

STATUS OF AUDIT RECOMMENDATIONS

Recom. no.	Recommendation	Risk category	Risk rating	C/O	Actions needed to close recommendation	Implementation date ²
1	UNEP Administration should establish a review committee responsible for screening all proposed agreements with the private sector in order to determine whether the proposed activities satisfy the definition of a partnership.	Operational	Medium	O	Receipt of documentation showing that a review committee responsible for screening all proposed partnership agreements has been established.	March 2011
2	UNEP Administration should update the project implementation manual to include all legal implementing instruments used by UNEP.	Operational	Medium	O	Receipt of documentation showing that the legal implementing instruments used by UNEP have been included in the project implementation manual.	June 2011
3	UNEP Administration should ensure that all Small Scale Funding Agreements (SSFA) are approved by the Quality Assurance Section when the cumulative amount of SSFA with the same partner during the year exceeds \$200,000.	Operational	Medium	O	Receipt of documentation showing that UNEP has issued a Standard Operating Procedure requiring approval of SSFA by the Quality Assurance Section when its cumulative amount with the same partner exceeds \$200,000 during the year.	March 2011
4	UNEP Administration should revise the policy on partnerships and authorize Divisional and Regional Directors to sign Project Cooperation Agreements within the established limits above which clearance of the Corporate Services Section should be sought.	Governance	Medium	O	Receipt of documentation showing that UNEP policy on partnerships has been revised to authorize Divisional and Regional Directors to sign Project Cooperation Agreements within the established limits above which clearance of the Corporate Services Section should be sought.	March 2011
5	UNEP Administration should clarify the delegation of authority to Divisional and Regional Director for signing legal instruments with respect to the use of funds raised by regional offices.	Governance	Medium	O	Receipt of documentation showing that the delegation of authority to Divisional and Regional Director for signing legal instruments with respect to the use of funds raised by regional offices has been clarified.	March 2011
6	UNEP Administration should issue a Standard Operating Procedure requiring	Operational	Medium	O	Receipt of documentation showing that UNEP has issued a Standard Operating	March 2011

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	that all subsequent amendments to legal implementing instruments are cleared by the Quality Assurance Section and signed by both parties.				Procedure requiring that all subsequent amendments to legal implementing instruments are cleared by the Quality Assurance Section and signed by both parties.	
7	UNEP Administration should revise the Policy and Guidelines on Partnerships and require that contributions by partners are specified in the legal implementing instruments and verified by substantive officers during progress monitoring.	Operational	Medium	O	Receipt of a copy of the revised UNEP Policy and Guidelines on Partnerships, requiring that contributions by partners are specified in the legal implementing instruments and verified by substantive officers during progress monitoring.	March 2011
8	UNEP Administration should ensure that the requirements to file the Financial Disclosure and Declaration of Interest Statements are strictly complied with.	Compliance	High	O	Receipt of documentation showing that the requirements to file the declaration of financial disclosure and declaration of interest statements are strictly complied with.	December 2010
9	UNEP Administration should develop a UNEP-wide corporate strategic approach for the identification of partners and establish a due diligence process for the partner selection.	Strategic	High	O	Receipt of documentation showing that UNEP-wide corporate strategic approach for the identification of partners has been introduced and a due diligence process for the partner selection has been established.	March 2011
10	UNEP Administration should ensure full compliance with the use of legal templates and to seek advice from the Quality Assurance Section on any deviations, which should be documented and kept in file.	Compliance	Medium	O	Receipt of documentation that Divisional Directors have been requested to strictly comply with the use of legal templates and to seek advice from the Quality Assurance Section on any deviations.	December 2010
11	UNEP Administration should immediately discontinue channeling donor funds outside the United Nations accounting system directly to the partners, vendors or other beneficiaries. DCPI should provide a detailed account of the total funds received from Bayer and their actual utilization; and accountability should be established if part of the funds were used for unauthorized purposes.	Financial	High	O	Receipt of the revised agreement with Bayer clearly stating that all funds for UNEP-led activities will be credited to UNEP accounts.	March 2011

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12	UNEP Administration should include a clause in legal instruments requiring external audits of all projects above an established threshold.	Operational	Medium	O	Receipt of documentation showing that a clause has been included in the UNEP legal instruments requiring external audits of all projects above an established threshold.	Not provided
13	UNEP Administration should issue a guideline on the criteria to be used by divisions when determining the level of initial advances to partners and require that any exceptions are documented.	Operational	Medium	O	Receipt of a copy of the guidelines on the criteria to be taken into account by divisions when determining the level of initial advances to partners.	March 2011
14	UNEP Administration should review the status of the outstanding project balances and take appropriate steps to close expired projects.	Operational	Medium	O	Receipt of documentation showing action taken to close expired projects.	December 2010
15	UNEP Administration should develop a centralized database for management of partnerships and issue a UNEP-wide archiving policy and procedures clearly identifying the overall responsibility and custody for information management.	Information Resources	Medium	O	Receipt of documentation showing establishment of a centralized project database and the receipt of a copy of the UNEP-wide archiving policy and procedures clearly identifying the overall responsibility and custody for information management.	June 2011
16	UNEP Administration should establish a mechanism for obtaining collective feedback from partners on project performance.	Information Resources	Medium	O	Receipt of documentation showing establishment of mechanisms for a collective feedback from partners.	Not provided
17	UNEP Administration should formally designate an appropriate division with the power to grant authorization for the use of the name and logo of UNEP.	Operational	Medium	O	Receipt of documentation showing designation of an appropriate division to grant authorization for the use of the name and logo of UNEP.	March 2011

1. C = closed, O = open

2. Date provided by UNEP in response to recommendations.