Moreover, a similar process will also be rolled out for individual contractors.

e. Private calls using official mobile phones

The increased use of internet data to communicate (e.g. via WhatsApp) and the decrease in traditional usage (standard voice calls) makes it impossible to differentiate between private and personal data usage on itemized billing.

To respond to the changing technological landscape, a revised policy will be developed that leverages new communication tools, reduces transaction costs, adapts to new ways of working and ensures a more equitable, staff-centered approach.

Outcomes of investigations

29. Reference is made to the WHO Report of the Internal Auditor for 2021. In 2021, 12 reports of concern involving UNAIDS operations and resources were received and reviewed by WHO IOS. Management notes that the number of reports of concern received in 2021 was stable compared to 2020, while also noting that, in comparison to 2020, the volume of reports of potential fraud for 2021 has increased to the 2019 level. Of the 12 reports of concern, IOS reports that one case was found to be unsubstantiated, and one case was dealt with directly by UNAIDS Management (the subject of the investigation had admitted to the charges) and was subsequently closed. The remaining 10 cases are at various investigation stages, from preliminary review to being ready for closure. IOS also reports having issued in 2021 an investigation report relating to allegations of sexual harassment received in 2020, which concluded that such allegations were substantiated.

30. For a comprehensive overview of actions taken on investigative and other findings or irregular practices and conduct in 2021, reference is made to the Annual Report on Corrective Administrative Action, including disciplinary measures imposed in 2021 (UNAIDS/PCB (50)/CRP4).

31. In order to further strengthen collaboration and improve service levels and quality in relation to investigative and other oversight work, WHO IOS and the UNAIDS Secretariat have finalized a memorandum of understanding that governs the provision of investigation services to UNAIDS. The memorandum of understanding sets out timeframes for the conclusion of investigations pertaining to UNAIDS staff members. It also provides a framework for qualitative analysis towards identifying possible root causes and structural or systemic weaknesses over the course of IOS investigative activities, and towards addressing them.

Management's response to the Independent Ethics Office report

32. UNAIDS recognizes the important role of the Ethics Office in advising and supporting staff and teams, as well as in the overall promotion of knowledge and accountability regarding the organization's rules, policies and procedures.

33. The Ethics Office report outlines the measures taken by Management to strengthen the independence of the Ethics Office. Additional measures will be taken, in line with the JIU recommendations and the conclusions of the head of the Ethics Office.

34. Management acknowledges the Ethics Advisory Services provided during 2021 and notes the decrease in the number of requests for advice received by the Ethics Office, compared with 2020. The independence of the ethics function should contribute to enhance trust among staff and encourage recourse to advice.

35. Management agrees that effective protection against retaliation is critical and welcomes the Ethics Office identifying this as a key priority going forward. Management also recognizes key actions already taken to enhance and ensure high standards of conduct at UNAIDS, as outlined in the Ethics Office report, including but not limited to the following: (i) the release of a new policy on preventing and addressing abusive conduct; (ii) the global communications campaign, #Respect; (iii) training; and (iv) enhanced collaboration with WHO IOS to ensure that appropriate measures are in place with regard to the referral and treatment of cases.

36. Management welcomes the efforts planned to streamline processes and procedures, and the enhanced informal resolution of disputes through various means, which can help create a more positive work environment and decrease costs.

37. Management takes note of the need to provide appropriate resources and support to ensure the effective functioning of the Ethics Office.

Management response to the annual report of the Independent External Oversight Advisory Committee

38. Management welcomes the inaugural report of the Independent External Oversight Advisory Committee (IEOAC) report and sincerely appreciates their positive in-depth advice, and looks forward to working closely with them.

39. Management shares the IEOAC's concern on the need to ensure sustainable funding for UNAIDS' core programme. More information on the estimated funding shortfall against the core 2022-2023 core UBRAF budget can be found in the interim financial management update for the period 1 January 2022 to 31 March 2022 (UNAIDS/PCB (50)/22.13). In view of the difficult financial outlook for 2022 and 2023, Management will implement cost containment measures. However, management notes that, if not limited in time, these measures may negatively impact on programme implementation. Management therefore calls on donor governments to release their contributions towards the 2022-2026 UBRAF.

40. Management takes note of the committee's plan to assess the possibility of including a comprehensive review of the 2020-2021 UBRAF Performance Monitoring Reports in the workplans of the External and/or Internal Auditor.

41. Findings and recommendations were taken into consideration for the design of the new UBRAF 2016-2021 adopted by the PCB in 2021. It is also important to note that the

UBRAF 2016-2021 has been designed in 2015 while the HIV epidemic, response and global context have all evolved significantly since then.

42. Management takes note of the committee's plan to consider risk management and the appropriateness of the audit coverage at its September 2022 meeting, and is supportive of the plan to analyse potential opportunities and actions that would add value.

43. Management will liaise with WHO IOS and report back to IEOAC in their September 2022 meeting with regards to the request for the inclusion of timelines related to investigation cases, the revision of its annual report title, the inclusion of information on WHO cross-cutting audits that cover UNAIDS activities and to investigate the feasibility of publicly disclosing summaries of internal audit reports, whilst adhering to WHO rules and regulations.

44. Management is in agreement with the advice, and will act accordingly, to fast track the implementation of long-outstanding internal audit recommendations.

45. Management takes note of the request to strengthen the capacity of the Ethics office, and will make concrete efforts to do so, whilst also noting that any action must take into account the current funding situation.

46. Management takes note of the recommendation for the Ethics office to undertake a survey to gauge staff satisfaction and comfort in relation to the services it provides, and will provide support if requested.

47. Management takes notes the concerns from both the Internal and External Auditor on the potential impact of the ongoing alignment process of the Secretariat in terms of business continuity and anxiety among staff members. An update on the alignment and management actions taken can be found in the Update on Strategic Human Resources Management Issues (UNAIDS/PCB (50)/22.15)

Implementation of recommendations of the Joint Inspection Unit

48. Management welcomes the reports of the JIU and appreciates their reviews of cross-cutting issues that promote administrative efficiency and contribute to greater coordination between UN agencies. Detailed information on the implementation of the JIU review of the administration and management of UNAIDS was provided in a separate update to the PCB (UNAIDS/PCB (47)/20.40; and UNAIDS/PCB (47)/CRP5).[1]

49. In the period 2015–2021, the JIU issued 90 system-wide and several organizational reports, notes and letters, for a total of 343 recommendations,[2] excluding those recommendations addressed to single organizations.

50. The JIU uses an online web-based tracking system (WBTS) to monitor and follow-up on the status of acceptance and implementation of their recommendations.

51. During 2021, the Secretariat achieved good progress in improving the acceptance and implementation rates reported in the WBTS, which rose to 82% and 60%, respectively.[3]

52. Management is committed to continue its efforts to ensure timely follow-up of JIU recommendations, while recognizing that some of these recommendations may not be fully relevant to a small-scale and cosponsored programme such as UNAIDS.

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[1] PCB47_Update_Progress_JIU_recommendation and CRP5_JIU_Implementation_Eng.
[2] Report of the Joint Inspection Unit for 2021 and programme of work for 2022 (A/76/34).
[3] Statistics from the JIU web-based tracking system as of 6 May 2022 on the JIU reports issued during the period 2015–2021.

Conclusion

53. Management is pleased with the unqualified audit opinion from the External Auditor on the 2021 financial statements and welcomes external and internal audit recommendations that support the strengthening of internal controls, the effective use of resources and the quality of reporting.

54. Management reiterates its commitment to continue improving the timely implementation of audit recommendations and will continue to introduce measures in this regard.

Draft decision points:

55. The PCB is invited to:
   - *take note* of the report of the Ethics Office;
   - *accept* the External Auditor report for the financial year ended 31 December 2021;
   - *take note* of the Internal Auditor report for the financial year ended 31 December 2021; and
   - *welcome with appreciation and take note of* the first report of the Independent External Oversight Advisory Committee and look forward to their next report in 2023; and
   - *take note* of Management's response to oversight reports.

[End of document]