

REPORT OF THE EXTERNAL AUDITOR

Organizational Oversight Reports

Additional documents for this item:

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 Ethics Office (UNAIDS/PCB (50)/22.20)

Report of the UNAIDS Independent External Oversight Advisory Committee (UNAIDS/PCB (50)/22.21)

Management Response to the Organizational Oversight Reports (UNAIDS/PCB (50)/22.22)

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 2021;

Cost implications for implementation of decisions: none



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

Our audit aims to provide independent assurance and to add value to the Management of Joint United Nations Programme on HIV/AIDS (UNAIDS) by making constructive recommendations.

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**Audit of
Joint United Nations
Programme on
HIV/AIDS (UNAIDS)
For the Financial Year
ended 31st December 2021**

Contents

Subject		Page No.
Long Form Report of the External Auditor		3
Summary		3
A	Mandate, scope and methodology	5
B	Audit Objectives	6
C	Audit findings and recommendations	6
	I Status of implementation of previous external audit recommendations	6
	II Financial overview	6
	III Changes made in the Financial Statements at the instance of Audit	7
	IV Financial Management	7
	V Unified Budget, Results and Accountability framework (UBRAF)	8
	VI Ethics	10
	VII Direct Financial Contribution (DFC)	12
	VIII Programme Funding Agreements	13
	IX Operating Reserve Fund (ORF)	15
D	Acknowledgement	15
E	Annexures	16

Long Form Report of the External Auditor

Summary

The report of External Auditor

1. We audited the financial statements and reviewed the operations of the UNAIDS for the year ended 31 December 2021. The audit was conducted onsite at UNAIDS Headquarters in Geneva.
2. The general objective of the audit is to provide independent assurance to Member States, increase transparency and accountability as well as operational efficiency and effectiveness in the Organization, and to support the objectives of the Organization's work through the external audit process. We have detailed in this report the financial and governance matters that we believe should be brought to the attention of the Programme Coordinating Board (PCB).

Overall result of the audit

3. In line with our mandate, we audited the financial statements of UNAIDS in accordance with the Financial Regulations and in conformity with the International Standards on Auditing (ISA) issued by the International Auditing and Assurance Standards Board (IAASB).
4. We concluded that the financial statements present fairly, in all material respects, the financial position of UNAIDS for the financial year ended 31 December 2021, and its financial performance, the changes in net assets/equity, the cash flows, and the comparison of budget and actual amounts, in accordance with the International Public Sector Accounting Standards (IPSAS). Based on our conclusion, we issued an unqualified audit opinion on the Organization's financial statements for the financial year ended 31 December 2021.
5. We also concluded that the accounting policies were applied on a basis consistent with that of the preceding year, and the transactions of the UNAIDS that have come to our notice during the audit or that have been tested as part of the audit of the financial statements were, in all significant respects, compliant with the Financial Regulations of the WHO.

Audit opinion

6. We have issued an unqualified audit opinion on the financial statements for the period under review.

Key audit findings

7. After the purchase and receipt of assets, there was significant delay in recording them in the books of UNAIDS. This was not in compliance with IPSAS 17.
8. Out of 20 country level outputs of result framework of Unified Budget, Results and Accountability (UBRAF), assessment was not reported on some of the important indicators used to assess the outputs against the Strategy Result Areas. The assessment of performance was rendered incomplete to that extent.
9. UNAIDS has not adopted Framework of Engagement with Non-State Actors (FENSA) to regulate its relationship with non-State actors and for protecting its work from potential risks such as conflict of interest, reputational risks, and undue influence. UNAIDS engages with non-state actors (NGOs, private sector entities, philanthropic foundations) who are its implementing partners.

Significant Recommendations

10. **UNAIDS may ensure incorporation of necessary controls in the ERP system to prevent delayed recording of assets.**
11. **Reporting of all performance indicators of the UBRAF, needs to be ensured in the Performance Monitoring Report, to reflect complete picture of the progress and to measure organizational performance quantitatively using the output indicators.**
12. **UNAIDS may strengthen the regulation of Programme Funding Agreements through incorporation of FENSA mechanism in the procurement manual.**

Key facts

USD 242.06 million	Total revenue in 2021
USD 279.94 million	Total expenses in 2021
USD 317.21 million	Total assets in 2021
USD 208.61 million	Total liability in 2021
USD 108.61 million	Net assets in 2021

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. UNAIDS is the main advocate for accelerated, comprehensive and coordinated global action on the HIV/AIDS pandemic.
2. The Comptroller and Auditor General of India has been appointed external auditor of the Joint United Nations Programme on HIV/AIDS (UNAIDS) for a term of four years from 2020 to 2023. The audit was conducted in accordance with Financial and Regulatory frameworks governing the various activities of the UNAIDS, primarily including *inter alia* the WHO Financial Regulations and Rules, UNAIDS Rules, recommendations/ guidelines of Global Oversight Committee, Advisory Investment Committee etc. from time to time, as well as with 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 primarily to enable us to form an opinion as to whether the financial statements present fairly the financial position of UNAIDS as at 31 December 2021 and its financial performance and cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (IPSAS). This included an assessment as to whether the expenditure recorded in the financial statements had been incurred for the purposes approved by the governing bodies and whether revenue and expenses had been properly classified and recorded in accordance with the Financial Regulations and Rules. The audit included a general review of financial systems and internal controls and a test examination of the accounting records and other supporting evidence to the extent that we considered necessary to form an opinion on the financial statements.
4. The present report covers matter that, in our opinion, should be brought to the attention of the Programme Coordinating Board. The draft report was issued to UNAIDS management, and their replies have been appropriately incorporated.

B. Audit objectives

5. The objectives of the audit are to review the financial statements to derive reasonable assurance that they reflect the true and fair view of the operations of UNAIDS; the transactions/financial Statements are presented/disclosed in accordance with IPSAS; the internal controls are adequate and effective in fulfilling the mandate of the organisation and justify the extent of reliance placed thereon; the accounting policies adopted by UNAIDS are consistent and in compliance with IPSAS and the transactions/activities are in compliance with WHO's financial regulations and financial rules.

C. Audit Findings and recommendations

I. Status of implementation of previous external audit recommendations

6. We reviewed the status of implementation of outstanding audit recommendations from previous years. As of 31 December 2021, there were 13 recommendations outstanding up to the period ending 31 December 2020, of which 5 had been implemented, 4 are under implementation and 4 were subsumed in new recommendations (details are at **Annexure 1**).

II. Financial Overview

7. Deficit increased from US\$ 2.64 million in 2020 (1 percent of total revenue) to US\$ 35.06 million in 2021 (14 percent of total revenue). This was primarily due to increase in cost of contractual services and reduction in revenue.
8. UNAIDS's revenue in 2021 (USD 242.06 million) decreased by 9 percent as compared to 2020 (USD 268.10 million). Total expenses as a percentage of revenue increased from 101 percent in 2020 to 115 percent in 2021.
9. Staff cost which has been the largest item of expenditure, saw a decrease of 4.22 percent in 2021 as compared to 2020. This was due to reduction in cost of the actuarial valuation of the defined benefit obligation for staff health insurance staff benefits.
10. Transfer and grants to counterparts for the execution of various projects is the second largest item of UNAIDS expense. Disbursement to grantees as a percentage of revenue increased from 29.46 percent in 2020 to 36.02 percent in 2021.
11. As at 31 December 2021, the total assets of UNAIDS were \$ 317.21 million, a decrease of \$ 17.15 million as compared to 31 December 2020 (\$334.36 million). Cash and Cash Equivalent saw a decrease of \$ 21.87 million (11.04 per cent) in 2021 as compared to 2020.
12. As at 31 December 2021, Long term Accrued Staff Liabilities were \$ 140.40 million, a decrease of \$ 24 million as compared to 31 December 2020 (\$ 164.44 million). This was primarily due to decrease in actuarial valuation of the after service staff health benefits.

Short term Solvency

13. We analyzed the liquidity position of UNAIDS to assess its ability to meet its short-term commitments or operating needs and observed that it has been sound in the last five years. The quick ratio and current ratios for the five years indicated that the current assets, cash and cash equivalents had always been more than six times its current liabilities. The liquidity position had reduced in 2021 as compared to 2020 as would be observed from the Table below:

Table-1 Liquidity Ratios

	2021	2020	2019	2018	2017
Net Working Capital (MUS\$)	248.424	273.342	234.936	232.491	216.606
Current Ratio	7.56	8.20	6.33	9.59	6.16
Quick Ratio	7.54	8.17	6.32	9.57	6.15

III. Changes made in the Financial Statements at the instance of audit

14. During audit we made several observations to enhance the completeness, accuracy, and transparency of disclosures in the financial statements. Management accepted our recommendations and made suitable amendments to the financial statements.

IV. Financial Management

Assets Management

15. We observed that some of the assets were recorded in books of UNAIDS (entered in the system) much after they were purchased and put to use. During 2021, 538 fixed assets valuing USD 634,131 were recorded in the books of UNAIDS. Out of these 538 assets, 166 assets valuing USD 197,872 (31.20 percent) were entered after a delay ranging from 3 to 53 months of their receipt. This included 162 non-depreciated assets and four items of PPE on which depreciation was charged from the date they were recorded in the fixed asset register during 2021. As these assets were available for use as soon as they were received during January 2017 to January 2020, depreciation should have been charged as per IPSAS 17 (Para 71). This resulted in understatement of depreciation (USD 56,146).

16. We observed that fulfilment of the following three mandatory conditions are required in order to interface the new assets in the Fixed Asset Module (FAM).

- i. Receipt of equipment in ERP/GSM,
- ii. Acceptance of equipment (including barcode, custodian, the country location) in ERP/GSM,
- iii. Invoice processed and payment released

17. The Management replied that the Country Office or the purchasing Unit in HQ (IT or Building team) was responsible to perform the above mandatory conditions. The challenge was to make the country offices complete the 2nd condition after receiving the assets in the premises. Despite efforts, the completion of that step was sometimes delayed.

Recommendation 1

We recommend that UNAIDS ensure incorporation of necessary controls in the ERP system to prevent delayed recording of assets.

18. Management accepted the recommendation and assured that they would request WHO to include suitable controls for monitoring of asset recording in the new ERP system.

V. Unified Budget, Results and Accountability framework (UBRAF)

Gaps in reporting of performance

19. Unified Budget, Results and Accountability framework (UBRAF) is the performance management system of UNAIDS which uses a results framework to align the work of UNAIDS to its strategy and vision. It has eight Strategic Result Areas (SRA) viz (i) people living with HIV have access to testing, know their status and are on affordable quality treatment, (ii) Elimination of mother to child transmission, (iii) Access of combined prevention services to young people, (iv) Access of tailored HIV combination services to key populations, (v) Gender inequality and gender based violence, (vi) Human rights, Stigma and Discrimination, (vii) Investment and efficiency and (viii) People centered HIV and health services These result areas are measured through 20 output indicators captured at country-level. It also incorporates the five SDGs that are most relevant to the AIDS response. The contribution (performance) of UNAIDS Secretariat to the achievement of result framework (in accordance with its mandated role), is measured using five additional output as under:

S.1: Leadership advocacy and communication

S.2: Partnership, mobilisation and innovation

S.3: Strategic information

S.4: Coordination, convening and country implementation support

S.5: Governance and mutual accountability

20. Results against the UBRAF are reported to the Programme Coordinating Board (PCB) through an annual Performance Monitoring Report. It includes a narrative highlighting UNAIDS's contributions, progress against indicators, expenditures, case studies, and key analysis. The annual Performance Monitoring Report (PMR) is made up of four reports:

- i. Executive summary
- ii. Strategic result area and indicator Report,
- iii. Regional and country Report
- iv. Organizational Report

21. UNAIDS Global Review Panel had recommended (June 2017) that UNAIDS should adopt a simplified and transparent reporting framework that holds Secretariat and Cosponsors¹ accountable for individual and joint results, and shows the impact of those results for people affected by HIV.
22. We observed that against the Strategic Result Area 1- 'people living with HIV have access to testing, know their status and are on affordable quality treatment', two out of six output indicators i.e. '*fast tracking of HIV services in high burden cities (indicator 1.4)*' and '*strengthening mechanisms to ensure access to medicines and commodities (indicator 1.6)*' were not reported in 2020 annual Performance Monitoring Report. Similarly, under the Strategic Results Area 6, which aims to prevent discrimination against people living with HIV, one out of three output indicator i.e. '*HIV related legal and policy reforms (indicator 6.1)*' was not reported in 2020. The Management replied that Indicator 1.6 was the responsibility of UNFPA, however they have confirmed that they no longer collect this data for programmatic reasons and therefore it was not analysed and included in the PMR. Regarding indicator 6.1, management responded that data was collected from country Joint Teams consistently, but the same was not included in the publication to the PCB because it proved difficult to interpret and validate with sufficient degree of objectivity.
23. We further noted that performance of UNAIDS Secretariat against the five output indicators (S.1 to S.5) were not reported in the Performance Monitoring Report (PMR) 2020.
24. The Management replied that performance reporting is not limited to indicator reporting but includes other qualitative information in the narrative part of the reporting. It was also replied that assessment of Secretariat performance was part of the PMR report on organisational functions.
25. We observed that as all the indicators related to 25 outputs were approved in the UBRAF 2016-21, it was necessary to report progress against all the indicators related to 25 outputs in a consistent and integrated manner to reflect comprehensive picture of the progress. We are of the view that the very purpose of instituting a results framework was to measure organisational performance quantitatively using the output and outcome indicators. While qualitative and narrative reporting may help describe the efforts or the context, assessing all the output indicators is essential as they provide yard stick or benchmark against which overall performance is assessed. Indicators provide simplified and transparent reporting framework capturing the entirety of the Joint Programme.

¹ UNAIDS brings together in the AIDS response the efforts and resources of 11 UN system organizations. UNAIDS and its 11 Cosponsors i.e. UNICEF, UNDP, UNFPA, UNESCO, WHO, World Bank, UNODC, ILO, WFP, UNHCR and UN Women, work to provide technical support to countries to assist them in the implementation of their national AIDS plans.

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 organisational performance quantitatively using the output indicators.

VI. Ethics

Categorization of cases

26. In 2009, the Executive Director created the ethics function in the UNAIDS Secretariat. In 2020, the Executive Director approved the establishment of a new, distinct UNAIDS Ethics Office which is staffed by a Director of the Ethics Office. The mission of ethics office is to help ensure that all staff members observe and perform their functions consistent with the highest standards of integrity, in accordance with applicable rules and regulations. Mandate of the Ethics Office is:

- a. To provide ethics advice and guidance as and when requested by staff
- b. To address conflict of interest issues by administering the Declaration of Interest programme
- c. To administer the UNAIDS whistle blower protection policy
- d. To provide education and outreach on ethics and standards of conduct, and
- e. To engage in standard-setting and policy support

27. The Ethics Office receives complains on misconduct or request made by staff to advise on dealing with ethical issues during the course of work. The complaints and request for advice is categorized into six types, based on the nature of allegations or misconduct. Analysis of the complaints and requests received by Ethics Office in the last three years have been analysed in the table below:

Table 2 Trend analysis of complaints

Allegation category	2019	2020	2021
Outside activities ²	84	36	23
Conflict of interest	Nil		10
Gifts and hospitality	9	8	2
Speaking and publication	3	4	2

² Outside activities, as defined by UNAIDS ethics guide, are employment and activities paid or unpaid that happen outside of the office. Some external activities may be incompatible with the status as international civil servants, or conflict with the best interests of UNAIDS. For these reasons, outside employment and external activities are allowed only when prior approval has been granted. The complaints/requests for advice received for these outside activities are referred as cases under outside activities.

Protection against retaliation	2	4	0
Harassment			7
Other cases including misconduct	151	72	31
TOTAL	249	124	75

28. It can be seen from the above table that the number of complaints and requests for advice have seen a decline in the last three years. We further observed that the category 'Other cases including misconduct', with 56.70³ percent of the cases, constituted the largest category of complaints/requests for advice. However, its composition is not clearly and transparently disclosed. Classifying a major portion of complaints/requests for advice under a miscellaneous category compromises transparent monitoring of such cases.

29. Timely investigation into complaints, especially pertaining to 'sexual misconduct' was one of the key deliverables of the Management Action Plan. However, we noted that 'sexual misconduct' is not reported distinctly.

30. The Management agreed with the audit observation for further categorisation of 'Other cases including misconduct' and assured that action would be taken accordingly by 2023.

Recommendation 3

While reporting the status of allegations received by the Ethics Office, the category 'Other cases including misconduct', needs to be segregated to truly reflect the nature of the misconduct involved so that there is enhanced transparency and better monitoring.

Timelines for processing of complaints

31. Timely action on complaints, accompanied by prompt and proportionate disciplinary action where allegations are substantiated, provides a credible deterrent against misconduct. We observed that there were no prescribed timelines for the ethics office for dealing with the complaints or request for advice. We feel that management should prescribe timelines for disposing off cases based on the sensitivity of the matter.

32. UNAIDS informed that there are mandated deadlines for dealing with complaints made under the Whistle blower and Protection Against Retaliation Policy. In addition, 'under the new Policy on Preventing and Addressing Abusive Conduct applicable since 1 March 2021, all complaints of abusive conduct, including harassment, sexual harassment, discrimination, and abuse of authority, must be dealt with "promptly". There is no additional mandated timeline for the treatment of requests for advice and other cases submitted to the Ethics Office.'

³ 56.70 percent: -Total number of other cases 254 (151+72+31) divided by total cases 448 (249+124+75).

33. We noted that the timelines mentioned for complaints of abusive conduct, including harassment, sexual harassment, discrimination, and abuse of authority, is vaguely mentioned as 'PROMPTLY' which doesn't give any definitive timeline. Such timelines may be subject to interpretation.

Recommendation 4

Management may prescribe stage wise timelines for addressing all category of complaints.

VII. Direct Financial Contribution (DFC)

34. Direct Financial Contribution (DFC) arrangements are used when transferring funds to governments or government agencies to strengthen their technical and implementation capacity, and to support their technical cooperation requirements at the country level. Under this arrangement, payments are made by UNAIDS to cover the cost of items or activities to strengthen their health development capacity, that would otherwise be borne by the Governments.

35. According to the WHO e-Manual, the final deliverable in case of DFC is the 'DFC Report', which has two parts viz., (i) a technical report and (ii) Financial certification of Expenditure (FACE), which are due within three months of the completion of the activity. Final payment is released to the government only after the receipt of DFC report.

36. We test checked five DFC agreements and the connected documents, and noted that in one case, payment of USD 84,585 had been released to a government agency even before the receipt of the DFC report. This was a deviation from the WHO eManual and the agreement with the DFC supplier.

37. We, however observed in two cases, full payments (USD 20,084) were made even after implementation of the above-mentioned Guidance (2019), which indicates persistence of the non-compliance.

38. UNAIDS, replied that the timelines for deliverables for the above two agreements were incorrectly entered in the purchase requisition, which allows full payment through the system without receiving the final DFC report.

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.

VIII. Programme Funding Agreements

39. Programme Funding Agreements (PFAs) are contractual arrangements to support activities carried out by partners of UNAIDS. They are used only where the activities to be funded will help achieve UNAIDS objectives, outcomes and outputs. PFAs may thus be seen as a form of partnership in the pursuit of common objectives between the UNAIDS Secretariat and the entity whose activities are being funded.

40. During 2021, the UNAIDS incurred total expenditure of USD 39 Million on PFAs.

Gaps in conduct of assurance activities

41. According to provisions in the UNAIDS Procurement Manual, the financial closure of all Programme Funding Agreements (PFA) above USD 200,000, should be accompanied by independent audit. The audit report must be submitted by the grantee to UNAIDS prior to the receipt of the final set of deliverables. For this purpose, all such agreement contracts should include a clause on independent audit.

42. From a test check of three PFAs above USD 200,000, we noted that UNAIDS did not provide any condition for independent audit in the agreements as required by the manual, and hence no audit was conducted.

43. Further, provisions in the UNAIDS Procurement Manual, require the conduct of assurance activities on the programme implementation by the implementing partners through periodic on-site reviews (spot checks). These may be performed by qualified UNAIDS staff at regional or country level or by appointed third party service providers.

44. In the sample check of four programmes, we observed that there was no recording of assurance activities in the clearance report.

45. The Management agreed to include mandatory audit condition in the PFA template. Further, management responded that absence of report on assurance activities did not mean they were not undertaken, but that these might not have been recorded in the template.

Gaps in Manual provisions

46. Programme Funding Agreements are regulated by the provisions of UNAIDS Procurement Manual wherein these are treated as non-commercial contracts. We observed certain gaps in the manual provisions which needs to be covered so as to strengthen the controls.

47. The World Health Organisation has adopted the Framework of Engagement with Non-State Actors (FENSA), to regulate its relationship with non-State actors (NGOs, private sector entities, philanthropic foundations, and academic institutions) while protecting its work from potential risks such as conflict of interest, reputational risks, and undue influence. Under the PFAs, UNAIDS engages with non-state actors who are its implementing partners. However, UNAIDS has not adopted FENSA to regulate such engagements.
48. Funding of programmes is based on receipt of proposals from potential implementing partners. The proposals are then assessed to find out their suitability and ability to meet the objectives of UNAIDS. We noted that no assessment matrix was used to assess the proposals as provided in the WHO manual. We are of the view that adoption of such matrix will enhance the objectivity of the selection process.
49. UNAIDS stated that the use of grant proposal matrix was not mandatory in the WHO manual, however, UNAIDS will include this non mandatory tool within its procurement manual.
50. We noted that according to manual provisions, any unspent balance remaining under the agreement after completion of the programme activities must be returned to UNAIDS. We noted that no time limit was fixed for the return of this unspent balance as in the case of WHO and other agencies where a time limit of three months has been fixed.
51. UNAIDS agreed to update the manual to provide for a timeline for return of unspent balances.
52. We also noted that the manual provided for assurance activities to be conducted on the programmes to ensure these are implemented in accordance with the agreement. However, the procedure for undertaking such activities was not detailed as in the case of WHO.
53. UNAIDS agreed and stated that enhanced provisions and guidelines for assurance activities would be developed.

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 time lines for returning of unspent balance by the implementing partners to UNAIDS and (d) developing SOP for the conduct of assurance activities.

54. UNAIDS is in agreement with the adoption of FENSA for such engagements and is now working on it with WHO.

IX. Operating Reserve Fund (ORF)

55. Creation of an Operating Reserve Fund (ORF) was approved by UNAIDS Programme Coordinating Board (PCB) in 1998. Its primary purpose is to ensure that cash is available for financing of the UNAIDS approved biennial budget, pending the receipt of contributions.
56. We observed that the Operating Reserve Fund was not utilized during the last three years 2019, 2020 and 2021 as the financing of the budget was managed by the contributions received. The balance in the Operating Reserve Fund as of 31 December 2021 was USD 35 million.
57. Rules and procedures of ORF require that the PCB, at its formal annual sessions, be presented with a status of the ORF. We noted that the PCB was not presented with a status of the ORF during its annual meetings.
58. In reply, UNAIDS agreed to present the status of the Operating Reserve Fund in line with the rules and procedures governing the ORF during the PCB annual meetings.

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.

D Acknowledgement

59. We gratefully acknowledge the cooperation extended by UNAIDS in completion of this external audit. We express our gratitude to all the Business Owners for their prompt response and continuous interaction with us.



Comptroller and Auditor General of India

10 June 2022

E. Annexure-I					Status of implementation			
Sl. No.	Reference to Report and Financial Period	Recommendations	Action Reported by the Management	External Auditor's Assessment	Implemented	Under Implementation	Not implemented	Overtaken by events
1	Report on Audit of Joint United Nations Programme on HIV/AIDS (UNAIDS) for the year ended 31.12.2020	We recommend that UNAIDS should adhere to the UBRAF performance indicator guidance in reporting its performance and ensure better data quality, consistency and comparability.	Strengthened awareness and clearer guidance for the 2020-2021 reporting exercise is ensuring better quality, consistency and comparability of available data for the 2020-2021 Performance Monitoring Report (due to be submitted to the June 2022 PCB). Earlier review of data against the Secretariat's performance indicators was also initiated to further improve the quality of the reporting. As part of the development of the new UBRAF 2022-2026 and 2022-2023 Workplan (approved by the PCB end 2021), concerted efforts were made to enhance consistency with the new Global AIDS Monitoring indicators that were also being finalized and which will be further taken into account for the final 2022-2026 UBRAF indicator matrix and related	Performance Monitoring Report 2020-21 is being prepared and it is assured that efforts towards implementation of the recommendation will be made.		YES		

			internal performance indicator guidance (to inform the reporting for 2022-2023 with first Performance Monitoring Report to the PCB in June 2023).					
2		While appreciating the different reporting needs of the 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.	<p>As per recommendation 1, preparatory work on the 2020-2021 Performance Monitoring Report (as per the last biennium and report under the UBRAF 2021-2021) is ongoing and will produce a more simplified and integrated report to enhance visibility and readability. Whilst maintaining the same overall (for consistency) as the last reporting under the 2016-2021 UBRAF, areas for reducing the report's length, improving clarity and more integrated content and format have been identified, whilst at the same time meeting important donors' requirements to ensure comprehensive reporting.</p> <p>With regard to reporting under the new UBRAF, in line with your recommendation, the new UBRAF 2022-2026, submitted and approved by the PCB October 2021 Special Session, outlines a clearer and strengthened results and accountability framework</p>	We have issued recommendation in 2022 for consistent and combined reporting of all 25 outputs of UBRAF 2016-21 including 5 outputs assigned to UNAIDS secretariat. This recommendation is therefore overtaken by the new recommendation of 2022.				YES

		<p>including monitoring during the UBRAF cycle (see PCBSS 2022-2026 UBRAF Framework).</p> <p>As requested by the PCB, the new UBRAF specific Joint Programme outputs and indicators were developed and submitted to the PCB December 2021 session considering guidance from the UBRAF Working group, previous PCB requests and audit recommendations.</p> <p>The UBRAF proposed indicators for 2022-2026, submitted to the December 2021 PCB, were aligned wherever possible with the new Global AIDS Monitoring system (GAM which is a set of indicators to globally monitor country progress on the implementation of the new 2021 Political Declaration on HIV/AIDS) which was then also being finalized.</p> <p>At its December 2021 meeting, the PCB Took note of the annex of the 2022-2026 Unified Budget, Results and Accountability Framework outputs and indicators (UNAIDS/PCB (49)/21.26) and, with consideration of PCB comments, looks forward to receiving the complete indicator matrix at the 50th PCB meeting in June 2022.</p>					
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		<p>PCB49 Decisions EN (unaids.org)</p> <p>Approved the 2022-2023 Workplan and requested the Joint Programme to finalise the indicators, milestones, targets, and data sources for the 2022-2023 Workplan, for consideration by the Programme Coordinating Board in June 2022, and Requested the Joint Programme to report annually to the Programme Coordinating Board on the implementation of the 2022-2026 Unified Budget, Results and Accountability Framework through the related performance and financial reporting agenda items from June 2023; (see decision points:PCB49 Decisions EN .pdf)</p> <p>Further discussion on enhancing the performance monitoring system have continued as work is ongoing to develop the complete UBRAF indicators matrix for 2022-2026 (including baseline, milestones, targets, data sources and related guidance) for submission to the June 2022 PCB (noting the 2021 reporting will follow the related UBRAF 2016-2021 reporting system as earlier explained).</p>					
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3		<p>We recommend that UNAIDS should continue monitoring its 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.</p>	<p>The Secretariat has continued a dedicated focus on organizational culture transformation, in line with the objectives of the Management Action Plan, led by two full-time staff members, plus a networked group of staff across the organization who are responsible for a range of organizational culture issues. In the context of the ongoing alignment of the Secretariat, as well as the ongoing Covid-19 pandemic and its implications, management has reinforced support to staff wellbeing. A "wellbeing during change" initiative was launched by the Office of the Staff Counsellor, in partnership with Staff Development, Culture Transformation and Internal Communication, and access to external counselling support services was expanded through an agreement put in place with a network of professional counsellors with a track record of supporting international organization staff around the world.</p> <p>Senior management recently launched the Workplace Mental Health and Well-being Lead and Learn Programme, which is being rolled out as part of the UN System-wide Workplace Mental Health and Wellbeing Strategy and focuses on the role of leaders and managers in the organization.</p>	<p>In view of the action initiated by UNAIDS management to further the objective of MAP and the MOU signed with IOS the recommendation is closed.</p>	<p>YES</p>			
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			As noted in the recommendation 4 response below, a workplace campaign on preventing and addressing abusive conduct (#Respect) was launched in September 2021 [See Annex 1]. With regards to specific deliverables under the Management Action Plan, an updated Memorandum of Understanding between UNAIDS and WHO Internal Oversight Services was successfully concluded, incorporating service levels and time targets, and implementation and monitoring of the provisions are underway					
4		UNAIDS should continue to undertake concerted steps to encourage and enable staff to report misconduct, discrimination or harassment without any fear of retaliation	<p>A workplace campaign on Preventing and Addressing Abusive Conduct (#Respect) was launched by the Executive Director in September 2021, including educational communications materials distributed to all staff across UNAIDS' offices.</p> <p>Information including communications, fact sheets, support information and videos of webinars undertaken can be found on UNAIDS intranet</p> <p>These reinforce the message that abusive conduct, including discrimination, is prohibited, and provide staff with contact information for various support services throughout the organization to aid in instances where they may experience or witness abusive conduct.</p>	UNAIDS has made efforts to raise awareness and towards ease of reporting. UNAIDS also has a full time Chief Ethics Officer now. In view of the action taken the recommendation is closed.	YES			

			In the context of the campaign, webinar trainings will also continue to be provided to all staff on different aspects of the new Policy, including the anti-discrimination provisions. In 2022 further actions will be implemented as part of the #Respect campaign, including, but not limited to, development of materials and training to support the principal of active bystanders.					
5		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.	Since the military take-over in February 2021, complete and verified public sector data is not available. Despite this, and in line with your recommendation, to avoid any “slippage”, UCO Myanmar, in collaboration with HIV stakeholders, has been collecting national-level data for essential indicators on a quarterly basis, to monitor the progress on various indicators and to identify gaps in service delivery, programme implementation, quality, and completeness of data reporting. The key findings are being shared with HIV partners periodically to provide a coordinated technical and financial support to sustain the gains made and overcome challenges that lead to performance gaps on priority areas to strengthen the national HIV response.	Efforts are made by UNAIDS to collect data despite the military take-over and the security situation in Myanmar. UNAIDS established an Interim Coordination Mechanism (ICM) on HIV given that regular mechanisms of coordination and follow-up traditionally ensured by the Ministry of Health through the National AIDS Program (NAP) were not functional. The 'Interim Coordination Mechanism' reinforced support to HIV-related services across priority regions and states.		YES		

6		<p>UNAIDS should ensure that the country data on key parameters, disclosed in various reports should be consistent, complete, accurate and comparable.</p>	<p>Due diligence has been reinforced to ensure consistent, complete, accurate and comparable data that is 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 UNAIDS Results & Transparency Portal (https://open.unaids.org/countries). As part of the development of the new UBRAF 2022-2026 and 2022-2023 Workplan, all efforts were made to promote consistency wherever possible with the new Global AIDS Monitoring which was then being finalized. The guideline with the complete set of indicators to monitor country progress on the implementation of the new 2021 Political Declaration on HIV/AIDS was sent to all UN Member States end 2021 and which will be further considered for the final UBRAF indicator matrix for 2022-2026 to be submitted to the June 2022 PCB (to inform the reporting for 2022-2023 with first Performance Monitoring Report to the PCB in June 2023) and related internal performance indicator guidance.</p>	<p>Efforts are being made for implementation of the recommendation made.</p>		<p>YES</p>		
7		<p>We recommend that the Award Manager/ Project</p>	<p>In line with your recommendation an automated email alert system has been</p>	<p>Recommendation implemented</p>	<p>YES</p>			

		<p>Manager may periodically review projects to ensure that a plan is available for utilization of funds and should take timely action in case total amount is not expected to be spent by the end date.</p>	<p>developed. Alerts are sent to Award Managers six months before the end date of the award. The alert is then resent two months prior to the end date of the award and repeated every two weeks.</p> <p>The automated email alert provides the following information Expiration End Date Award Amount USD Award balance Award balance Excluding programme support Costs Balance not yet funded to workplans Cumulative Encumbrances Cumulative Expenditures.</p>					
8		<p>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.</p>	<p>In line with the recommendation to ensure the correct completion of the form, online DocuSign versions of the PT.13.01 templates (supplier performance evaluation templates) have been developed to replace the existing Word formats. The templates ensure that the responsible staff complete the mandatory information in the correct format and location on the form (see Annex 2)</p>	<p>Later part of the recommendation i.e., online platform for contractors' performance evaluation is implemented but regarding former part of recommendation i.e., "evaluating the performance of contractors diligently and in a timely manner" there is not much progress as the same word form is made into online form, but no improvements made for better and timely evaluation as recommended.</p>		YES		
9	WHO-ML-FY2019-10-	<p>Revisit and enhance the progress tracking, rating and reporting conventions of its achievements to ensure</p>	<p>No further reply and status was submitted by the Management</p>					Yes

	UNAIDS Dated 08 April 2020	that the criteria and required processes established for the purpose are applied uniformly at the country level;		We have issued recommendation in 2022 for consistent and combined reporting of all 25 outputs of UBRAF 2016-21 including 5 outputs assigned to UNAIDS secretariat. This recommendation is therefore overtaken by the new recommendation of 2022.				
10		Enhance alignment between the upcoming 2018-2019 PMR 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;	No further reply and status was submitted by the Management					Yes
11		Ensure that future reporting efforts are supported by well- established data collection and review process to ensure that information is better managed	No further reply and status was submitted by the Management	We have issued recommendation in 2022 for consistent and combined reporting of all 25 outputs of UBRAF 2016-21. This recommendation is therefore overtaken by the new recommendation of 2022.				Yes
12		Reconcile ratings and achievements provided in the PMR with that of the UNAIDS Transparency Portal to warrant the	No further reply and status was submitted by the Management	The data consistency issues related to PMR and transparency portal was also covered in the audit report 2020. The same issue was also checked this year and no reporting mismatch was	Yes			

		accuracy and reliability of information provided to stakeholders; and		noticed in the transparency portal as compared to reporting done in PMR 2021				
13		Push forward the implementation of the MAP 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	Please refer to response related to recommendation 3 "UNAIDS should continue monitoring its action plan closely and enhance its efforts", which has been noted as implemented. In UNAIDS opinion if recommendation 3 is implemented then this recommendation should also be closed as they are very similar in nature.	In view of the response the recommendation is closed.	Yes			
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