



# Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services

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**UNFPA – Recommendations of the Board of Auditors**

## United Nations Population Fund

### Report on the recommendations of the United Nations Board of Auditors for 2024: Status of implementation

#### Report of the Executive Director

##### *Summary*

The UNFPA Executive Director is pleased to submit, in accordance with Executive Board decision 97/2, the present report on the implementation of the recommendations contained in the report of the United Nations Board of Auditors for the financial period ended on 31 December 2024 (A/80/5/Add.8).

In the opinion of the Board of Auditors, the organization's financial statements represent fairly, in all material respects, the financial position of UNFPA as of 31 December 2024 as well as its financial performance and cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (IPSAS). The overall financial position of UNFPA remains sound, with current assets of more than seven times the current liabilities and total assets of more than nine times the total liabilities.

A separate table, available on the UNFPA Executive Board website, provides an updated status of the implementation of the audit recommendations.

##### *Elements of a decision*

The Executive Board may wish to acknowledge the present report, which details the progress achieved, the actions undertaken and forthcoming measures to implement the recommendations of the Board of Auditors for the financial period ended 31 December 2024.

## I. Overview

1. For the past 14 consecutive years, UNFPA has received an unqualified audit opinion on the organization's financial statements from the United Nations Board of Auditors. UNFPA continues to accord the highest priority to accountability and transparency, achieving a record of unqualified audit opinions and consistently resolving the concerns of the Board of Auditors.
2. As reflected in the Board of Auditors report for the year ended 31 December 2024, UNFPA has fully implemented 19 (39 per cent) of the 49 recommendations that were outstanding at the beginning of the 2024 financial year.
3. As of July 2025, the Board of Auditors issued 26 new recommendations to UNFPA. The organization has a total of 56 outstanding recommendations, including those from previous reporting periods. UNFPA has implemented seven of these recommendations, comprising one from the 2024 report and six from prior years.
4. The Board of Auditors is of the opinion that the financial statements of UNFPA present fairly, in all material respects, the financial position of UNFPA as of 31 December 2024, as well as its financial performance and cash flows for the year then ended, in accordance with IPSAS.
5. UNFPA appreciates the overall conclusion of the Board of Auditors that the Board did not identify significant errors, omissions, or misstatements in its review of the financial records for the year ended 31 December 2024. The Board noted that there was scope for improvement in the areas of supply chain management, contributions, fixed assets management, value-added tax receivables, implementing partners, and information and communications technology.

## II. Introduction

6. The UNFPA Executive Director (per Executive Board decision 97/2) is pleased to submit a report on implementing the recommendations of the United Nations Board of Auditors for the year ended on 31 December 2024 (A/80/5/Add.8).
7. The Executive Board of UNDP, UNFPA and UNOPS, in paragraph 2 of its decision 2022/1, asked the organizations "to harmonize further their reporting formats on the implementation of the Board of Auditors recommendations, as appropriate, including, where possible, the time frames for their detailed reporting and the thematic categorization of recommendations into those that are priority, and any other priorities", and requested that they work with the United Nations Children's Fund (UNICEF), the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) and the World Food Programme in that regard, as appropriate.
8. To implement this decision, UNFPA, in consultation with the United Nations Capital Development Fund (UNCDF), UNDP, UNICEF and UNOPS, agreed on a common template. Accordingly, this report follows that template and presents the status of the implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2024.
9. The Executive Board of UNDP, UNFPA and UNOPS, in paragraph 3 of its decision 2023/1, "calls on UNDP, UNCDF, UNFPA and UNOPS to state the impacts of implemented recommendations, including on organizational culture, in its reporting on audit recommendations".
10. To implement this decision, UNFPA, in consultation with UNCDF, UNDP and UNOPS, agreed to include a section on the impacts of the implementation of audit recommendations, including on organizational culture, in this report on the implementation of the recommendations contained in the report of the Board of Auditors for the year ended 31 December 2024 (see section V).
11. Beyond operational and system-level improvements, the implementation of audit recommendations has also strengthened the organizational culture of accountability and continuous improvement within UNFPA. The establishment of a structured quality review process for action plans and request-for-closure templates has

enhanced the consistency, evidence base and analytical depth of management responses, ensuring that recommendations are addressed in a more systematic and verifiable manner. Complemented by the strengthened operating model of the Oversight and Compliance Management Committee (OCMC), improved planning frameworks, and more regular updates to the Executive Committee, these measures have fostered shared ownership and discipline in implementation.

12. While the pace of implementation varies across recommendations, the UNFPA continues to focus on addressing the underlying causes of recurring issues, rather than seeking rapid closure. In several cases, this has required additional time to ensure that corrective actions are sustainable, evidence-based and embedded into operational practice. The recent introduction of the revised OCMC format reinforces this approach by ensuring stronger oversight of implementation milestones, clearer accountability across business units, and more systematic follow-up at the corporate level. These measures collectively aim to translate audit follow-up into deeper organizational learning and stronger control maturity.

### III. Status of recommendations for the year ended 31 December 2024

13. The Board of Auditors made 26 new recommendations for 2024 in July 2025. The tables below summarize the implementation status of the main recommendations (table 1) and all recommendations (table 2) for the financial period ended on 31 December 2024, as of the drafting of this report.

**Table 1. Status of implementation of main recommendations for 2024 by thematic area**

<i>Thematic areas of the Board of Auditors report</i>	<i>Total</i>	<i>Closure requested</i>	<i>Under implementation</i>
Supply chain management	4	1	3
Implementing partners	2	0	2
Information and communications technology	2	0	2
Contributions	1	0	1
<b>Total</b>	<b>9</b>	<b>1</b>	<b>8</b>
<i>Percentage</i>	<i>100%</i>	<i>11%</i>	<i>89%</i>

**Table 2. Status of implementation of all recommendations for 2024 by thematic area**

<i>Thematic areas of the Board of Auditors report</i>	<i>Total</i>	<i>Not accepted</i>	<i>Closure requested</i>	<i>Under implementation</i>
Supply chain management	13	-	1	12
Contributions	4	-	0	4
Implementing partners	3	-	0	3
Information and communications technology	3	-	0	3
Value-added tax receivables	2	-	0	2
Property, plant and equipment	1	-	0	1
<b>Total</b>	<b>26</b>	<b>-</b>	<b>1</b>	<b>25</b>
<i>Percentage</i>	<i>100%</i>	<i>-</i>	<i>4%</i>	<i>96%</i>

14. This report presents the implementation status for all recommendations the Board of Auditors made for 2024 and prior periods. This section comprises seven subsections, addressing: (a) supply chain management; (b) contributions; (c) property, plant and equipment; (d) value-added tax receivables; (e) implementing partners; (f) information and communication technology; and (g) a separate section on the status of recommendations from prior financial periods (2023, 2022 and 2020).

15. The following paragraphs report on the status and management action plans for every recommendation issued by the Board of Auditors report for the year ended 31 December 2024 (issued in July 2025).

## A. Supply chain management

**In paragraph 29, the Board recommended that UNFPA finalize and formalize the Supply Chain Management Unit's planning framework and integrate it into each pillar and team.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Closure requested
<i>Priority</i>	High
<i>Target date</i>	Closure requested

16. The Supply Chain Management Unit has finalized its planning framework through a strategy implementation plan 2025, that was agreed on between the Chief of the Unit and the Deputy Executive Director (Management). Implementation progress is monitored through the Strategy Implementation Plan 2025 tracker in JIRA – a software tool for issue tracking and agile project management – and a monthly progress report introduced in July 2025.

17. UNFPA considers this recommendation to have been implemented and therefore requests its closure by the Board.

**In paragraph 30, the Board recommended that UNFPA create a Supply Chain Management Unit risk and oversight model aligned with the organization-wide enterprise risk management framework and tailored to the supply chain's unique needs.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	December 2025

18. A draft supply chain management risk and oversight model was completed in September 2025 and is now under internal review. By December 2025, UNFPA will integrate the framework into supply chain management documentation and deliver related awareness and training sessions.

**In paragraph 31, the Board recommended that UNFPA map Supply Chain Management Unit processes along with the available and needed tools.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	December 2025

19. UNFPA is currently undertaking the mapping of its processes, which is expected to be completed by December 2025, after which it will request closure for this recommendation.

**In paragraph 42, the Board recommended that UNFPA formalize lead time management within the Supply Chain Management Unit by enhancing coordination and systematically monitoring processes through indicators that provide reliable information to evaluate the performance of processes and suppliers, enabling informed decisions that lead to shorter and more accurate lead times.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	November 2025

20. UNFPA has established a lead time task force, which is reviewing available data to identify opportunities for improvement. A preliminary list of measures is under internal review. These efforts form part of a broader plan to strengthen coordination and implement systematic monitoring using performance indicators.

**In paragraph 54, the Board recommended that UNFPA strengthen supply chain systems to improve the quality, completeness and timeliness of data submission within the last mile assurance process by providing capacity building initiatives to address identified weaknesses in last mile assurance reports and establishing escalation mechanisms that balance supportive and corrective actions to ensure accountability while considering regional constraints.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	December 2025

21. UNFPA is implementing initiatives to strengthen supply chain systems and improve last mile assurance data quality. Current actions include:

- (a) Developing guidelines that introduce escalation mechanisms balancing supportive and corrective actions, adapted to regional contexts; and
- (b) Conducting system-strengthening missions to build capacity in areas flagged through last-mile assurance reports.

22. These measures will enhance accountability, improve data integrity and ensure the last-mile assurance process is efficient, responsive and aligned with operational realities.

**In paragraph 55, the Board recommended that UNFPA enhance the supply chain management risk model within the last mile assurance process to include a structured risk response strategy, considering timelines and assigned responsibilities for each identified risk.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	November 2025

23. UNFPA is enhancing its last mile assurance risk assessment process by introducing a structured risk response strategy. The revised process, scheduled for rollout in the fourth quarter of 2025, will clearly define timelines and assign responsibilities for each identified risk.

**In paragraph 56, the Board recommended that UNFPA establish guidelines for the follow-up process within the last mile assurance process for addressing identified problems and implementing corrective actions, with clearly defined timelines, assigned roles, and specified responsibilities.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	November 2025

24. UNFPA has issued guidance for monitoring, support and escalation of quarterly stock review findings and is developing similar guidance for in-country assessments. These measures aim to strengthen the last mile assurance follow-up process by ensuring clear timelines, roles and responsibilities for addressing identified issues and implementing corrective actions.

**In paragraph 68, the Board recommended that UNFPA strengthen the supply chain governance framework by developing and implementing standardized and documented methodologies (with criteria, procedures and responsibilities), supported by appropriate information technology tools, for the quantification, prioritization, review and validation of supply needs, forecast and procurement plans processes, including review and validation of needs assessments, forecasts and procurement plans.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	December 2025

25. UNFPA is implementing several initiatives to strengthen quantification and procurement planning:

- Developing guidelines for supply quantification and prioritization to provide a clear framework for forecasting and supply planning;
- Establishing a standard operating procedure for review and validation of forecasts and procurement plans; and
- Issuing technical guidance for country offices to standardize needs assessments and forecasting.

26. These measures will provide clear criteria, procedures and responsibilities for a structured, transparent and well-governed supply planning process.

**In paragraph 76, the Board recommended that UNFPA establish comprehensive guidelines within the Supply Chain Management Unit to enhance economies of scale in purchasing and logistics, aligned with the governance framework for supply planning, and implement a standardized methodology for calculating savings to ensure all reported figures are accurate and verifiable.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	December 2025

27. UNFPA is developing a standard operating procedure to guide procurement and logistics practices in alignment with the supply planning governance framework. The standard operating procedure will also establish mechanisms for calculating and validating reported savings.

**In paragraph 86, the Board recommended that UNFPA establish a dedicated oversight and monitoring function to ensure efficiency, effectiveness, and accountability of the management of global prepositioned stock operations.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	November 2025

28. UNFPA has developed and operationalized a dashboard to monitor the management of pre-positioned stock, providing enhanced oversight and accountability for these operations.

**In paragraph 97, the Board recommended that UNFPA East and Southern Africa Regional Office develop structured acceleration plans that include: a comprehensive diagnosis of challenges, bottlenecks, and gaps based on consolidated information from oversight mechanisms; the prioritization of corrective actions and targeted capacity-building initiatives; and a structured follow-up mechanism to ensure accountability.**

<i>Business unit responsible</i>	East and Southern Africa Regional Office
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	April 2026

29. The UNFPA East and Southern Africa Regional Office is developing a structured acceleration and accountability tool to proactively identify country-level performance and programmatic bottlenecks. The tool will enable planning and tracking of corrective actions, systematic monitoring of results, and a shift from reactive to data-driven support. This initiative is aligned with the annual programme management cycle and will be implemented in a structured and transparent manner.

**In paragraph 111, the Board recommended that UNFPA Ethiopia Country Office review its risk register to ensure it accurately reflects the local risk landscape by consolidating risks identified across United Nations joint and internal oversight mechanisms, including emerging risks not currently present in the register; revising risk statements to define them in terms of sources, potential events, consequences, and likelihood; and reviewing the impact and probability scores.**

<i>Business unit responsible</i>	Country office in Ethiopia
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	March 2026

30. UNFPA country office in Ethiopia has initiated a comprehensive review of its risk register. The exercise consolidates risks identified through oversight mechanisms, including spot checks, partner capacity assessments and assurance reviews, while incorporating emerging risks not previously captured. Risk statements are being refined, and impact and probability scores reassessed, to reflect the evolving local context. These measures reinforce the country office's commitment to strengthening risk management practices in line with the Board's recommendation.

**In paragraph 124, the Board recommended that the UNFPA Country Office in Ethiopia strengthen the end-to-end visibility of the supply chain by continuing its support to the government in expanding the electronic logistics management information system implementation at service delivery points and by conducting periodic supply chain assessments through a statistically representative sample of these service delivery points.**

<i>Business unit responsible</i>	Country office in Ethiopia
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	April 2026

31. UNFPA country office in Ethiopia is strengthening supply chain oversight by conducting periodic assessments using representative samples to support data-driven improvements and decision-making. The office also continues to support the Government in expanding implementation of the electronic logistics management information system at service delivery points. These measures reinforce the country office's commitment to improve supply chain transparency, efficiency and accountability in line with the Board's recommendation.

## B. Contributions

**In paragraph 132, the Board recommended that UNFPA enforce compliance with documentation policies by requiring that all signed earmarked agreements, amendments, and annexes to be promptly uploaded to the donor agreement report tracking system (or its replacement) and maintained as per UNFPA retention schedule, using uniform document naming conventions and ensuring document legibility through a quality assurance process, while also enhancing the system's functionality to support the efficient management and review of large volumes of documentation.**

<i>Business unit responsible</i>	Division for External Relations
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	December 2025

32. UNFPA will implement this recommendation through the upgrade and integration of the new Donor Agreement Report Tracking System (DARTS 2.0) into the customer relationship management (CRM) system. Phase 1 of the project, expected to be completed by the end of 2025, will address this recommendation. Under the new process, funding opportunity owners will be responsible for uploading agreements, enabling better tracking of timely submissions. DARTS 2.0 will also introduce stricter eligibility controls, uniform naming conventions, and enhanced quality assurance to ensure accuracy and efficiency in managing documentation.

**In paragraph 133, the Board recommended that UNFPA conduct a comprehensive reconciliation between the donor agreement report tracking system (or its replacement) records and supporting documentation to correct discrepancies, validate contributions recorded under generic designations, and implement periodic data integrity reviews to ensure accurate recording and compliance.**

<i>Business unit responsible</i>	Division for External Relations
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	March 2026

33. The upgraded DARTS 2.0, with phase 1 expected to be fully operational at the beginning of 2026, will strengthen accuracy and efficiency in documentation management and improve data quality through the introduction of a verification process for all submissions and periodic integrity reviews.

**In paragraph 144, the Board recommended that UNFPA establish a standardized and documented procedure for analysing, recording, and controlling conditional clauses, for all signed donor agreements, including an appropriate review by the Finance Branch to ensure compliance of the accounting transactions with applicable standards.**

<i>Business unit responsible</i>	Division for External Relations and Division for Management Services
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	March 2026

34. UNFPA will update guidance and checklists to apply to all agreements and conduct periodic reviews to ensure ongoing compliance and consistency with applicable standards.

**In paragraph 145, the Board recommended that UNFPA review earmarked agreements to verify the existence of obligations that meet the definition of liability, reclassify the amounts recognized as revenue when appropriate, and adopt the accounting procedures set out in the applicable accounting standard for the recognition of liabilities arising from agreements.**

<i>Business unit responsible</i>	Division for Management Services
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	December 2026

35. The current UNFPA review process for donor agreements linked to conditional revenue – particularly those from donors such as the European Union – already applies a comprehensive checklist to identify conditions that give rise to a liability and to ensure appropriate accounting treatment. To further strengthen documentation, the Finance Branch has been collaborating with the Division for External Relations during 2025 to review and refine these checklists. In parallel, UNFPA is preparing for the implementation of the new IPSAS standard, effective 1 January 2026, which introduces a revised approach to recognizing deferred revenue and liabilities.

## C. Property, plant and equipment

**In paragraph 151, the Board recommended that UNFPA review its property, plant and equipment asset management policies to incorporate the assignment of a residual value.**

<i>Business unit responsible</i>	Division for Management Services
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	March 2026

36. UNFPA will review its property, plant and equipment asset management policy to assign residual values to selected asset classes, in line with applicable accounting standards.

## D. Value-added tax receivables

**In paragraph 159, the Board recommended that UNFPA update the value-added tax guidance note to reflect the expected recovery procedures, including clearly determined oversight role, strengthened monitoring activities, formalized rules for handling exceptional cases, and mechanisms to ensure central visibility over reconciliations and claims.**

<i>Business unit responsible</i>	Division for Management Services
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	September 2026

37. UNFPA will finalize the updated value-added tax guidance note, which will define roles and responsibilities, strengthen monitoring arrangements, and establish a formalized exception management process to provide centralized visibility over reconciliations and claims.

**In paragraph 160, the Board recommended that UNFPA establish formal accounting guidelines to assess, impair, and write off value-added tax receivables, with clearly defined and consistently applied criteria, as well as rules for related disclosures.**

<i>Business unit responsible</i>	Division for Management Services
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	September 2026

38. UNFPA will document a materiality threshold for value-added tax receivables and issue guidance on the circumstances under which provisions should be recognized. Write-off procedures will continue to follow the established processes set out in the financial regulations and rules.

## E. Implementing partners

**In paragraph 173, the Board recommended that UNFPA enforce mandatory compliance checks in QuantumPlus to ensure that the funding authorization and certificate of expenditure forms, itemized cost estimates, and expense reports are uploaded and validated prior to transaction approval.**

<i>Business unit responsible</i>	Division for Management Services
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	September 2026

39. UNFPA will strengthen guidance to country offices on the use of QuantumPlus for implementing partner reporting and supporting documentation. In parallel, UNFPA will explore enhancements to compliance tools and review the cash transfer policy with a view to streamlining processes and removing redundant requirements.

**In paragraph 174, the Board recommended that UNFPA introduce a periodic reconciliation mechanism to identify transactions missing mandatory documentation and ensure corrective action is taken promptly**

<i>Business unit responsible</i>	Division for Management Services
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	December 2026

40. UNFPA will strengthen guidance to country offices on the use of QuantumPlus for implementing partner reporting and supporting documentation, and it will enhance system tools and procedures to enable timely identification of missing documentation and prompt corrective action, consistent with the cash transfer policy.

**In paragraph 182, the Board recommended that UNFPA strengthen internal controls to ensure that transactions exceeding policy thresholds are not processed without prior approval from the responsible party.**

<i>Business unit responsible</i>	Division for Management Services
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	December 2025

41. UNFPA will enhance internal controls so that transactions proceed only with documented prior approval from the responsible party, reinforcing accountability and compliance.

## F. Information and communication technology

**In paragraph 193, the Board recommended that UNFPA ensure adherence to the ICT project management methodology**

<i>Business unit responsible</i>	Information Technology Solutions Office
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	April 2026

42. UNFPA is formalizing information and communication technology (ICT) project management practices. A revised ICT project management guideline is being developed to align with best-practice frameworks. In parallel, existing ICT governance bodies – including the ICT Board, the ICT Portfolio Committee, the Enterprise Resource Planning (ERP)/CRM Subcommittee, and individual project boards such as the Supply Chain Management IT Project Board – provide approval and oversight across projects.

**In paragraph 194, the Board recommended that UNFPA establish a centralized mechanism for controlling and monitoring ICT projects and develop specific indicators and metrics to consistently track the progress, resource allocation, and overall performance**

<i>Business unit responsible</i>	Information Technology Solutions Office
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	April 2026

43. UNFPA has configured a centralized project control environment using the project-tracking software, JIRA, to support integrated project management and the tracking of agreed indicators, enabling consistent oversight of progress, resourcing and performance.

**In paragraph 204, the Board recommended that UNFPA establish a formal ICT change management process to effectively manage and document such changes, considering the priority and risks involved.**

<i>Business unit responsible</i>	Information Technology Solutions Office
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	April 2026

44. UNFPA has established core elements of an ICT change management process and is embedding the process across applications and infrastructure to ensure controlled, well-documented changes.

#### IV. Status of recommendations from prior financial periods

45. In annex 1 to its report for the year ended 31 December 2024, the Board of Auditors summarized the status of the implementation of recommendations from previous financial periods. Presented below is information on the thirty recommendations assessed by the Board of Auditors as being ‘under implementation’. Table 3 presents this information in the same order in which the recommendations are presented in annex 1.

**Table 3. Status of outstanding recommendations from prior years**

<i>Thematic areas of the Board of Auditors report</i>	<i>Total</i>	<i>Closure requested</i>	<i>Under implementation</i>
Humanitarian Response Division	8	2	6
Quantum implementation	6	-	6
Supply management	5	-	5
Supply Chain Management Unit	3	1	2
Contributions	2	-	2
Oversight Advisory Committee	2	-	2
Office of Audit and Investigation Services	2	1	1
Information and communications technology	1	1	-
Inventory management	1	1	-
<b>Total</b>	<b>30</b>	<b>6</b>	<b>24</b>
<i>Percentage</i>	<i>100%</i>	<i>20%</i>	<i>80%</i>

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**In paragraph 89, in addition, the Board recommended that UNFPA incorporate preventive controls related to inventory information in the new enterprise resource planning, in order to provide early alerts at each stage of the supply process.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Closure requested
<i>Priority</i>	High
<i>Target date</i>	Closure requested

46. UNFPA has embedded a red flag analysis into its monitoring practices. Reports are generated quarterly and at each financial closure, providing early alerts of discrepancies in stock balances for follow-up by country offices. The first consolidated analysis, conducted in the first quarter of 2025, identified discrepancies in in-transit and static stock balances, which were subsequently corrected. In addition, UNFPA developed an interactive dashboard that provides daily refreshed international procurement data and manually updated local procurement data, ensuring real-time supply chain visibility. These measures show that preventive controls are both operational and effective.

47. UNFPA considers this recommendation to have been implemented and therefore requests its closure by the Board.

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**In paragraph 68, the Board recommended that UNFPA ensure the procedure for revoking access for all ICT resources for separated staff is carried out in a timely manner.**

<i>Business unit responsible</i>	Information Technology Solutions Office
<i>Status</i>	Closure requested
<i>Priority</i>	Medium
<i>Target date</i>	Closure requested

48. UNFPA enterprise systems – Quantum and QuantumPlus – operate through single sign-on (SSO) using Google accounts. These accounts are automatically deactivated on the staff member's final contract date, immediately revoking access to all SSO-dependent systems, including Quantum and QuantumPlus. This centralized control ensures the timely removal of user access.

49. UNFPA considers this recommendation to have been implemented and therefore requests its closure by the Board.

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**In paragraph 90, the Board recommended that UNFPA develop and issue a supply chain management policy so that a coordinated approach to supply chains and logistics is implemented within the organization.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	December 2024
<i>Revised target date</i>	December 2026

50. UNFPA is mapping existing supply chain processes as a foundation for developing a comprehensive supply chain management policy, targeted for completion by December 2026. The delay in policy development reflects the 2024 realignment of the Supply Chain Management Unit, which required onboarding of resources and the establishment of a governance, risk and compliance team. These steps were necessary to ensure the policy rests on a solid operational and organizational foundation.

**In paragraph 133, the Board recommended that UNFPA ensure that its business units conduct vendor assessments when the purchase order is closed.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	June 2024
<i>Revised target date</i>	November 2025

51. UNFPA has strengthened vendor performance evaluations following the closure of purchase orders. In 2024, the Supply Chain Management Unit completed evaluations for all blanket purchase agreement holders. Assessments included both qualitative and quantitative dimensions: a survey distributed to business units and a review of timeliness of purchase order deliveries.

52. While the vendor performance evaluation module in Quantum is still under development, UNFPA has implemented an interim solution. Draft standard operation procedures have been prepared, and an instruction note was issued to country offices in 2024 and reinforced in 2025 to guide the process.

**In paragraph 134, the Board recommended that UNFPA improve oversight of business units with the timely fulfilment of vendor assessments in the vendor assessment application that are defined by the Fund.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	June 2024
<i>Revised target date</i>	November 2025

53. UNFPA has strengthened oversight of vendor performance evaluations by business units. In 2024, the Supply Chain Management Unit completed evaluations for all blanket purchase Agreement holders. Country offices were also issued detailed guidance on initiating and submitting supplier performance evaluations in 2024, reinforced through targeted communications in 2025.

**In paragraph 169, the Board recommended that UNFPA ensure the Oversight Advisory Committee's independence by updating their terms of reference with the aim of aligning them with the International Standards for the Professional Practice of Internal Auditing and best practices.**

<i>Business unit responsible</i>	Executive Board Branch
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	Not Applicable
<i>Revised target date</i>	January 2026

54. The Oversight and Advisory Committee (OAC) was established to provide advisory services to the UNFPA Executive Director, in line with the oversight policy approved by the Executive Board. In response to the Joint Inspection Unit (JIU) report on audit committees (JIU/REP/2019/6), UNFPA revised the OAC terms of reference in 2021 to require an annual presentation to the Executive Board. Executive Board decision 2023/7 further requested the UNFPA OAC, along with equivalent bodies in other organizations, to present annual reports and key considerations. This decision has been implemented since the 2024 annual session of the Executive Board.

55. UNFPA conveyed its views to the Executive Board at the first regular session 2025 through an information note requested as part of the follow-up to the 2023 JIU report on governance and oversight of the Executive Boards of UNDP/UNFPA/UNOPS, UNICEF and UN-Women (JIU/REP/2023/7), and stands ready to align with any changes adopted by other entities, if so requested. At present, no specific guidance has been received.

56. UNFPA emphasizes that while approaches vary across organizations, the current structure and functioning of its OAC represent good practice in ensuring independence and provide significant value in strengthening oversight, transparency and risk management.

**In paragraph 170, the Board recommended that UNFPA strengthen its third line of defence by reviewing and updating the related oversight policies in order to reflect the new Oversight Advisory Committee definition and purpose.**

<i>Business unit responsible</i>	Executive Board Branch
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	Not Applicable
<i>Revised target date</i>	January 2026

57. UNFPA will update its oversight policy framework once the Executive Board has taken a decision on the revised OAC terms of reference (referenced in paragraph 169). This will ensure consistency between the OAC mandate and the oversight policy and reinforce the OAC role within the third line of defence. Pending such guidance, UNFPA has conveyed its management views in response to the 2023 JIU report on governance and oversight of the Executive Boards (JIU/REP/2023/7) and stands ready to align with any decision of the Executive Board and practices adopted by other entities.

**In paragraph 184, the Board recommended that UNFPA review and approve a new version of the charter of the Office of Internal Audit and Investigation Services that ensures adherence to the International Standards for the Professional Practice of Internal Auditing.**

<i>Business unit responsible</i>	Office of Audit and Investigation Services
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	May 2024
<i>Revised target date</i>	March 2026

58. The charter of the Office of Audit and Investigation Services (OAIS) was last updated in July 2023 to reflect all major changes in the internal audit field and evolving investigation practices.

59. A revised draft version of the OAIS charter is under internal review to ensure full alignment with the Global Internal Audit Standards of the Institute of Internal Auditors. The next steps are to: (a) seek and incorporate, as appropriate, management's expectations in the charter; (b) present the charter to the OAC; and (c) submit the charter to the Executive Board for consideration and validation at its first regular session 2026 (January/February 2026).

**In paragraph 201, the Board recommended that The Board recommends that UNFPA adhere to the timeliness of audit reports and investigations and develop a mechanism to periodically review the level of compliance.**

<i>Business unit responsible</i>	Office of Audit and Investigation Services
<i>Status</i>	Closure requested
<i>Priority</i>	Medium
<i>Target date</i>	December 2023
<i>Revised target date</i>	Closure requested

60. OAIS has implemented measures to enhance the timeliness of audits and investigations and considers this recommendation implemented and closed:

- (a) Audit coverage increased from eight reports in 2021 and nine in 2022 to 26 in 2023 and 30 in 2024;
- (b) The average turnaround time for audit reports fell from 214.6 days in 2023 to 89.5 days in 2024, meeting the internal key performance indicator of 90 days;
- (c) Investigation closures increased from 98 in 2022 to 160 and 165 in 2023 and 2024;
- (d) In 2024, 34 per cent of investigations were closed within 12 months and 21 per cent within six months.

61. OAIS acknowledges that 36 per cent of audit reports still exceeded deadlines in 2024 and that timely completion of investigations remains a challenge. Some audits and investigations are inherently complex and require extended engagement with stakeholders, high-security evidence collection, or cooperation from implementing partners.

62. To address these challenges, OAIS has: (a) cleared the backlog of investigation cases from 2017-2018 in 2024 and is on track to close remaining cases from 2019-2021 in 2025; (b) adopted risk-based prioritization approach and engaged a boutique investigation firm to accelerate case closures; (c) introduced standardized follow-up procedures and expanded closure criteria for backlog cases; and (d) institutionalized weekly monitoring mechanisms to track progress, ensure the early escalation of delays, and reinforce accountability

63. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

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**In paragraph 38, the Board recommended that UNFPA assess and update the terms of reference of its Humanitarian Response Division and establish a clear plan with activities implementation schedule and accountabilities.**

<i>Business unit responsible</i>	Humanitarian Response Division
<i>Status</i>	Closure requested
<i>Priority</i>	High
<i>Target date</i>	Closure requested
<i>Business unit responsible</i>	Humanitarian Response Division

64. UNFPA has revised, finalized and approved the Humanitarian Response Division terms of reference. The updated terms of reference defines the roles and accountabilities of each unit, including the Global Emergency Response Team, and incorporates a detailed implementation plan into the results framework of the Humanitarian Response Division.

65. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

**In paragraph 51, the Board recommended that UNFPA ensure the timeliness of submissions of usage report and subsequent usage assessments to implement the lessons learned.**

<i>Business unit responsible</i>	Humanitarian Response Division
<i>Status</i>	Closure requested
<i>Priority</i>	High
<i>Target date</i>	Closure requested
<i>Business unit responsible</i>	Humanitarian Response Division

66. UNFPA has addressed this recommendation through the transition from fast-track procedures to the policy and procedures for emergency response, effective 1 March 2025. The final fast track procedures activation, for the country office in Yemen, was concluded in August 2025, and fast track procedures are now being formally removed from the policies and procedures manual.

67. UNFPA considers this recommendation to have been implemented and requests its closure by the Board.

**In paragraph 64, the Board recommended that UNFPA issue a guidance on risk ranking and subsequent actions depending on the level of risk, in line with the Inter-Agency Standing Committee, with the aim of ensuring that risk assessment ranking, duly advanced preparedness actions and contingency planning are conducted.**

<i>Business unit responsible</i>	Humanitarian Response Division
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	March 2025
<i>Revised target date</i>	December 2025

68. UNFPA has drafted minimum preparedness actions that include risk ranking, preparedness triggers and contingency planning, aligned with Inter-Agency Standing Committee standards. Draft MPAs were shared with the Inter-Divisional Working Group on Humanitarian Affairs for review, and the Humanitarian Response Division is consolidating inputs prior to finalization to ensure full alignment with organizational and inter-agency standards. The revised minimum preparedness actions incorporate these lessons and are now at an advanced stage of finalization.

**In paragraph 74, the Board recommended that UNFPA conduct the minimum preparedness actions by completing the necessary information and uploading all the relevant documents in strict accordance with the guidance on minimum preparedness actions.**

<i>Business unit responsible</i>	Humanitarian Response Division
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	December 2025

69. UNFPA has developed revised minimum preparedness actions and shared them internally for feedback. Reporting functionality for country offices exists in QuantumPlus and will be updated once the revised guidance is finalized. The finalized minimum preparedness actions will guide offices in completing and uploading preparedness documents in line with organizational standards. Delays in finalization resulted from the need to align with the new emergency preparedness framework and the decision to separate the framework from the minimum preparedness actions for clarity. The minimum preparedness actions are now in their final stage, pending endorsement by the Inter-Divisional Working Group.

**In paragraph 75, the Board recommended that UNFPA establish a robust oversight mechanism to ensure quality and completeness by requiring country and regional offices to complete the minimum of preparedness actions.**

<i>Business unit responsible</i>	Humanitarian Response Division
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	December 2025

70. UNFPA is finalizing the revised minimum preparedness actions after incorporating feedback from internal stakeholders. Country offices can already report on minimum preparedness actions through QuantumPlus, which will be updated once the revised guidance is finalized. The revised minimum preparedness actions will include provisions for systematic oversight to ensure the quality and completeness of inputs from country and regional offices.

**In paragraph 76, the Board recommended that UNFPA review and approve a new version of the guidance on minimum preparedness actions in order to clarify milestones, provision of evidence and responsibilities of headquarters, regional offices and country offices in this matter.**

<i>Business unit responsible</i>	Humanitarian Response Division
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	March 2025
<i>Revised target date</i>	December 2025

71. UNFPA is finalizing the revised minimum preparedness actions after incorporating feedback from internal stakeholders. The revised minimum preparedness actions provide clear milestones, specify responsibilities across headquarters, regional and country levels, and include provisions for documenting evidence of preparedness actions. Reporting functionality in QuantumPlus will be updated to align with the revised guidance.

**In paragraph 88, the Board recommended that the Humanitarian Response Division, in coordination with the Supply Chain Management Unit, ensure the implementation of the humanitarian supplies strategy activities through the precise identification of a cost proposal, the assignment of accountabilities and the needed budget arrangements in Quantum.**

<i>Business unit responsible</i>	Humanitarian Response Division and Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	December 2025

72. UNFPA has undertaken a midterm review of the humanitarian supplies strategy to identify cost proposals, assign accountabilities and confirm budget arrangements in Quantum. These actions are being carried out jointly by the Humanitarian Response Division and Supply Chain Management Unit. In mid-2024, the two units conducted consultations to review progress, update accountabilities and confirm budget requirements. The Humanitarian Response Division is now consolidating inputs to finalize the joint plan by late 2025.

**In paragraph 89, the Board recommended that UNFPA establish a monitoring mechanism to ensure that the action plans submitted to the Executive Board are fully implemented.**

<i>Business unit responsible</i>	Humanitarian Response Division and Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	December 2024
<i>Revised target date</i>	December 2025

73. UNFPA has implemented a joint monitoring mechanism under the humanitarian supplies strategy. The Humanitarian Response Division and the Supply Chain Management Unit use a coordinated workplan and provide quarterly status updates to ensure that planned actions are implemented and commitments to the Executive Board are met. The shared monitoring framework addresses earlier gaps and establishes clear channels for oversight and accountability.

**In paragraph 104, the Board recommended that UNFPA assess its internal control activities and apply the necessary adjustments considering the use of Quantum**

<i>Business unit responsible</i>	Division for Management Services
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	December 2025
<i>Revised target date</i>	March 2026

74. UNFPA has already established key internal controls as part of Quantum implementation, including a policy on segregation of duties for system user roles and the deployment of identity and access management tools to prevent conflicting roles. A comprehensive operations dashboard is also under development (referenced in paragraph 106) to further strengthen the monitoring of business processes. While preventive controls were integrated early in the rollout, additional time was required for system stabilization, the design of custom role structures, and the development of reporting capabilities to ensure consistent enforcement. These measures contribute to sustainable implementation.

**In paragraph 105, the Board recommended that UNFPA update the resource management policy and related guidelines to reflect the Quantum procedures and controls.**

<i>Business unit responsible</i>	Division for Management Services
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	December 2024
<i>Revised target date</i>	December 2025

75. UNFPA has updated the strategic resource management policy to reflect Quantum implementation, issuing the revised policy on schedule. Additional guidance notes and procedural tools are being updated to further align operational practices with Quantum features and controls. These supplementary documents will be finalized in 2025 and disseminated to the Strategic Resource Planning Branch community. Priority was given to updating the policy during the system stabilization phase, with supporting materials scheduled for completion in 2025.

**In paragraph 106, the Board recommended that UNFPA implement a tool similar to the financial quality data dashboard to assist in the monitoring of field offices**

<i>Business unit responsible</i>	Division for Management Services
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	December 2025
<i>Revised target date</i>	March 2026

76. UNFPA is developing a comprehensive operations dashboard to strengthen monitoring across all offices, including field locations. The dashboard will provide real-time, actionable insights on key operational indicators, such as budget management, accounts payable and receivable, general ledger, and travel and asset management. It is designed to support stronger oversight, performance management and timely decision-making.

**In paragraph 118, the Board recommended that UNFPA implement a mechanism to ensure timely operational and financial closures**

<i>Business unit responsible</i>	Programme Division
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	May 2025
<i>Revised target date</i>	September 2026

77. UNFPA is implementing this recommendation through new functionalities in QuantumPlus. The organization is defining the requirements, developing and testing the solution, issuing instructions to offices, incorporating feedback to refine the approach, executing project closures in Quantum in stages, and finalizing user guides and standard operating procedures. This sequence will be completed by September 2026.

**In paragraph 119, the Board recommended that UNFPA update the guidance note on programme cycles, project identification and activity identification creation and closure, and related procedures, with the aim of reflecting the processes to be implemented in the Quantum system**

<i>Business unit responsible</i>	Programme Division
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	May 2025
<i>Revised target date</i>	September 2026

78. Delivery of this recommendation is aligned with the QuantumPlus enhancements described under paragraph 118. UNFPA is defining and validating the workflows, issuing instructions to offices, refining the approach based on feedback, executing closures in Quantum in stages, and completing the updated guidance, user guides and standard operating procedures for dissemination. This sequence will be completed by September 2026.

**In paragraph 143, the Board recommended that UNFPA conduct an updating exercise of the policies and procedures manual, establishing deadlines for each content owner, with the aim of reflecting the technological and organizational changes in a timely manner.**

<i>Business unit responsible</i>	Programme Division
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	December 2025

79. UNFPA is undertaking a phased update of the policies and programme manuals to align with recent organizational and technological changes, including Quantum. Deadlines have been set for each content owner, with monitoring arrangements to ensure accountability and timely completion.

**In paragraph 157, the Board recommended that UNFPA record both accurately and in a timely manner the supplies, in accordance with the nature of the transaction (physical receipt, storage, handover, disposals and adjustments) and in agreement with the applicable accounting standards.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Closure requested
<i>Priority</i>	Medium
<i>Target date</i>	Closure requested

80. UNFPA has strengthened its inventory certification process. Through the use of AODocs, inventory focal points review transactions and supporting documentation in a structured and auditable manner, with certification completed only after all required actions have been verified. Supporting evidence – including sample certifications, system-generated reports confirming completion of the 2024 year-end inventory certification, and correspondence on outstanding issues – has been provided. The Inventory Control and Accounting Team monitors country office performance throughout the certification cycle, tracking lead times and compliance with submission timelines to ensure consistent application of internal controls and reinforce accountability across offices.

81. UNFPA considers this recommendation to have been implemented and requests its closure by the Board

**In paragraph 173, the Board recommended that UNFPA ensure that its country offices record transactions in Quantum relating to pre-positioning of supplies in a timely manner.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	December 2024
<i>Revised target date</i>	December 2025

82. QuantumPlus and Power BI are operational and provide improved visibility over supply chain transactions. Country offices are supported to use available tools for timely recording of pre-positioned supply transactions, while work continues to strengthen system integration and reporting to close remaining gaps. As there is currently no dedicated inventory module at the country office level, interim solutions – including dashboard monitoring – have been used; however, these have not been sufficient for closure. UNFPA is assessing options to enable direct recording and real-time monitoring within Quantum, with the aim of achieving full compliance by the revised target date.

**In paragraph 174, the Board recommended that UNFPA implement a monitoring and reportability mechanism for country offices that maintain pre-positioned supplies to avoid manual errors and inaccuracies and to ensure that inventories are delivered to final beneficiaries and used for their intended purposes.**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	Medium
<i>Target date</i>	December 2024
<i>Revised target date</i>	December 2025

83. Power BI and QuantumPlus are operational and provide enhanced visibility into stock movements and oversight across country offices. UNFPA is refining reporting mechanisms to strengthen accuracy and traceability. As a dedicated inventory module for country offices is not yet available, interim solutions have been employed and is insufficient for closure. UNFPA is assessing options to enable more automated and real-time monitoring so that pre-positioned supplies can be reliably tracked to final beneficiaries by the revised target date.

**In paragraph 186, the Board recommended that UNFPA implement automatic controls in Quantum to prevent country offices from procuring pharmaceuticals and medical devices without authorization and restrict the purchase of contraceptives at this level**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	December 2025

84. UNFPA is designing a solution to enforce these restrictions within Quantum. As the system does not currently provide built-in controls for this use case, options are being assessed – including configuration changes and technical workarounds – to operationalize automated authorization checks across procurement workflows. This work is prioritized within the current implementation timeline.

**In paragraph 187, the Board recommended that UNFPA categorize the products in Quantum according to the type of programme supplies to enable monitoring by the Supply Chain Management Unit**

<i>Business unit responsible</i>	Supply Chain Management Unit
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	June 2025
<i>Revised target date</i>	December 2025

85. UNFPA is developing a Quantum-based categorization system that tags products by programme supply type to improve monitoring and reporting across the supply chain. As the current configuration does not provide standardized product categories, UNFPA is transitioning from an initial non-ERP concept to a system-embedded solution, integrating it into existing workflows for delivery by the revised target date.

**In paragraph 203, the Board recommended that UNFPA implement a mechanism to enable the oversight and traceability of the agreements from the negotiation process to the revenue posting in Quantum, by codifying the negotiation processes and developing dashboards**

<i>Business unit responsible</i>	Division for External Relations and Division for Management Services
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	December 2025
<i>Revised target date</i>	March 2026

86. UNFPA is implementing a phased approach to integrate DARTS 2.0 with the CRM platform, with the aim of enabling oversight and full traceability of agreements from the negotiation stage through to revenue posting. The work includes coding negotiation workflows, strengthening approval and monitoring processes, alongside a process review and capacity-building for budget holders. Phase 1 of the CRM-DARTS integration, together with the development of dashboards linking with Quantum, will help implement the recommendation by the given time.

**In paragraph 204, the Board recommended that UNFPA issue a new version of the terms of reference of the Resource Mobilization Branch to reflect its current accountabilities, systems used, functions and interactions with the Finance Branch.**

<i>Business unit responsible</i>	Division for External Relations and Division for Management Services
<i>Status</i>	Under implementation
<i>Priority</i>	High
<i>Target date</i>	December 2024
<i>Revised target date</i>	December 2025

87. UNFPA is finalizing a revised terms of reference for the Resource Mobilization Branch (now the Public Funding and Financing Branch) to clarify current accountabilities, system interfaces and coordination with the Finance Branch. An initial draft was submitted, and the Board requested further clarifications. UNFPA has incorporated this feedback and will complete the updated terms of reference by the revised target date, following internal validation.

## V. Impact of implemented recommendations

88. Ongoing UNFPA commitment to strengthening accountability and institutional learning is reflected in the implementation of seven recommendations from the Board of Auditors during the 2024-2025 period. These actions span key operational areas – supply chain management, humanitarian coordination, information security, and oversight – and collectively demonstrate the organization’s sustained progress toward efficiency, transparency, and stronger internal controls.

89. Significant advancements were achieved in supply chain management through the implementation of several key measures. The Supply Chain Management Unit finalized its strategy implementation plan 2025, establishing a structured planning framework with monthly monitoring through the project-tracking software, JIRA, to ensure transparency and accountability in performance tracking. The organization also strengthened inventory certification and internal controls through AODocs, ensuring the completeness and accuracy of stock

reporting across all offices. In parallel, the integration of preventive analytics and real-time dashboards in Quantum and Power BI has improved visibility and enabled early identification of anomalies. Collectively, these reforms have optimized operational efficiency, enhanced data integrity, and strengthened assurance along the supply chain.

90. UNFPA has also consolidated its humanitarian response architecture. The Humanitarian Response Division revised and formalized its terms of reference, clearly defining the roles and accountabilities of each unit and embedding them within its results framework. In parallel, the transition from fast-track procedures to the policy and procedures for emergency response was completed, marking a major procedural reform that institutionalizes lessons learned and enhances organizational readiness for future emergencies. Together, these actions have improved coordination, accountability, and the predictability of humanitarian operations across all levels of the organization.

91. In the area of information and communications technology, UNFPA has reinforced access management controls by automating the deactivation of user accounts for separating personnel through single sign-on. This enhancement ensures the immediate revocation of access to all enterprise systems on the contract end date, bolstering cybersecurity and compliance with international information security standards. The initiative reflects the organization's continued prioritization of data protection and system resilience.

92. Oversight processes have also been strengthened through the Office of Audit and Investigation Services, which implemented measures that have significantly improved the timeliness and throughput of audits and investigations. Investigation closures reached record levels following the introduction of risk-based prioritization, enhanced monitoring and dedicated staffing. These measures have bolstered organizational accountability and reinforced management's ability to act swiftly.

## VI. Conclusion

93. UNFPA management welcomes the report of the Board of Auditors on the financial statements for the year ended 31 December 2024. The report reaffirms that UNFPA continues to demonstrate sound financial management, effective internal controls, and prudent stewardship of resources. The organization remains committed to maintaining its strong record of unqualified audit opinions and to addressing all recommendations of the Board in a timely and comprehensive manner.

94. Building on the progress achieved during 2024-2025, UNFPA has advanced the implementation of key recommendations, strengthened its oversight mechanisms, and institutionalized a more rigorous quality review process for action plans and closure requests. The revised OCMC format has further enhanced accountability by providing more structured monitoring of implementation milestones and greater visibility across business units. While recognizing that some recommendations require additional time to address their underlying causes, UNFPA continues to prioritize sustainable solutions over rapid closure. These collective efforts reflect the organization's commitment to continuous improvement, organizational learning and stronger governance. UNFPA will sustain these improvements as it moves into its next strategic plan, for 2026-2029, ensuring that its systems and practices remain robust, transparent and aligned with its strategic objectives.

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