

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
Main recommendations				
13	<p>The Board recommends that UNHCR, as a matter of urgency, establish a simple organization-wide risk management approach, building on existing reporting arrangements</p> <p>Division / Service leading the process: Executive Office, Enterprise Risk Management (ERM)</p> <p><i>[Rec. 1 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2010	31 December 2014	<p>UNHCR appointed a full-time Chief Risk Officer in October 2013. The Chief Risk Officer is tasked with the finalization of the enterprise risk management (ERM) framework and its formal organization-wide launch in the first half of 2014. UNHCR had to modify its initial roll-out schedule due to some capacity gaps that emerged in the course of 2013.</p> <p>Until present, risk assessments have been conducted in six countries. Three more risk assessments will be conducted by the end of February 2014. The process will continue throughout 2014 and beyond, first focusing on high risk operations. The findings from completed risk assessments are being used to fine-tune the ERM framework and methodology to improve its efficiency prior to issuance.</p> <p>A multi-functional project advisory group was created in 2013, and has been providing cross-functional advise on the ERM framework. The project advisory group will be discontinued once the ERM framework is formally launched.</p>
33	<p>The Board recommends that UNHCR examine and address the reasons for deficiencies in country office financial management and reporting capacity.</p> <p>Division / Service leading the process: Division of Financial and Administrative Management (DFAM)</p> <p><i>[Rec. 19 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2010	UNHCR considers this recommendation as implemented	<p>In 2011, UNHCR carried out a review to identify weaknesses and potential gaps in financial management, both in the field and at headquarters. As part of this process, office structures were analysed for their capacity to discharge their financial responsibilities. This led to the identification of operations that required additional resources in the areas of finance and project control.</p> <p>On the basis of this analysis, and in consultation with the regional bureaux, UNHCR formulated a strategy to address the identified gaps, which was approved by the High Commissioner in 2012. The strategy included the creation of 50 positions to strengthen the areas of finance, administration/finance and project control in field operations, as well as the revision of relevant job descriptions, the development of a new project control methodology and targeted training plans. All job descriptions for administration, finance and project control functions were updated and revised to properly reflect required responsibilities in the Accountabilities, Responsibilities, Authorities (ARA) format, as well as updated educational requirements and skills. Additionally, the strategy</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
				<p>included training and targeted communication to enhance the skills and knowledge of staff performing finance-related functions in the field.</p> <p>Out of the 50 positions, 24 were effectively established during 2013. Although the need for the pending positions remains, additional financial resources could not be provided during the 2014 budget planning process for the remaining positions.</p> <p>In 2012, UNHCR also initiated a new series of "Finance and Budget Guidance Notes". These were issued in order to (i) reinforce procedures to exercise complete and accurate due diligence when executing financial and budgetary transactions, and/or (ii) address key issues that were raised as main findings in internal and external audits or investigations of financial fraud in UNHCR. Chapter 6 of the UNHCR Manual on financial management was also updated, in particular with regard to International Public Sector Accounting Standards (IPSAS) policies and procedures. An IPSAS Policy Manual has been issued to give guidance on the application of IPSAS within UNHCR.</p> <p>In addition, UNHCR has developed a Finance Network structure in 2013, including intranet pages, web portal, dedicated email and content management structure. The Network will be formally launched during the first quarter of 2014.</p> <p>Several steps have been taken to enhance UNHCR's reporting capacity. UNHCR has developed monthly financial reports for country representatives and bureaux which present summary information on key aspects of UNHCR's financial resource management at country level. The roll-out took place in the fourth quarter of 2013.</p> <p>UNHCR has also updated the MSRP nVision reports, and issued a guidance note for the field and headquarters on using those key reports to monitor UNHCR's operational, administrative and staffing budgets. In addition, UNHCR initiated a series of workshops on the fundamentals of financial management for all representatives, to be delivered during the first half of 2014.</p>
73	The Board recommends, as a matter of priority, that UNHCR: (a) review and cleanse its accounting records, including all asset and liability balances; and (b) enhance	2010	UNHCR considers this recommendation	UNHCR has developed a transition plan that includes a comprehensive review of all accounts and prioritization of critical accounts. Long-outstanding items in critical accounts were reconciled and cleaned, and write-offs were initiated as necessary.

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	<p>its month-end closure procedures in order to fully reconcile all accounts and maintain the integrity of accounting records.</p> <p>Division / Service leading the process: DFAM</p> <p><i>[Rec. 10 in acc. with Annex 1 of A/68/5/Add.5]</i></p>		as implemented	<p>Systematic monitoring of general ledger accounts and long-outstanding items is taking place. Additionally, the following measures have been taken: (i) open items status reports were prepared and sent to field offices to draw their attention to long-outstanding items, and are generated and transmitted automatically since the third quarter of 2013; and (ii) regular consultations take place between relevant UNHCR divisions to improve the status of long-outstanding open items relating to staff entitlements. Critical accounts have been reconciled, and required write-offs have been identified, substantiated and approved.</p> <p>Improvements to the month-end closure procedures have been made for various asset and liability balances, including through the requirements to clear suspense account transactions within six days of the closure and to reconcile open items. From November 2013 onwards, the month-end closure timetable also incorporated a required sign-off by relevant responsible officers upon completion of closure items. Furthermore, a procedure at the corporate level is in place to monitor general ledger accounts.</p> <p>Effective June 2013, UNHCR introduced enhanced inventory procedures requiring all representatives to ensure that a monthly reconciliation between stock cards and accounting records is performed for all warehouses.</p> <p>As of 30 September 2013, all offices are also required to conduct physical counts of inventories at all warehouses on a quarterly basis, the result of which must be reported to headquarters.</p>
77	<p>The Board recommends that UNHCR use its work from 2011 to (a) identify any systematic short comings in existing systems and working practices, and (b) establish enhanced systems and controls for generating asset data.</p> <p>Division / Service leading the process: DESS – Supply Management Logistics Service (SMLS)</p> <p><i>[Rec. 33 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2011	UNHCR considers this recommendation as implemented	<p>UNHCR identified systematic shortcomings and enhanced several systems and controls.</p> <p>At the end of 2013, UNHCR's asset register contained all its property, plant and equipment (PPE) by end of 2013. The accuracy of the data has been validated through the annual physical verification exercise for PPE. UNHCR considers this recommendation as implemented as systems and controls have been enhanced, are now adequate and asset data is considered complete and accurate.</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
84	<p>The Board recommends that, in developing its new management approach and to help improve consistency, UNHCR establish common checklists that can be issued to officers in the field to detail the partner visits they undertake. The checklists should emphasize the need for firm action by country offices to tackle partner underperformance, and should require full documentation of the action taken. This recommendation replaces the Board's previous recommendation.</p> <p>Division / Service leading the process: DFAM – Implementing Partnership Management Service (IPMS)</p> <p><i>[Rec. 35 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2010	UNHCR considers this recommendation as implemented	<p>UNHCR has pursued a comprehensive approach to address this recommendation. This includes the analysis of current practices and gaps; the development of a risk-based monitoring approach and supporting tools; a consultation process involving a field reference group to review the proposed monitoring approach and supporting tools; the piloting of the approach in a selected field location; and the development of instructions, guidance and training, including a standardized checklist and work steps for financial verification of UNHCR partners.</p> <p>In addition, UNHCR took further steps to strengthen project control and monitoring. A field reference group workshop, attended by 30 staff members from UNHCR and partners, focused on detailing standard operating procedures, supporting tools and checklists for monitoring and verification of projects. Another workshop for 20 project control officers sought to improve skills and address field and operational challenges. Both workshops were held in 2012.</p> <p>The standard job descriptions of project control staff and reporting lines have been revised to enhance accountability and segregation of duties. New project control officers were recruited and are being assigned to the field to further strengthen UNHCR's project control capacity. Regular reviews of field operations are continuously undertaken to ensure the best placement of project control staff.</p> <p>A training package and a guidance note on monitoring and verification of projects implemented by partners have been developed and are being piloted before they will be rolled out to all UNHCR operations. Furthermore, 120 project control officers and programme officers were trained on effective management of project agreements and monitoring and verification of partner performance in the fourth quarter of 2013.</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
99	<p>The Board recommends that UNHCR develop comparative and cost-based information to improve the evidence base for allocation decisions and provide a stronger link to enforce accountability. Particular emphasis should be placed on allowing for comparisons between country operations on the relative contributions made by UNHCR to changes in the conditions of populations of concern, and on linking financial and output data to assess efficiency and cost-effectiveness.</p> <p>Division / Service leading the process: Division of Programme Support and Management (DPSM) – Programme Analysis & Support Section (PASS)</p> <p><i>[Rec. 13 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2010	UNHCR considers this recommendation as implemented	<p>To increase the value of UNHCR's planning software (Focus), which provides the framework for performance management at the country level and helps to manage operations more cost effectively, UNHCR continues to simplify the planning process and improve data quality and reporting.</p> <p>The development of Global Focus Insight, the organization's new business analysis tool, was completed in May 2013, and it is now fully operational. The software provides new dashboard views and a set of key analytical reports which allow for a range of analysis to be undertaken at all levels of the organization – in a field operation, in a regional office or bureau, as well as at the global corporate level. A series of training sessions at headquarters and webinars for the field have been organized to introduce colleagues to the key features of the new tool. User guides have also been prepared.</p> <p>To address this recommendation specifically, the new tool allows for performance information to be extracted from the Focus database with financial information on expenditure extracted from MSRP, which was a major link missing previously. The "Progress & Results" dashboard provides a full comparison between different country operations with thresholds set for assessing the criticality of the measured values for key sectors.</p>
117	<p>The Board recommends that UNHCR adopt a risk-based approach to managing partners on the basis of clearly defined requirements, objective and well-evidenced risk assessment of partners, and robust arrangements to monitor its consistent application by country offices.</p> <p>Division / Service leading the process: DFAM – IPMS in coordination with other relevant divisions/services</p> <p><i>[Rec. 15 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2010	Roll-out to take place in phases throughout 2013 and 2014	<p>In 2011, UNHCR established a new Implementing Partnership Management Service (IPMS) within DFAM, to centralize the coordination of issues related to implementing partnership management, including policies, methods and accountability. One of IPMS's main responsibilities is to lead the adoption of a risk-based approach and the development of the UNHCR Framework for Implementing with Partners.</p> <p>A comprehensive review of UNHCR's approach to implementing partnership management was completed in 2011. The findings and conclusions of this review supported the Board's observations that a "one-size-fits-all" approach does not fully address the complexity of working with implementing partners of varying capacity in challenging operating environments.</p> <p>In response to the audit recommendation, UNHCR decided to enhance the Framework</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
				<p>and adopt a differentiated risk-based approach.</p> <p>A phased multi-year work plan (from 2011 to 2014) is in place for improving and embedding risk management and enhanced controls into the framework for project implementation with partners, encompassing policies, procedures and tools related to the selection and retention of partners (issued in July 2013), and revised project partnerships agreements with integrated measures for enhanced accountability, anti-fraud and safeguards to reduce risks and utilize resources effectively (issued in December 2013). Procedures and tools on project monitoring and verification have been developed, and staff training is being conducted. Finally, for project closure and project audit, a study on a risk-based model for audit and central procurement and an extensive analysis of audit reports and partner's internal control system has been undertaken.</p> <p>Guidance for each of these major process areas has been issued and/or is being developed, taking into consideration the relevant recommendations made by the Board. Partnership management processes are being aligned with other management tools such as Results-Based Management (RBM)/Focus and performance tracking.</p> <p>In addition, the development of a Partner Portal (software IT/IM enabler) has been commissioned. It is envisioned that the Portal will support data management and decision-making related to implementing partnership management processes (facilitating better and informed decisions and managing risks related to partner selection, project monitoring and audit). The Portal will be web-based, and will be accessible both to partners and UNHCR (in the field and at headquarters). It builds on existing UNHCR systems (Focus, MSRP, etc.), and will be developed in phases. Currently, the structure of the Portal is completed and being tested for wider application.</p>
120	<p>The Board recommends that UNHCR prioritize:</p> <p>a) improved recording on its enterprise resource planning system, MSRP, by local supply teams, or if this is not achieved, reversion by UNHCR to centralized shipment tracking, to provide a viable delivery time</p>	2011	UNHCR considers this recommendation as implemented	<p>UNHCR has comprehensively addressed the various aspects of the recommendation regarding management information for supply. UNHCR considers this recommendation as implemented as result of the actions below:</p> <p>a) UNHCR has assigned a senior supply officer for the central tracking of shipments to prepare a monthly status report of outstanding shipments and follow up on overdue shipments.</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	<p>measure;</p> <p>b) comparability between the emergency and non-emergency delivery performance measures maintained by UNHCR;</p> <p>c) capturing aspects of professional competence within the staffing indicator maintained by UNHCR;</p> <p>d) cascading the corporate key performance indicators developed by UNHCR to form a basis for country-level reporting on supply performance.</p> <p>Division / Service leading the process: DESS – SMLS</p> <p><i>[Rec. 40 in acc. with Annex 1 of A/68/5/Add.5]</i></p>			<p>b) Ad-hoc reporting for emergency operations has been established to track relevant shipment data, such as estimated time of delivery, actual time of delivery and shipment costs.</p> <p>c) UNHCR has introduced several measures to improve the professional competence of supply staff. This includes a technical clearance of supply positions in the field by the heads of the Supply Management and Logistics Service and the Procurement Management and Contracting Service. In addition to the existing training courses on supply matters, new guidance on the subject has been prepared for staff in country operations.</p> <p>d) A robust data basis for reporting to senior management has been developed. Monthly reports are issued on the status of the operations' inventory controls, showing the timeliness and completeness of verifications as well as the number and type of inventory adjustments. Quarterly reports are issued on warehouse network optimization. These reports are shared with senior management of the bureaux. In addition, UNHCR issues monthly country financial reports which also contain key performance indicators on inventories, PPE and procurement.</p>
124	<p>The Board recommends that UNHCR impose mandatory requirements on its country operations to consistently:</p> <p>(a) Document their justifications for partner selection, including explicit consideration of value for money, building on examples of good practice;</p> <p>(b) Formally assess the market for alternative partners at regular intervals (with once every five years as the absolute minimum);</p> <p>(c) Consider the alternative of commercial procurement whenever seeking a market-traded service and document the justification when selecting a non-</p>	2010	<p>Regarding (a) and (b): UNHCR considers this recommendation as implemented</p> <p>(c) 31 December 2014</p>	<p>UNHCR has taken several actions to ensure an improved selection process of partners.</p> <p>All field operations were instructed in 2011: (i) to create an Implementing Partnership Management/Selection Committee; (ii) to improve selection criteria and checklists, covering added value, cost-benefit analysis and expected impacts; (iii) to establish proper and full documentation of all selection processes and decisions; and (iv) to establish a programme of inspection and review to provide assurances that the instructions are being complied with.</p> <p>Comprehensive policy instructions and procedures on the selection and retention of partners were issued in July 2013 with standard procedures for the transparent, objective and consistent selection and retention of implementing partners, as well as the termination of agreements with implementing partners. A web-based solution (Partner Portal) to facilitate the selection process is also in development.</p> <p>With regard to part (c) of the recommendation, guidance is being developed on the</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	<p>commercial partner without having tested the market.</p> <p>Division / Service leading the process: (a) and (b): DFAM – IPMS in coordination with other relevant divisions/services (c): DPSM in coordination with other relevant divisions/services</p> <p><i>[Rec. 34 in acc. with Annex 1 of A/68/5/Add.5]</i></p>			<p>management of implementing partnerships which will include the need to consider alternative implementation methods – either direct implementation by UNHCR or through a commercial service.</p> <p>Relevant content in Chapter 4 of the UNHCR Manual on operations management is being updated, and will be released end of 2014.</p>
138	<p>The Board recommends that UNHCR (a) implement its plans to create reliable supplier performance information as quickly as possible, and (b) systematically use this information to manage supplier performance and contracts, and make evidence-based framework awards.</p> <p>Division / Service leading the process: DESS – Procurement Management and Contracting Service (PMCS)</p> <p><i>[Rec. 44 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2011	UNHCR considers this recommendation as implemented	<p>UNHCR considers that creation of reliable performance information for suppliers has been achieved, thus the recommendation is implemented.</p> <p>UNHCR is measuring supplier performance through quality monitoring, delivery performance, and price compliance in accordance with the terms agreed in frame agreements and other contractual instruments. Processes are in place to include as many contracts as possible, in particular high value contractual agreements.</p> <p>In addition, vendor evaluation forms have been developed for both goods and services and are available on UNHCR's Intranet. Further work will be done to encourage systematic use of the feedback forms by supply staff in the country operations.</p> <p>While vendor performance is currently measured manually, UNHCR plans to use this information for managing supplier performance within its enterprise resource planning system (MSRP). Therefore, the MSRP upgrade project will address supplier management information in order to develop this area further.</p>
158	<p>The Board recommends that UNHCR develop a clear strategy for extending the range of support to the field for the procurement of key services based on:</p> <p>(a) Analysis of the extent of expenditure on services such as security, telephony, fuel supply or vehicle maintenance across the country network.</p>	2011	UNHCR considers this recommendation as implemented	<p>UNHCR has developed a clear strategy for extending support to the field for the procurement of key services. A thorough analysis of expenditure on services such as security, telephony, fuel supply and vehicle maintenance across operations has been done globally from 2008 to 2013, in order to identify high spend categories, improve efficiency, verify compliance with policies and procedures, and provide recommendations for procurement strategy development.</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	<p>(b) Analysis of the extent to which global suppliers have a market presence in key UNHCR locations, and expert advice on the extent for savings from more consistent contracting and consolidated global buying power.</p> <p>(c) Feedback from supply officers in countries on the priorities for establishing Global Frameworks.</p> <p>Division / Service leading the process: DESS – PMCS</p> <p><i>[Rec. 49 in acc. with Annex 1 of A/68/5/Add.5]</i></p>			<p>In follow-up to the 2008-2013 analysis, UNHCR is currently working with field-based supply officers to improve coordination of procurement throughout the organization, so that the field does not have to invest huge amounts of time tendering for goods that can best be sourced centrally.</p> <p>UNHCR will continue to analyse which global suppliers have a market presence in key locations, and will advise on potential savings from more consistent contracting and consolidated global buying power. In addition, UNHCR will obtain feedback from supply officers in the field on the priorities for establishing global frame agreements.</p> <p>For significant emergency operations, UNHCR will review existing frame agreements for their suitability, and establish supplementary local agreements if necessary or extend global agreements where there is insufficient coverage. This approach of analysing the agreements has been used in the Syria situation context and is underway in the more recent South Sudan and Central African Republic contexts.</p>
160	<p>The Board also recommends that the strategy should incorporate (a) clear prioritisation for which services will be examined and tested in each year from 2012 to 2015 and (b) approval from the Contracts Committee to the choices made, and for the commitment of in-house and consultancy resources to developing and letting frameworks.</p> <p>Division / Service leading the process: DESS – PMCS</p> <p><i>[Rec. 50 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2011	UNHCR considers this recommendation as implemented	<p>A prioritization of services has been integrated into the procurement strategy. UNHCR is currently focusing on the rationalization of vehicle procurement, warehousing, materials handling (warehouse operations), transportation, leases, IT consultants, global learning and public sector fundraising, which involve considerable resources and where the most significant savings are anticipated. In the coming months, other groups of services or goods, such as generators, building maintenance, building refurbishment and air charter services, will be identified and considered, and the required approvals of the choice will be obtained.</p> <p>The provision of inspection services has been identified as an additional priority. Such prioritization is not the principal remit of the Contracts Committee, so this strategy is led by the Division of Emergency, Security and Supply.</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
Other recommendations				
16	<p>The Board recommends that UNHCR enhance its monthly financial closure processes to include, for example, documented review and validation of asset and liability balances, review of income and expenditure against budgets, and sign-off by the relevant responsible officers at headquarters and in the field on the components of the trial balance for which they are responsible.</p> <p>Division / Service leading the process: DFAM</p> <p><i>[Rec. 4 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2010	UNHCR considers this recommendation as implemented	This recommendation has been implemented in the context of main recommendation para. 73 from 2010 <i>[Rec. 10 in acc. with Annex 1 of A/68/5/Add.5]</i> as detailed above.
26	<p>The Board recommends that UNHCR (a) review its working capital requirements including the adequacy of the \$50 million ceiling currently applied to the working capital and guarantee fund, and (b) manage its programmes and cash flows with the aim of maintaining its average unencumbered cash holdings at a level equivalent to no more than two months' expenditure.</p> <p>Division / Service leading the process: DFAM</p> <p><i>[Rec. 18 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2011	UNHCR considers this recommendation as implemented	<p>With regard to part (a) of the recommendation, UNHCR carried out an in-depth review of the adequacy of the \$50 million ceiling currently applied to the Working Capital and Guarantee Fund. With the implementation of IPSAS in 2012, it became clear that the net asset/reserve of the organization is rather high, as also noted by the Board of Auditors in their 2012 report. In light of this situation, UNHCR concluded that it should not increase the ceiling at this stage. However, as the impact of IPSAS implementation becomes further embedded into UNHCR's operations and, having due regard to this recommendation from the Board of Auditors, the High Commissioner will further review the adequacy of the current \$50 million ceiling before the end of 2014.</p> <p>With regard to part (b) of the recommendation, UNHCR's unencumbered cash holding balance does not exceed a level of equivalent to two months expenditure, and this level will continue to be maintained.</p>
30	The Board recommends that UNHCR enhance its internal financial reporting by determining a thorough understanding of key information needs required at each	2011	UNHCR considers this recommendation	UNHCR acknowledges the importance of quality internal financial reporting and has worked towards improving its reporting capacity, taking the points raised by the Board

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	<p>level of management, including variance analysis and a “dashboard” of key indicators for senior management, with sufficient narrative to focus attention on areas requiring attention.</p> <p>Division / Service leading the process: DFAM</p> <p><i>[Rec. 20 in acc. with Annex 1 of A/68/5/Add.5]</i></p>		as implemented	<p>into due account.</p> <p>For this purpose, several steps have been taken to enhance UNHCR’s reporting capacity. During 2013, monthly country financial reports (CFRs) were developed and are now distributed to all Representatives and Regional Bureaux. The CFR is a tool for the Representative as well as appropriate staff in the country office and bureau to monitor and review the level of assets at country level.</p> <p>Furthermore, UNHCR issues monthly a total Cash Holdings report to senior management. The Finance Investment and Strategic Committee meets on a semi-annual basis to review and validate investments. In addition, UNHCR’s monthly financial management report at the corporate level has been further enhanced in 2013. It provides now more comprehensive information on assets, liabilities, revenues and expenses to facilitate better monitoring, analysis and decision making at the senior management level.</p>
34	<p>The Board recommends that UNHCR analyses the causes of the writes-off and allowances for doubtful accounts which were recorded in 2011 and introduce monthly reviews of working capital balances to safeguard UNHCR assets.</p> <p>Division / Service leading the process: DFAM</p> <p><i>[Rec. 21 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2011	UNHCR considers this recommendation as implemented	<p>An analysis of write-offs and allowances for doubtful accounts has been done. As a result, revised standard operating procedures for the submission of requests for the write-off of monetary assets were issued in July 2013. A new template was introduced for the write-off of monetary assets to facilitate more systematic analysis in the future. Dedicated meetings to review requests for the write-off of monetary assets have been taking place since the third quarter of 2013 and are continuing according to the revised standard operating procedures.</p> <p>UNHCR is continuously monitoring and following up on long-outstanding receivables by working more closely with account owners at headquarters and in field offices.</p> <p>In addition, UNHCR is continuously monitoring the level of current assets, including cash balances, with emphasis for operational needs.</p>
39	<p>The Board recommends that UNHCR develop appropriate job descriptions and prioritizes the recruitment of suitably qualified personnel for appointment to the additional approved finance and</p>	2011	UNHCR considers this recommendation	<p>UNHCR agreed with this recommendation, but is constrained by the availability of resources. Effective 2013, the High Commissioner approved the creation of 50 Finance, Administrative/Finance and Project Control positions to strengthen financial capacity in field operations. These positions in the field were to be filled through a phased approach,</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	<p>project control posts as soon as practicable.</p> <p>Division / Service leading the process: DFAM (with DHRM)</p> <p><i>[Rec. 22 in acc. with Annex 1 of A/68/5/Add.5]</i></p>		as implemented	taking into consideration the biennial cycle as well as resource availability. Out of the 50 positions, 24 were established during 2013. The need for the pending positions remains; however, additional financial resources could not be provided during the 2014 budget planning process for the remaining positions.
46	<p>The Board recommends that UNHCR: (a) implement appropriate high level financial controls for monitoring activities in the field and review its existing accountability structures to identify and ensure that an appropriate internal controls framework exists and is in operation; and (b) benchmark its accountability structure against similarly devolved organizations, working towards a framework that meets operational needs while enhancing accountability and control.</p> <p>Division / Service leading the process: DFAM</p> <p><i>[Rec. 23 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2011	30 April 2014	<p>To address gaps in internal controls, an internal audit on the delegation of authority system has been undertaken during 2013 by the United Nations Office of Internal Oversight Services, the results of which are expected to be communicated to UNHCR soon.</p> <p>Furthermore, UNHCR reviewed its framework of financial controls with the assistance of a consultant. Following the completion by the consultant of a comparison and benchmarking against similar devolved organizations and a review of the existing controls within UNHCR, a model for an internal control framework considered suitable to enable the organization to effectively and efficiently develop and maintain systems of internal controls (i.e. COSO) has been selected. Based on the chosen model, a policy presenting the framework of internal controls, with focus on financial controls, has been developed and is now in the final stages of clearance by senior management before being formally issued.</p>
48	<p>The Board also recommends that UNHCR (a) review and update its current anti-fraud policies and procedures to ensure its fraud detection and monitoring systems are appropriate; and (b) develop comprehensive guidance which includes guidance on anti-money laundering.</p> <p>Division / Service leading the process: DFAM</p> <p><i>[Rec. 24 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2011	<p>(a) UNHCR considers this recommendation as implemented</p> <p>(b) 30 April 2014</p>	<p>In July 2013, UNHCR issued a revised "Strategic Framework for the Prevention of Fraud and Corruption" which raises awareness about the issue, strengthens controls, highlights procedures for detection and investigation, provides concrete and practical advice to staff in recognizing fraud indicators and identifying potential risk areas, and provides tools to prevent and address situations of fraud and corruption.</p> <p>UNHCR has drafted a policy establishing the general framework and procedures within UNHCR to prevent the risk of money laundering, in line with applicable regulatory and legal requirements established by the United Nations. It highlights control mechanisms to detect money laundering and mitigate risks in this area, also in the context of a wider ERM approach and UNHCR's Strategic Framework for the Prevention of Fraud and Corruption with the intention of preventing its staff and stakeholders at large from being</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
				used for money laundering. The policy is now in the final stage of development.
56	<p>The Board recommends that UNHCR intensify its efforts to cleanse the data supporting non-expendable valuations and enhance the guidance and information on asset management provided to country offices. The latter should include guidance on the frequency of local asset management board meetings.</p> <p>Division / Service leading the process: DESS – SMLS</p> <p><i>[Rec. 31 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2010	UNHCR considers this recommendation as implemented	<p>This recommendation refers to the transition provision under IPSAS 17 which UNHCR has invoked for PPE acquired before 1 January 2011. Consequently, these PPE items were not recognized in the financial statements for the year ended 31 December 2012. Consideration is being given to recognize all PPE in the financial statements of 2013.</p> <p>UNHCR has intensified its efforts to cleanse the asset data during 2012 and 2013 and has enhanced guidance on asset management. UNHCR has conducted annual physical verification exercises to validate the completeness and correctness of asset management data in the system. In addition, training on asset management was organized for all regions within the organization. Policy instructions and procedures were issued in 2013 to update and enhance rules and procedures with respect to Asset Management Boards (AMBs). The latter stipulates that the Headquarters Asset Management Board (HAMB) should convene at least monthly and the Local/Regional Asset Management Boards (LAMBs/RAMBs) quarterly, or more frequently if required. Furthermore, the exception reports related to PPE were revised and enhanced.</p> <p>At the end of 2013, UNHCR's asset register contained all its PPE and the accuracy of the data has been validated again through the annual physical verification exercise in 2013. In view of the 2014 roll-out of the Global Fleet Management project, UNHCR has conducted additional control procedures to verify if recorded vehicles, accounting for the large majority of PPE in the country operations, are still in use.</p> <p>UNHCR considers this recommendation as implemented since data on non-expendable valuations was cleansed and training/guidance was provided to the country offices.</p>
63	<p>The Board also recommends that UNHCR regularly review all inventory items for obsolescence and damage and that it write down the values accordingly.</p> <p>Division / Service leading the process: DESS – SMLS</p>	2010	UNHCR considers this recommendation as implemented	<p>UNHCR has implemented a regular review of inventory for obsolescence and damage.</p> <p>As part of the comprehensive physical verification exercise of assets undertaken by UNHCR in 2011, inventory items were reviewed for obsolescence and damage, and were written off, when required. For the 2012 annual physical verification of inventories, UNHCR issued instructions which required also identifying damaged and obsolete items.</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	<i>[Rec. 32 in acc. with Annex 1 of A/68/5/Add.5]</i>			In November 2012, UNHCR issued an Inventory Management Policy. This policy covers damaged and lost inventories as well as obsolete and slow-moving items, and was developed taking into account recommendations from the Board of Auditors. UNHCR has assigned a senior supply manager to regularly monitor the level of stocks in warehouses, including obsolete and damaged stock. In June 2013, UNHCR started to perform monthly reconciliations of the inventories in all warehouses to ensure that quantities in MSRP are in line with physical quantities and to identify and adjust obsolete and damaged items.
70	The Board recommends that UNHCR review the attributed useful economic lives of assets, with particular attention given to the useful lives of vehicles in light of the proposed fleet management policy currently being developed. Division / Service leading the process: DESS – SMLS <i>[Rec. 29 in acc. with Annex 1 of A/68/5/Add.5]</i>	2011	UNHCR considers this recommendation as implemented	As part of the GFM project, UNHCR reviewed the useful lives of its vehicles, which comprise the large majority of its PPE. It was concluded that the useful life for light vehicles should remain at five years, as evidence shows that vehicle operating costs increase significantly past the five-year threshold. It was also confirmed that other agencies operating similar vehicles under a structured fleet management model in similar contexts (e.g. WFP, IFRC and ICRC) apply the same useful life. Furthermore, as of 1 January 2014, UNHCR has created a new sub-class of PPE which will recognize the appropriate net book value at the end of the five-year life cycle for vehicles which are purchased under the GFM project (to separate them from those acquired previously). By the end of 2018, all light vehicles maintained by UNHCR should fall into this asset sub-class.
73	The Board recommends that UNHCR (a) monitor country office compliance with the terms of 'rights of use' agreements, and (b) issue instructions to Representatives reasserting their responsibility to maintain accurate and up to date records of UNHCR assets loaned to implementing partners. Division / Service leading the process: DESS – SMLS with DFAM – IPMS; and DPSM	2011	UNHCR considers this recommendation as implemented	UNHCR provided further guidance to field operations on their responsibilities related to assets on loan to implementing partners. UNHCR included assets loaned to implementing partners in its physical verification exercise of PPE. The approach to assets subject to 'right of use' agreements with implementing partners was included in the instructions and guidance on physical verification sent to field operations at year-end. In addition, UNHCR is monitoring and reviewing the status of 'right of use' agreements by country to ensure they are annually updated. In the mid-term, MSRP will be enhanced to generate automatic 'right of use' updates to be sent to implementing partners for signature. Enhanced clauses for the management and use of goods and property have

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	<i>[Rec. 30 in acc. with Annex 1 of A/68/5/Add.5]</i>			been introduced in the revised standard project partnership agreement.
92	<p>The Board recommends that UNHCR streamline its performance measurement to focus on mission-critical activities in a more comprehensive way, embracing output volumes, service quality and efficiency of delivery. The prioritization of activities is a managerial responsibility, but criteria should include financial materiality, or the extent to which activities are planned to materially benefit major populations of concern.</p> <p>Division / Service leading the process: DPSM – PASS</p> <p><i>[Rec. 12 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2010	UNHCR considers this recommendation as implemented	<p>A working group involving staff from key divisions and technical units at headquarters completed an in-depth review of the performance elements in the Results Framework – the formulation of outputs and performance indicators. The reviewed Results Framework was published and used for the 2014-2015 planning exercise.</p> <p>Since the examination by the Board in 2010, significant improvements have been noted in the use of the Results Framework by operations. At the same time, UNHCR recognizes that improvements are still required in the quality of data used to set baselines and capture progress and results.</p> <p>The release of the new Global Focus Insight analysis tool (see details in comments for main recommendation 99) has prompted a renewed attention to data quality. Operations managers now have more opportunity to analyse trends, as operational data is traceable and comparable back to 2010 plans.</p> <p>The prioritization of activities in field operations is linked to optimizing the impact on the protection and well-being of persons of concern with the resources available.</p> <p>Tracking progress against the Global Strategic Priorities is also maintained and provides an important anchor for emphasizing the importance of data quality and consistency.</p> <p>UNHCR will keep the use of the Results Framework under active review, in order to ensure that it continues to meet the needs of operations and allows for proper and meaningful planning and reporting on results.</p>
97	<p>The Board recommends that UNHCR continue to work to cleanse its asset register, focusing initially on those assets with a residual value.</p> <p>Division / Service leading the process: DESS – SMLS</p> <p><i>[Rec. 36 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2011	UNHCR considers this recommendation as implemented	<p>This recommendation of the Board refers to the transition provision under IPSAS 17, which UNHCR has invoked for PPE acquired before 1 January 2011. Consequently, these PPE items were not recognized in the financial statements for the year ended 31 December 2012. Consideration is being given to recognize all PPE in the financial statements of 2013.</p> <p>UNHCR has concentrated the physical verification exercise in 2012 on assets with a residual value. UNHCR reviewed all PPE acquired in 2011 and 2012 and made</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
				<p>corrections where required. In addition, UNHCR has performed analytical reviews to determine the correctness of data related to such assets, through monthly review of exception reports and daily review of purchase orders for PPE.</p> <p>In 2013, the cleansing of the asset register was completed, with a full verification of all PPE to confirm the accuracy of the PPE register. The accuracy of the data has been validated through the annual physical verification exercise for PPE. In addition, UNHCR has validated the correctness of the data through monthly analytical review of exception reports and daily review of purchase orders for PPE. Moreover, in the context of field support missions, headquarters staff assessed the effectiveness of verifications performed and the accuracy of asset data in MSRP. UNHCR is now considering recognizing all PPE in the 2013 financial statements.</p>
100	<p>The Board also recommends that UNHCR develop a summarized scorecard to enhance senior management review of performance and risks at the country and corporate levels, aligned with the development of Focus, in support of the implementation of results-based management.</p> <p>Division / Service leading the process: DPSM – PASS</p> <p><i>[Rec. 14 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2010	UNHCR considers this recommendation as implemented	This recommendation has been addressed as part of the implementation of main recommendation 99 from 2010 <i>[Rec. 13 in acc. with Annex 1 of A/68/5/Add.5]</i> , as Global Focus Insight now provides senior management with analytical dashboard views of performance at all levels of the organization.
104	<p>The Board recommends that UNHCR re-establish and entrench the principles laid down in its own guidance by establishing at the country level a policy clearly specifying the circumstances in which country operations should normally commission programme and project evaluations, and requiring explicit planning and budgeting for evaluation during project design.</p> <p>Division / Service leading the process:</p>	2010	31 December 2014	In revising Chapter 4 of the UNHCR Manual on operations management, UNHCR is reassessing the need to provide clearer guidance on the importance of ensuring that larger operations are subject to evaluation on a regular basis, and that plans and budgets for evaluation activities form part of overall resource requirements. UNHCR does not limit its regular monitoring activities only to performance and service delivery in its operations. With the introduction of the Results Framework and additional guidance, UNHCR operations are also involved in measuring the impact of their interventions. However, it is recognized that a special evaluation, undertaken within UNHCR or with

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	<p>Policy Development and Evaluation Service (PDES) in collaboration with DPSM</p> <p><i>[Rec. 2 in acc. with Annex 1 of A/68/5/Add.5]</i></p>			<p>external experts, could provide useful insights to assist operations in analysing achievements and actual impact, and to reassess strategies.</p> <p>To address this concern, and in addition to the instructions released at the end of 2011, the instructions on “Detailed Planning and Budgeting for 2013” of October 2012 reiterated the need for operations to commission programme and project evaluations and to budget for it.</p> <p>Since the earlier progress updates on the implementation of this recommendation, UNHCR’s evaluation capacity has been the subject of a review led by OIOS in 2013. The review made five recommendations including the development of a strategy for strengthening decentralized evaluation in the field. Addressing this objective requires the redrafting of UNHCR’s evaluation policy and the development of a robust methodology for conducting independent programme evaluations. As noted in UNHCR’s interim response to the OIOS review, the establishment of a decentralized evaluation function is also dependent on enhanced expertise and capacity to provide quality control and monitor field evaluations. UNHCR is pursuing a comprehensive approach, and the strengthening of decentralized evaluation will be part of overall measures aimed at building a more robust capacity within UNHCR to deliver programme evaluations. The modalities will be followed up by the newly appointed head of the Policy Development and Evaluation Service (PDES). Due to this staff change, and the outcome of the 2013 OIOS review of UNHCR’s evaluation capacity, discussions on the modalities for programme evaluation have only recently regained momentum.</p>
106	<p>The Board recommends that the supply function structure and the accountability lines recommended by DESS, already applied in some countries, be applied consistently throughout the UNHCR network.</p> <p>Division / Service leading the process: DESS – SMLS / PMCS</p> <p><i>[Rec. 38 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2011	UNHCR considers this recommendation as implemented	<p>UNHCR considers this recommendation as implemented considering that mechanisms are in place to review and optimize supply structures.</p> <p>UNHCR strengthened the lines of accountability for supply staff in the field. The heads of the Supply Management Logistics Service (SMLS) and the Procurement Management and Contracting Service PMCS liaise on a daily basis with field supply officers, send them technical instructions and monitor their performance including timely and correct inventory verifications. In this context, the heads of PMCS and SMLS agree with the representatives on annual objectives for the supply officers of the largest operations,</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
				although the staff evaluation system does not yet formally incorporate their feedback. In addition, SMLS and PMCS review and clear candidates for field supply appointments. Furthermore, to fill the gap of qualified supply staff, UNHCR is recruiting qualified external candidates for supply positions that cannot be filled with internal candidates, particularly for francophone Africa and through the Entry Humanitarian Programme.
114	<p>The Board recommends that UNHCR review the various approaches to project tracking across its network in order to identify best practice with wider applicability and assess compatibility with the corporate information technology strategy.</p> <p>Division / Service leading the process: DPSM – PASS</p> <p><i>[Rec. 3 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2010	Ongoing	<p>Since the earlier update, there have been important developments with regard to Focus 2, the results-based management software. The initial provider was unable to complete the work within the agreed timeframe and quality standard, as a result of which the contract had to be terminated. Given the significant delays incurred, the scope of the Focus 2 software was subsequently reduced to a more limited set of new functionalities linked to role-based access control, improved user interface and enhanced indicator management. The planned module to generate and manage the development of projects in Focus was postponed for later implementation. The new contractor has delivered the new set of functionalities in June 2013, but comprehensive testing has identified ongoing challenges, which so far have prevented UNHCR from completing and releasing the upgrade for use in operations.</p> <p>Discussions are currently underway to decide on the best and most appropriate way forward for further system development, including how to support project tracking taking into account the various approaches developed by operations and their interoperability with other systems.</p>
124	<p>The Board recommends that UNHCR, in the guidance issued by DESS, reiterate the need for country-level supply officers to assess the scope for grouping orders, identifying the most beneficial routes of supply and, where appropriate, the development of national framework agreements.</p> <p>Division / Service leading the process: DESS – SMLS / PMCS</p>	2011	UNHCR considers this recommendation as implemented	<p>Local procurement planning is a key part of the newly issued compulsory standard operating procedures (SOPs) on supply planning. Another element of the SOPs is the grouping of orders, as per the needs of an operation, and the decision on the type of sourcing.</p> <p>UNHCR has identified jerry cans, buckets and sleeping mats as goods which are usually available locally and for which national frame agreements should be established. Provided that the product specifications are in line with UNHCR specifications, procuring those items at the national level may reduce cost and delivery time.</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	<i>[Rec. 41 in acc. with Annex 1 of A/68/5/Add.5]</i>			<p>A gap analysis (by country, product and service) and a global map were conducted, and a repository (baseline) of all global frame agreements was created in order to facilitate better procurement planning. This tool provides field offices with a thorough overview of the purchase options at their disposal, globally as well as in their region. Potentially, some other elements regarding the procurement plan and actions through headquarters (forecasting) and information on excess stock at warehouses will be shared with the field in order to avoid inaccurate requests.</p> <p>A regular exchange of information on existing global and local frame agreements has been established, so that grouping orders and better procurement planning are facilitated. The frame agreement database has been extended to include local and regional frame agreements to have a comprehensive picture facilitating local and regional agreements to be leveraged across borders.</p>
127 & 128	<p>UNHCR agreed with the Board's recommendation that the range of indicators used in partner agreements is broadened through revised guidance and that performance frameworks be subjected to management authorization before agreements are signed. UNHCR stated that this would be taken forward as part of its broader development of performance reporting.</p> <p>Division / Service leading the process: DPSM – PASS in collaboration with DFAM – IPMS</p> <p><i>[Rec. 16 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2010	UNHCR considers this recommendation as implemented	<p>Guidance and standard formats for partnership agreements currently already provide the possibility to include additional indicators, as suggested by the partner, in case the relevant indicator could not be found in the Results Framework. These additional indicators are analysed by the working group that is reviewing the Results Framework, with a view to their possible inclusion in a revised Results Framework.</p> <p>Reference is also made to the update provided under recommendations 92 and 99 with regard to the revision of the Results Framework and the challenges encountered with the completion of the Globus Focus software. However, the delay in the completion of Focus 2 has not delayed the implementation of the revised Results Framework for 2014-2015 in the current version of Focus.</p> <p>UNHCR will keep the Results Framework under active review in order to ensure that it continues to meet the needs of operations and allows for proper and meaningful planning and reporting on results.</p>
130	The Board recommends that UNHCR investigate the potential to institute quantified analysis of warehouse requirements for all major non-food items and material	2011	UNHCR considers this recommendation	UNHCR considers the recommendation as implemented as the management of warehouse capacity was enhanced. Procedures have been revised, criteria to justify the need for maintaining a warehouse have been stipulated, and responsibilities have been

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	<p>deliveries in the pipeline into the enterprise resource planning system, MRSP, financial management system.</p> <p>Division / Service leading the process: DESS – SMLS</p> <p><i>[Rec. 42 in acc. with Annex 1 of A/68/5/Add.5]</i></p>		as implemented	<p>defined.</p> <p>Instructions and procedures on warehouse network optimization were issued to representatives, bureaux and supply officers in the field during the second quarter of 2013. UNHCR has assigned a senior supply officer to analyse and monitor warehouse requirements in comparison to the existing warehouse network. As of December 2013, a total of 39 warehouses were closed, and several others have been identified for closure by mid-2014. Furthermore, UNHCR has commenced to review the warehouse networks by region or by country which will be an ongoing process.</p>
131	<p>The Board also recommends that UNHCR require supply staff to verify that there is access to sufficient warehouse capacity before ordering large quantities of goods.</p> <p>Division / Service leading the process: DESS – SMLS</p> <p><i>[Rec. 43 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2011	UNHCR considers this recommendation as implemented	<p>A Senior Planning Officer (Supply Chain) at headquarters is responsible for coordinating with the field on best replenishment solutions, monitoring of ordered quantities and evaluating warehouse capacity on a continuous basis.</p> <p>Guidance on best replenishment solutions and evaluation of warehouse capacity before ordering large quantities has also been formalized in the revised version of Chapter 8 of the UNHCR Manual on supply chain management which was issued in August 2013. Standard operating procedures for replenishment planning, which also address the availability of warehouse capacity, were issued.</p> <p>In addition, the responsibilities for warehouse management have been clarified in Standard Operating Procedures.</p> <p>Furthermore, the warehouse network is continuously assessed in view of the operational requirements and adjusted, if necessary.</p>
142	<p>The Board recommends that UNHCR avoid duplicated and divergent efforts by different country offices by, (a) defining the information to be collated and retained for tracking supplier performance in terms of consignment delivery, to time, quality and completeness, and (b) developing an easy-to-use template for supply units to capture such data consistently.</p>	2011	UNHCR considers this recommendation as implemented	<p>UNHCR defined the information to be collated to track on-time delivery, quality and completeness for which key performance indicators have been developed. UNHCR developed a user-friendly template for tracking supplier performance in country operations, and is working on revising the tracking tool and reports. The data to be collected is defined and the templates are set-up in MSRP. While the MSRP tool is a work in progress (in terms of testing, data collection protocols and reports), the tracking is now established in Excel and rolled out.</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	<p>Division / Service leading the process: DESS – SMLS</p> <p><i>[Rec. 45 in acc. with Annex 1 of A/68/5/Add.5]</i></p>			
149	<p>The Board recommends that UNHCR emphasize in its guidance to Supply Officers the underlying planning principle that the collective uncertainties of tendering, supplier performance, logistics, scope for government intervention, and involvement by multiple partners, will tend to extend practical lead times for medical supplies well beyond theoretical durations. In some cases this will demand earlier requisitioning.</p> <p>Division / Service leading the process: DESS – SMLS in coordination with the DPSM – Public Health Section</p> <p><i>[Rec. 46 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2011	UNHCR considers this recommendation as implemented	<p>UNHCR has implemented the Board's recommendation that guidance to supply officers emphasize the underlying planning principle. Standard operating procedures for supply/demand and replenishment planning have become a compulsory element of UNHCR's planning process.</p> <p>These standard operating procedures are also applicable for the planning of medical supplies. In addition, the shelf life of medical supplies is monitored through exception reports. Furthermore, the existing policy for essential medicines was updated in 2013. A very tight system for the approval of medicine orders was established, and all orders are now approved by UNHCR's Public Health Section. A dedicated site on UNHCR's Intranet has been established, including instructions on medicine management. Public health officers have been trained in regional workshops on improved medicine management.</p>
150	<p>The Board recommends that UNHCR make it an explicit requirement that a comparative assessment against a "do-minimum" or "no-change" base option be included in each of the action plans it produces for internal and donor consideration on tackling protracted refugee situations. The purpose is to enable UNHCR to measure the value to be gained from the proposed solution, and does not imply that UNHCR should consider a "do-minimum" or "do-nothing" option as acceptable.</p> <p>Division / Service leading the process: Division of International protection (DIP) in collaboration with DPSM</p>	2010	Ongoing	<p>UNHCR will continue to strive to implement this recommendation. However, it is not advisable in all situations to apply the Board's recommendation of an "indicative model for durable solution business case presentation." In line with its solutions mandate, UNHCR will actively pursue, where opportunities arise, the design and implementation of comprehensive solutions strategies in close consultation with host, resettlement and donor countries, and as appropriate, countries of origin. UNHCR will include in these strategies, as appropriate, a statement on gains, which could be garnered if further investments were made in solutions.</p> <p>In line with the recommendation, UNHCR continues to explore ways to measure the value to be gained, or currently gained, from a proposed durable solution, including:</p> <p>a) The drafting of population and operation-specific solutions strategies, in close consultation with host countries, countries of origin, resettlement countries and</p>

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	[Rec. 7 in acc. with Annex 1 of A/68/5/Add.5]			<p>donor countries.</p> <p>b) The preparation of a template to support the design of these solutions strategies; including questions derived from the indicative model for durable solutions business case presentation.</p> <p>c) In a recent call for proposals, offices were asked to speak to the opportunity presented by solutions strategies to draw down material assistance or to shrink or close operations.</p> <p>d) Under discussion for the 2015 planning cycle, which will start in February 2014, is a pilot wherein selected operations would prepare a one to two page vision for the operation and the population(s) it serves, on which annual operations plans would be based. Analysis of the relative costs of the implementation of the vision, compared to the ongoing costs of a less solutions-oriented approach, will be undertaken jointly, as part of the review and validation process.</p> <p>e) The hiring of an economist who will assist in analysing planning options, including maintaining the status quo. The economist's work will also contribute to wider analysis on the costs and benefits for beneficiaries, as well as wider social, economic and political factors.</p>
150	<p>The Board also recommends that UNHCR require country operations, as part of annual work planning, to assess whether they have the necessary expertise and scale to act as the procurer of medical supplies, and whether an alternative agency is better placed to procure such specialist items in their country.</p> <p>Division / Service leading the process: DESS – PMCS in coordination with DPSM – Public Health Section</p> <p>[Rec. 47 in acc. with Annex 1 of A/68/5/Add.5]</p>	2011	UNHCR considers this recommendation as implemented	<p>UNHCR is cooperating with other agencies for the procurement of medical supplies. When a UNHCR operation has to procure medical supplies in exceptional situations, the organization will continue to consult with expert agencies through UNHCR's Public Health Section.</p> <p>Furthermore, the existing policy for essential medicines was updated in 2013. A very tight system for the approval of medicine orders was established, and all orders are now approved by UNHCR's Public Health Section. A dedicated site on UNHCR's Intranet has been established, including instructions on medicine management. Public health officers have been trained in regional workshops on improved medicine management.</p>
154	UNHCR agreed with the Board's recommendation that its guidance for country offices on designing durable	2010	30 September	A revised UNHCR Handbook for Reintegration will be launched in September 2014, online to facilitate easy access by the field. It will be reduced in size, focusing on user-

Para.	UN Board of Auditors' recommendations (see A/67/5/Add.5 for 2011, A/66/5/Add.5 for 2010)	Financial period first mentioned	Status (by UNHCR) and estimated time for completion	Actions intended to be taken to address the recommendation
	<p>solutions be supplemented with concise checklists, compiled in the light of project experience, to help country teams better identify and budget for the costs that regularly arise in durable solutions.</p> <p>Division / Service leading the process: DPSM</p> <p><i>[Rec. 8 in acc. with Annex 1 of A/68/5/Add.5]</i></p>		2014	friendly and concise checklists. UNHCR has developed benchmarks which define success in solutions. A monitoring and evaluation consultant was commissioned, with the task to measure solutions progress along a selection of legal, economic and social benchmarks. The consultant's findings and recommendations, which have now been completed, are being incorporated into the final draft of the updated Handbook for Reintegration. The checklists, which include types of interventions along with benchmarks/indicators, will assist field offices to better develop programmes focused on clear objectives and define the scope and cost of activities.
155	<p>The Board recommends that UNHCR amend its Supply Manual to require country supply teams to regularly market-test key locally-procured services to specific cycles.</p> <p>Division / Service leading the process: DESS – PMCS</p> <p><i>[Rec. 48 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2011	UNHCR considers this recommendation as implemented	The requirement to conduct market surveys has been included in the updated version of Chapter 8 of the UNHCR Manual on supply chain management, which was issued in August 2013. It stipulates that competitive bidding is required for procurement of all goods and services, whether in the field or at headquarters. Competitive bidding must be done by public advertisement. This inherently addresses the Board concerns of market-testing. However, where a frame agreement is in place, the pricing should be maintained in good faith throughout the duration of the frame agreement.
163	<p>The Board recommends that where Global Framework Agreements are not found to be feasible, UNHCR consider the production of generic service specifications for adaptation by local supply officers on a country-by-country basis.</p> <p>Division / Service leading the process: DESS – PMCS</p> <p><i>[Rec. 51 in acc. with Annex 1 of A/68/5/Add.5]</i></p>	2011	UNHCR considers this recommendation as implemented	<p>Together with other UN agencies, UNHCR participates in a working group that develops standard requirements for common services. On this basis, UNHCR has defined standard terms of reference for key services. Templates for Requests for Proposals (RFPs), as well as templates for model contracts and Invitation to Bid (ITB) documents, are available on UNHCR's Intranet. UNHCR will, however, perform a thorough review of the service categories as a basis upon which to develop generic service specifications.</p> <p>UNHCR is currently sharing the terms of reference for various goods and services with field offices as requested or where a need is perceived in order to standardize requirements and increase the speed for the completion of various procurement actions. By doing so, UNHCR is able to consolidate its global buying power through volume concentration, price benchmarking and supplier rationalization. This activity will be continued as new requirements are established.</p>