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UNFPA – Annual report of the Executive Director

UNITED NATIONS POPULATION FUND

Report on the recommendations of the Joint Inspection Unit in 2021

Report of the Executive Director

Summary

In line with General Assembly resolution 59/267 of 23 December 2004, and as reiterated in resolution 62/246 of 3 April 2008, the present report provides a synopsis of UNFPA management responses to the recommendations of the Joint Inspection Unit (JIU) and draws attention to specific recommendations directed to the legislative bodies of the United Nations system organizations.

The present report focuses on the four JIU reports and one management letter relevant to UNFPA issued since the last report to the Executive Board in 2021 and received by the organization before preparing this report. Of the 33 recommendations given in the reports and the management letter, 21 are addressed to UNFPA: 16 to UNFPA management and 5 to the Executive Board as the legislative body of the UNFPA. The present report provides UNFPA management responses to the relevant recommendations and includes an update of the implementation status of recommendations contained in reports issued by the JIU in 2020 and 2019.

Elements of a decision

The Executive Board may wish to take note of the present report, including the management responses to the five recommendations of the Joint Inspection Unit intended for consideration by the Executive Board.

Note: The present document was processed in its entirety by UNFPA.

I.   Overview of Joint Inspection Unit reports and notes

1.   The present report provides a summary of the four reports and one management letter issued by the Joint Inspection Unit (JIU), which are of relevance to UNFPA and were received since the previous report to the Executive Board [DP/FPA/2021/4 (Part II)] and before drafting this report.

(a) Blockchain applications in the United Nations system: towards a state of readiness (JIU/REP/2020/7);

(b) Review of mainstreaming environmental sustainability across organizations of the United Nations system (JIU/REP/2020/8);

(c) Management letter on securing the integrity of documents, records, and archives of the United Nations system organizations (JIU/ML/2021/1);

(d) Review of United Nations system support for landlocked developing countries to implement the Vienna Programme of Action (JIU/REP/2021/2); and

(e) Cybersecurity in the United Nations system organizations (JIU/REP/2021/3).

2.   The management responses to the relevant recommendations in the JIU reports, including the recommendations for consideration by the legislative body, are provided below. Annex I to the present report provides a statistical summary of reports that are subject to the present reporting; Annex II and Annex III provide information on the implementation status of recommendations and notes issued in 2020 and 2019, respectively; Annex IV contains an overview of the recommendations in the JIU reports included in this report that are relevant to UNFPA and directed to the Executive Board as the governing body of UNFPA.

II.   Synopsis and review of relevant Joint Inspection Unit reports and recommendations

A.   Blockchain applications in the United Nations system: towards a state of readiness (JIU/REP/2020/7)

3.   The specific objectives of the blockchain applications review were to map the current use by compiling the lessons learned, identification of good practices, challenges, risks in its use and, explore the potential use of the blockchain, and provide inputs for developing guidance standards and framework for the future use of blockchain applications.

4.   The report recommends, among others, enhancing coherence and coordination at the system-wide level, including knowledge-sharing, capacity-building, and adoption of an inter-agency governance framework. UNFPA welcomes the review and notes that it offers a useful overview of blockchain applications in the United Nations system. UNFPA is supportive of the review's findings.

5.   The review contains eight recommendations; five are assigned to UNFPA; two are addressed to the Executive Board for consideration (recommendations 1 and 6) and are discussed further and commented on in Annex IV, and three to the Executive Director (recommendations 2, 4 and 8).

6.   On recommendation 2, UNFPA aligns itself to the Chief Executives Board (CEB) for Coordination response to the report (A/76/325/Add.1, paragraph 11). and agrees that a balance between that accurate risk assessment is essential in adopting new technology at scale. However, an enabling environment should allow for agile experimentation with new

innovative solutions being tested and piloted at a small scale with acceptable failure parameters.

7.   On recommendation 4, UNFPA aligns with the CEB general comments in the Note by the Secretary-General to this JIU review (A/76/325/Add.1, paragraph 14). UNFPA appreciates the utility of the decision-making matrix and suggests it be applied as a guide rather than as mandatory rules.

8.   On recommendation 8, UNFPA aligns with the CEB general comments in the Note by the Secretary-General to this JIU review (A/76/325/Add.1, paragraphs 26-27), which states that inter-agency collaboration is essential to consider this recommendation and recognizes the potential role the Digital and Technology Network (DTN) of the High-level Committee on Management may play to spearhead this initiative.

B.   Review of mainstreaming environmental sustainability across organizations of the United Nations system (JIU/REP/2020/8)

9.   The Joint Inspection Unit undertook a review of contemporary policies and practices in mainstreaming environmental sustainability in the United Nations system organizations for 2012-2019, including data for 2020, as available. The review's objectives were to determine the extent to which environmentally sustainable policies have been developed; examine the implementation of environmentally sustainable operations and practices, assess the readiness of selected functional areas to implement the strategy, and consider the effectiveness of governance, accountability, coordination, risk management and oversight mechanisms in supporting the implementation of environmentally sustainable operations and practices.

10.   The report includes ten formal recommendations. Nine recommendations are addressed to the Executive Director (recommendations 1, 3, 4, 5, 6, 7, 8, 9, and 10). One (recommendation 2) is addressed to the Executive Board for consideration and is discussed further and commented on in Annex IV.

11.   UNFPA aligns itself to the CEB response to the report (A/76/286/Add.1). Regarding developing an organization-wide policy for environmental sustainability in internal management functions (recommendation 1), UNFPA welcomes the recommendation, and its environmental efficiency strategy was endorsed in February 2021. Regarding devoting adequate resources in specific budget plans, including utilizing better existing available resources, to mainstream environmental sustainability (recommendation 3), UNFPA welcomes this recommendation but notes that it requires the willingness of governing bodies to accept positions and increased costs for this purpose in the integrated budget. Regarding tasking procurement offices with incorporating specific provisions for integrating environmental sustainability considerations into procurement policies, procedures, manuals, and guidelines (recommendation 4), UNFPA suggests that in addition to procurement offices, requisitioning offices should also integrate environmental sustainability considerations into their procurement requests; to that effect, UNFPA will further deepen the existing sections on its procurement procedures, referring to sustainable procurement as well as develop guidance notes to support field offices in their tasks/responsibilities to integrate sustainability considerations into the procurement requests for applicable goods and services. UNFPA further notes the 2022 target may be challenging to implement all aspects as described in the recommendation. On ensuring that all recruitment and selection processes, as well as performance appraisal systems, incorporate and give adequate weight to environmental sustainability understanding and behaviours (recommendation 5), UNFPA considers environmental sustainability understanding and behaviours to be important to UNFPA; its environmental efficiency strategy is multifaceted, which includes incorporating environmental indicators in the performance appraisal of senior management; an indicator of the CEB-approved United Nations system-wide environmental strategy 2020-2030 already refers to this matter. The strategy also includes

awareness-raising with staff and personnel, starting from the onboarding process with a mandatory learning course on Greening the Blue. The completion of this training course is further linked to the UNFPA performance management process. In terms of values and competencies on environmental sustainability, UNFPA believes this is already captured in the broader value of "demonstrating a commitment to the aims, principles, and purposes of UNFPA and the United Nations system." Therefore, at this point, UNFPA will not explore introducing new values and competencies. UNFPA welcomes strengthening the coordination between headquarters and field agencies in pursuing measures to reduce the environmental impact of field presences (recommendation 6). UNFPA has launched Social and Environmental Standards in Programming and its related guidance and learning materials for raising awareness and capacity. UNFPA also participates in an inter-agency task team on Sustainability Strategy and the Model Approach Working Group that is looking into integrating social and environmental sustainability in the United Nations Sustainable Development Cooperation Framework (UNSDCF) guidance processes and will provide support to its country offices, accordingly, once concrete inter-agency guidance becomes available.

12.   Regarding making all conferences, events, and meetings "paper smart," while providing printed material only upon official request and with adequate cost-recovery measures (recommendation 7), UNFPA is endeavouring to go "paper smart" and recommends applying this recommendation to large events in the first instance (more than 300 participants) while also focussing on increasing the use of remote conferencing tools, building on its successful use since the beginning of the COVID-19 pandemic. Regarding compliance of information and communications technology services' actions and projects with environmental sustainability considerations, including ensuring that greenhouse gas emissions are at a level compatible with the Paris Agreement on the United Nations Framework Convention on Climate Change (recommendation 9), UNFPA will focus on the procurement of energy-efficient ICT equipment.

13.   Regarding the online availability of official documentation, publications, brochures, and communication and advocacy materials (recommendation 10), UNFPA complies with this recommendation: UNFPA publications are available online. E-publications are always preferred unless there is a strong rationale for any hard copies, which are very limited. All Executive Board meetings are paper smart, and documents are managed online.

C.   Management letter on securing the integrity of documents, records, and archives of the United Nations system organizations (JIU/ML/2021/1)

14.   This management letter complements the JIU review on Cybersecurity in the United Nations system organizations (JIU/REP/2021/3). It aimed to draw attention to the critical need for organizations of the United Nations system to devise and apply appropriate safeguards to secure their current and historical documents, records, and archives, emphasizing protecting the integrity thereof. Executive heads were invited to revisit, if necessary, the security parameters applied to the storage and access of such documents in both the physical and cyber environments, intending to protect them from tampering. Appropriate controls ensuring the completeness, accuracy, consistency, and reliability of information and its authenticity and integrity should be implemented according to the level of protection required to match each organization's situation, based on a dedicated risk assessment.

15.   The management letter contains one recommendation for the consideration of the executive heads of the United Nations system organizations (including UNFPA) for devising and applying appropriate safeguards to secure the documents, records, and archives, including revisiting the security parameters used for the storage of such documents in both physical and cyber-environments, and including the matter in their organizations' risk registry, UNFPA accepts the recommendation and notes that this is in progress.

D. **Review of United Nations system support for landlocked developing countries to implement the Vienna Programme of Action ([JIU/REP/2021/2](JIU/REP/2021/2))**

16.   The General Assembly, in 2014, adopted the Vienna Programme of Action for landlocked developing countries (LLDCs) for the Decade 2014-2024 to address the special development needs and challenges faced by 32 LLDCs, characterized by their lack of access to the sea, remoteness, and isolation from internal markets. The review's objectives were to assess the scope of United Nations system entities' support for LLDCs. According to the review, United Nations system entities covered all six priorities of the Vienna Programme of Action to varying degrees and in ways that were complementary to their mandates and capacities.

17.   The review contained nine recommendations addressed to legislative organs and executive heads and a range of informal recommendations, covering 14 key areas and outlining suggestions for improvements. Of the nine recommendations, three are of relevance to UNFPA. Two are addressed to the Executive Director (recommendations 1 and 3) and one (recommendation 7) to the Executive Board for consideration and is discussed further and commented on in Annex IV.

18.   At the time of preparation of this report, the CEB comments were not yet available. On recommendation 1 (designation of organizational focal points), in UNFPA, the intergovernmental and regional desk focal points serve as de facto focal points for LLDC issues. They collaborate to support the participation of UNFPA in inter-agency groups and intergovernmental forums related to LLDCs. The intergovernmental focal points, in particular, engage with the Member States to advance issues as they relate to gender equality, health, investment in young people, and the use of population data for development planning. UNFPA accepts this recommendation and notes that it has been implemented.

19.   On developing a clear result framework for support for LLDCs (recommendation 3), the UNFPA Strategic Plan, 2022-2025, and its Integrated Results and Resources Framework, includes the disaggregation of relevant indicators by the LLDCs, thus making additional LLDC-specific monitoring frameworks unnecessary. Further, respective country programme documents, which respective governments must endorse, are considered by the UNDP/UNFPA/UNOPS Executive Board for adoption. Given the above, UNFPA does not accept this recommendation.

E. **Cybersecurity in the United Nations system organizations ([JIU/REP/2021/3](JIU/REP/2021/3))**

20.   In the light of the increasing dependency in today's digitalized world on information and communications technology and cyber-enabled solutions and the constantly growing sophistication and disruptive potential of cyberthreats globally, this JIU review was aimed at identifying and analysing the common cybersecurity challenges and risks facing the United Nations system organizations, individually and collectively. It was also aimed at examining current inter-agency dynamics and the potential for shared solutions for a system-wide approach to cybersecurity.

21.   In the review, significant differences were found concerning the approaches taken by the participating organizations in their responses to cyberthreats and the maturity of their cybersecurity frameworks. Despite long-standing aspirational statements on prioritizing deeper coordination and collaboration on cybersecurity at a system-wide level, more progress was needed towards establishing agreed minimum defence requirements since weak protection against cyber threats in one organization made the whole system more vulnerable.

22.   Of the five recommendations in the report, two are relevant to UNFPA. One is addressed to the Executive Director (recommendation 1) and the other (recommendation 2) to the

Executive Board for consideration and is discussed further and commented on in Annex IV. At the time of preparation of this report, the Chief Executives Board comments were not yet available. UNFPA appreciates that the review presents an accurate depiction of the current state of cybersecurity in the United Nations system.

23.   On recommendation 1, UNFPA takes note of preparing a comprehensive report on its cybersecurity framework and presenting it to the Executive Board, and will consider this along with the reporting of the portfolio view of the risks faced for reporting, as per provisions in the enterprise risk management policy, to ensure consistency and completeness.

III.   Status of UNFPA implementation of Joint Inspection Unit recommendations

24.   The four reports and one management letter issued in 2021 and received prior to the completion deadline of this report contained 21 JIU recommendations directed to UNFPA; of these, 19 (90 per cent) are accepted, one (5 per cent) is not relevant, and one (5 per cent) has not been accepted. Out of these 19 accepted recommendations, seven (37 per cent) have been implemented, while 12 (63 per cent) are in progress. Four of these 19 recommendations are addressed to the Executive Board (remarks are provided in Annex IV of this report). They include recommendation 2, on the review of mainstreaming environmental sustainability across organizations of the United Nations system; recommendation 1, on the review of blockchain applications in the United Nations system: towards a state of readiness (JIU/REP/2020/7); recommendation 7, on the review of United Nations system support for landlocked developing countries to implement the Vienna Programme of Action (JIU/REP/2021/2); and recommendation 2, on the review of cybersecurity in the United Nations system organizations (JIU/REP/2021/3). Another recommendation 6, on the review of blockchain applications in the United Nations system: towards a state of readiness (JIU/REP/2020/7), is also addressed to the Executive Board but is not relevant to UNFPA.

25.   In accordance with United Nations General Assembly resolution 60/258, requesting the JIU to enhance dialogue with participating organizations to strengthen the implementation of its recommendations, the JIU requested information on the follow-up to its recommendations.

26.   Annexes II and III of the present report provide an update on the implementation status of the most recent recommendations issued in 2020 and 2019, respectively.

27.   Of the 30 recommendations issued by the JIU in reports dated 2020 that are relevant to UNFPA (see Annex II),[1] all 30 recommendations (100 per cent) are accepted, with 13 (48 per cent) having been implemented,[2] and the remaining 17 in progress and on target (52 per cent).

28.   Similarly, of the 38 recommendations of relevance to UNFPA issued in reports dated 2019 (see Annex III),[3] 36 (95 per cent) are accepted and two (5 per cent) have not been accepted; 19 of the accepted recommendations (53 per cent) have been implemented and 17 are in progress and on target (47 per cent).

29.   Further details on the recommendations are provided in the web-based JIU follow-up system accessible to the Member States.

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[1] For recommendations considered by the Executive Board in 2021.
[2] Data retrieved as at 31 March 2022.
[3] Whether considered by the Executive Board in 2020 or 2021.

30.   UNFPA is committed to following up on implementing the remaining recommendations relevant to UNFPA and continuing its contribution to the various JIU initiatives in the future.

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ANNEX 1
Summary of reports, note and management letter included in this report and of relevance to UNFPA

Report symbol	Report name	Total recommendations	Assigned to UNFPA	*Of which to governing bodies*	Not relevant	Not accepted	Accepted	
							Implemented	In progress
JIU/REP/2020/7	Blockchain applications in the United Nations system: towards a state of readiness	8	5	2	1		1	3
JIU/REP/2020/8	Review of mainstreaming environmental sustainability across organizations of the United Nations system	10	10	1			3	7
JIU/REP/2021/1	Management letter on securing the integrity of documents, records, and archives of the United Nations system organizations	1	1					1
JIU/REP/2021/2	Review of United Nations system support for landlocked developing countries to implement the Vienna Programme of Action	9	3	1		1	2	
JIU/REP/2021/3	Cybersecurity in the United Nations system organizations	5	2	1			1	1
Total in the report to the Executive Board for 2021		**33**	**21**	**5**	**1**	**1**	**7**	**12**

The following JIU reports were not issued at the time of preparing the present report:

JIU/REP/2021/x – Current state of the ethics function in the United Nations system.

JIU/REP/2021/x – Business continuity management in United Nations system organizations.

The following JIU report was not received before the deadline for submitting this report and will be presented in 2023:

JIU/REP/2021/4 – Review of the management of implementing partners in United Nations system organizations.

The following JIU report dated 2021 is not relevant to UNFPA:

JIU/REP/2021/1 – Review of management and administration in the World Meteorological Organization (WMO).

ANNEX 2
Status of implementation of JIU recommendations from 2020 reports, as at 31 March 2022

Report symbol	Report title	Total recommendations	Relevant to UNFPA	*Of which to governing bodies*	Implementation status of UNFPA relevant recommendations			
					Not accepted	Under consideration	Imple-mented	In progress
JIU/REP/2020/1	Review of the state of investigation function: progress made in the United Nations system organizations in strengthening the investigation function	10	7	6	-	-	7	
JIU/REP/2020/2	Policies and platforms in support of learning: towards more coherence, coordination, and convergence	9	6	1	-	-		6
JIU/REP/2020/3	Common premises in the United Nations system: current practices and future prospects	8	7	1	-	-		7
JIU/REP/2020/5	Enterprise risk management: approaches and uses in United Nations system organizations	4	4	2	-	-	2	2
JIU/REP/2020/6	Multilingualism in the United Nations system	7	6	3	-	-	4	2
Total for the report to the Executive Board for 2019		**38**	**30**	**13**			**13**	**17**

The following JIU reports dated 2020 is not relevant to UNFPA:

JIU/REP/2020/4 – Review of management and administration in the Economic Commission for Latin America and the Caribbean.

ANNEX 3
Status of implementation of JIU recommendations from 2019 reports, as at March 2022

Report symbol	Report name	Total recommen dations	Relevant to UNFPA	*Of which to governing bodies*	Implementation status of UNFPA relevant recommendations			
					Not accepted	Under considera tion	Imple-mented	In progress
JIU/REP/2019/2	Review of the United Nations System-wide Action Plan on Gender Equality and the Empowerment of Women	5	4	1	-	-	5	-
JIU/REP/2019/3	Review of the integration of disaster risk reduction in the work of the United Nations system in the context of the 2030 Agenda for Sustainable Development	3	3	1	-	-	-	3
JIU/REP/2019/4	Review of change management in United Nations system organizations	6	6	1	-	-	6	0
JIU/REP/2019/5	Managing cloud computing services in the United Nations system	5	4	1	-	-	-	4
JIU/REP/2019/6	Review of audit and oversight committees in the United Nations system	7	7	7	-	-	6	-
JIU/REP/2019/8	Review of staff exchange and similar inter-agency mobility measures in United Nations system organizations	10	7	0	1	-	2	4
JIU/REP/2019/9	Review of contemporary practices in the external outsourcing of services to commercial service providers by United Nations system organizations	7	7	1	1	-	-	6
Total for the report to the Executive Board for 2019		**43**	**38**	**12**	**2**		**19**	**17**

The following JIU reports dated 2019 are either not addressed to or not relevant for UNFPA:

JIU/REP/2019/1 – Review of management and administration in the International Civil Aviation Organization (ICAO)

JIU/REP/2019/7 – Review of the management and administration of the Joint United Nations Programme on HIV/AIDS (UNAIDS)

ANNEX 4
Review of relevant Joint Inspection Unit recommendations
for consideration by the Executive Board for 2021

Recommendations	Management comments
JIU/REP/2020/7 – Blockchain applications in the United Nations system: towards a state of readiness	
#1 The governing bodies of the United Nations system organizations should ensure that, when applicable, the use of blockchain applications will be integrated, together with other digital technologies, into the innovation strategies and policies adopted by their respective organizations.	UNFPA aligns with the CEB general comments in the Note by the Secretary-General to this JIU review (A/76/325/Add.1 paragraph 8) that all the adopted technologies should be considered holistically within the framework of an entity's digital architecture and avoid the creation of technological "islands." Noting that the recommendation is addressed to the legislative bodies, UNFPA management considers it already implemented.
#6 The governing bodies of the United Nations system organizations should encourage Member States to engage with the United Nations Commission on International Trade Law in its exploratory and preparatory work on legal issues which relate to blockchain in the broader context of the digital economy and digital trade, including on dispute resolution, aiming at reducing legal insecurity in that field	UNFPA aligns with the CEB general comments in the Note by the Secretary-General to this JIU review (A/76/325/Add.1 paragraph 21) that exploratory work carried out so far has found that, while the use of blockchain calls attention to governance and data protection issues, it is the use of blockchain-enabled applications such as smart contracts (and automation more generally), online platforms and digital assets (including cryptocurrencies) that raise novel legal issues that would benefit from international harmonized solutions. Noting that the recommendation is addressed to the legislative bodies and while it is the prerogative of the Executive Board members to decide on its agenda and engagement, UNFPA management considers this recommendation outside of UNFPA's sole remit and therefore considers this "not relevant
JIU/REP/2020/8 – Review of mainstreaming environmental sustainability across organizations of the United Nations system	
#2 The legislative organs and governing bodies of the United Nations system organizations that have not yet done so should, by the end of 2022, direct the executive heads to embed environmental sustainability considerations into the management of their organizations and request them to include in the annual report on the work of the organization the results of efforts to mainstream environmental sustainability in the internal management functions of the organization.	UNFPA has firmly embedded environmental sustainability in the management of its operations. The Social and Environmental Standards were endorsed by the Executive Committee in November 2021 and have been implemented. UNFPA commitment to environmental sustainability management is fully included in the annual report of the Executive Director, with UNFPA already reporting on its greening efforts to the Executive Board for years. Noting that this recommendation is addressed to the legislative/governing bodies and that environmental sustainability is already fully embedded in UNFPA operations and regular periodic reporting on this to the Executive Board is already in place, UNFPA management considers this recommendation as implemented.

JIU/REP/2021/2 – **Review of United Nations system support for landlocked developing countries to implement the Vienna Programme of Action**	
#7 The legislative organs and governing bodies of United Nations system organizations should issue directives, if they have not already done so, by the end of 2022, for their organizations to mainstream the priorities of the programme of action for landlocked developing countries that are pertinent to their mandated work and request that their organizations report periodically on its implementation.	The UNFPA Strategic Plan, 2022-2025 clearly outlines that how the organization prioritizes countries in tier I, including 15 landlocked developing countries. This mandate aligns with the implementation of the Vienna Programme of Action. Based on the above and noting that this recommendation is addressed to the legislative/governing bodies, UNFPA management considers this recommendation implemented.

JIU/REP/2021/3 – **Cybersecurity in the United Nations system organizations**	
#2 The legislative and governing bodies of the United Nations system organizations should consider the reports on the elements contributing to improved cyber-resilience prepared by the executive heads and provide strategic guidance on further improvements to be implemented in their respective organizations, as necessary.	UNFPA recognizes the importance of receiving strategic guidance from governing bodies on further improvements to their cyber-resilience preparedness. As noted in this recommendation, UNFPA has addressed this by creating a separate ICT component in the integrated risk framework in the new ERM policy that will also cover cybersecurity. As per the provision established in the new ERM policy, UNFPA management will analyse, aggregate and prioritize the risks (including the ICT component covering cybersecurity-related risks) to provide a portfolio view of the risks faced for reporting UNFPA risk exposure to governing bodies and external stakeholders Based on the above and noting that this recommendation is addressed to the legislative/governing bodies, UNFPA management considers this recommendation as implemented.

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