

COUNTRY OFFICE AUDIT

# UN WOMEN COUNTRY OFFICE IN PAKISTAN

Internal Audit Report



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COUNTRY OFFICE AUDIT

# UN WOMEN COUNTRY OFFICE IN PAKISTAN

## Internal Audit Report

**Independent Evaluation, Audit and Investigation Services (IEAIS)**

Internal Audit Service (IAS)

**UN Women**

**29 August 2025**

**IEAIS/IAS/2025/005**

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# EXECUTIVE SUMMARY

## Audit objective and scope

The UN Women Internal Audit Service (IAS) of the Independent Evaluation, Audit and Investigation Services (IEAIS) conducted an internal audit of the UN Women Country Office in the Islamic Republic of Pakistan, referred to as Pakistan, from March to May 2025, including an audit mission to Islamabad, Karachi, and Peshawar.

UN Women management is responsible for adequately designing and effectively maintaining governance, risk management and control processes to ensure that UN Women's objectives are achieved. IAS is responsible for independently assessing the adequacy and effectiveness of these systems and processes.

Management of the Pakistan Country Office has experienced high personnel turnover in the last few years. The previous Country Representative left in early 2024, followed by high turnover of temporary Country Representatives throughout the year. The current Country Representative assumed the role in December 2024. The Deputy Country Representative/Programme Specialist (ad interim) has been in the role since 2021.

The audit aimed to assess the adequacy and effectiveness of the governance arrangements, risk management practices and control processes relating to the following areas and subareas:

- **Strategic priorities, programmes and project management:** strategic positioning, priorities setting, coordination of gender mainstreaming, advocacy and resource mobilization, programme and project management, management of programme partners.
- **Operations:** management of procurement, human resources (HR), finance and budget, information and communication technology (ICT), travel, assets, and safety and security.
- **Governance, risk management and internal control system:** office structure and delegations of authority, control environment, risk management, data quality and implementation of recommendations from prior oversight reports.

The audit covered the state of governance, risk management and internal controls based on a sample of Country Office activities related to its Strategic Note. For operations controls, the sample covered transactions from 1 January 2024 to 28 February 2025. Quantum recorded expenditure for the Country Office totaled US\$ 7.8 million in 2024 and US\$ 1 million for January to May 2025.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing* of The Institute of Internal Auditors.

## Audit opinion and overall audit rating

IAS acknowledges the following achievements and good practices:

- The Country Office appointed a Procurement Analyst to strengthen the Procurement function.
- The Country Office has successfully secured resources through several joint programmes with other UN agencies in Pakistan and has partnered with UNDP, UNODC, UNFPA and FAO through joint programmes.

IAS assessed the overall state of governance, risk management and internal controls in the Country Office as **Major Improvement Needed** meaning that “*assessed governance arrangements, risk management practices and controls were established and functioning, but need major improvement. Issues identified by the audit could significantly affect the achievement of the objectives of the audited entity/area.*”

The overall rating is based on the state of governance, risk management and internal controls from January 2024 to February 2025. As noted, this was a period of significant leadership turnover which had an impact on the office's optimal functioning.

IAS acknowledges that the current Country Representative, who assumed office in December 2024, has already started to make improvements and it is anticipated that these improvements will continue to enhance the Country Office and the control environment. Several measures have already been implemented which will be verified during IAS audit recommendation follow up process. These measures include the recruitment of the M&E Officer, who joined in June 2025, the ongoing hiring process for a full-time Deputy Country Representative, and the revision of the Internal Control Framework to clarify roles in accordance with corporate policy.

IAS made 14 recommendations to address the areas for improvement, seven of which are ranked as high priority, seven as medium priority.

A high (Critical) priority recommendation means that *“prompt action is required to ensure that UN Women is not exposed to high risks. Failure to take action could result in major negative consequences for UN Women.”*

The last Country Office audit was conducted in 2021, and IAS noted similar issues in this 2025 audit.<sup>1</sup> The seven high-priority recommendations from the 2025 audit include:

**Recommendation 4 (High):** The Country Office to develop a tool to register and track adherence to standard and non-standard donor agreements and their specific requirements. In cases where it is not possible to adhere to the requirements, proactively inform the donors and highlight the implications of non-implementation of the requirements. Adherence to non-standard donor agreement requirements can also be demonstrated in the narrative reports submitted to donors.

**Recommendation 5 (High):** The Country Office to enhance the competitive selection of programme partners through a risk and compliance-based approach to ensure completion of capacity assessments on PGAMS as mandatory. Furthermore, the Country Office to improve quality assurance, including creation and implementation of proper capacity development plans for partners rated significant and moderate risks; declarations of any conflict of interest in the selection of partners; and value for money of partner agreements, with critical analysis and justifications for any increase in partner

budgets and extension of agreement end dates.

**Recommendation 6 (High):** The Country Office to enhance the monitoring and oversight of partner agreements to ensure programme partners effectively and efficiently achieve good quality and intended results, supported by timely reports, performance evaluations, definition of indicators in partner agreements and formal signed contracts with e with sub-partners.

**Recommendation 9 (High):** The Country Office to foster a safe and conducive working environment by encouraging open communication, leading by example, clarifying roles and responsibilities, ensuring accountability, defining reporting lines, and identifying the skills needed to implement Country Office priorities.

**Recommendation 10 (High):** The Country Office to strengthen implementation and reporting on assurance and oversight recommendations. Ensure a systematic mechanism to embed new controls within risk registers, standard operating procedures, checklists, etc. to facilitate ease of operationalization and implementation of all accepted recommendations.

**Recommendation 11 (High):** The Country Office to enhance HR processes to ensure effective resourcing, and oversight. This includes:

- Improving the recruitment process for consultants, increasing transparency in candidate sourcing, conducting thorough reviews, reviewing possible conflicts of interest and assigning specific, time-bound deliverables.
- Develop a learning and development plan based on the Country Office’s needs to enhance workforce efficiency and address bottlenecks effectively.
- Ensuring staff and supervisors complete PMD on time and align staff development with organizational goals.

**Recommendation 13 (High):** The Country Office to strengthen the methodology and allocation of personnel costs across non-core projects.

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<sup>1</sup> Similar high-priority recommendations included: 1) strengthening project portfolio management; and 2) reviewing and revising the Country Office’s existing staffing and structure to ensure adequate capacity and clear accountability to deliver its strategic priorities.

The seven medium (Important) priority recommendations mean that *“action is required to ensure that UN Women is not exposed to risks. Failure to take action could result in negative consequences for UN Women”*. They are focused on the following areas:

**Strategic Note design and implementation and Resource mobilization:** Ensuring that the office has adequate resources to implement its Monitoring, Evaluation, and Reporting Function and framework. This includes strengthening and formalizing the process of collecting, validating, and reporting on the implementation of the Strategic Note. Reassessing the current resource mobilization plan and incorporating measurable targets to secure sufficient funding for the Strategic Note's delivery; improving funding pipeline monitoring and actively identifying and engaging with potential donors who could support any outstanding activities for projects that no longer have funding.

**Project design and project portfolio management:** Enhancing the monitoring and tracking of project progress against agreed targets and milestones, and annual workplans to achieve deliverables for results frameworks; and organizing project steering committee meetings according to the frequency, participation and terms of reference agreed with donors for the timely identification of any impediments to project progress.

**Sub-offices financial viability and country presence:** Conduct financial viability assessments of its two sub-offices on an annual basis and submit the results of the assessments to regional office and relevant governance committees for review and relevant action. In coordination with the Regional Office, review the structure of the office and ensure it is fit-for-purpose, and its functions align with available resources and strategic priorities.

**Travel:** Enhance travel compliance through education and awareness of corporate requirements for booking and claiming travel and obtaining competitive quotes.

## Management comments and action plan

The Country Representative accepted the above recommendations and provided action plans which are included in this report. Implementation of some of the recommendations has already begun.

When implementing operations-related recommendations, the Country Representative is encouraged to consider adopting the Common Back Office initiative (part of the Secretary-General's reform agenda) pending approval from UN Women's Senior Management, to improve the efficiency and cost-effectiveness of the Country Office.

Management comments and additional information provided have been taken into account in this report, where appropriate.

Low priority issues are not included in this report but were discussed directly with management, and actions have been initiated to address them.



## **ACRONYMS AND ABBREVIATIONS**

<b>CSO</b>	Civil Society Organization
<b>FAO</b>	Food and Agriculture Organization
<b>IAS</b>	Internal Audit Service
<b>ICT</b>	Information and Communication Technology
<b>IEAIS</b>	Independent Evaluation, Audit and Investigation Services
<b>M&amp;E</b>	Monitoring and Evaluation
<b>PMD</b>	Performance Management and Development
<b>PSMU</b>	Programme Support and Management Unit
<b>UN</b>	United Nations
<b>UNCT</b>	United Nations Country Team
<b>UNDP</b>	United Nations Development Programme
<b>UNFPA</b>	United Nations Population Fund
<b>UNODC</b>	United Nations Office on Drugs and Crime
<b>UN Women</b>	United Nations Entity for Gender Equality and the Empowerment of Women
<b>VCC</b>	Vendor Contracted Consultant
<b>WPHF</b>	Women's Peace and Humanitarian Fund

## I. BACKGROUND

UN Women has worked in Pakistan since 2007. The Country Office reports to the Regional Office for Asia and the Pacific. The main office in the country is located in Islamabad, with field sub-offices in Quetta and Peshawar. The Country Office also has programme presence in Lahore and Karachi and personnel operate remotely.

The Pakistan country context for gender equality and women’s empowerment is challenging, with deep rooted patriarchal norms, gender inequality and discrimination against women.<sup>2</sup>

Pakistan is the fifth most populous country in the world, with a population of approximately 255 million.<sup>3</sup> According to the Country Office’s Strategic Note (2023–2027), gender inequality is a significant concern in Pakistan. The Global Gender Gap Index Report, published in 2025, highlighted that Pakistan ranks 148 of 148 with a ranking of 147 out of 148 for women’s economic participation and opportunity; 137 of 148 for women’s educational attainment; 131 of 148 for women’s health and survival; and 118 of 148 for women’s political empowerment.

The Country Office mainly focused on the following thematic areas: Governance and Participation in Public Life; Women’s Economic Empowerment; Ending Violence Against Women and Girls; and Women, Peace and Security, Humanitarian Action and Disaster Risk Reduction. The Country Office’s Strategic Note and Annual Work Plans covered the period 2023–2027. The 2024 Annual Work Plan included five Outputs under the Development Results Framework and five Outputs under the Organizational Efficiency and Effectiveness Framework.

According to the OneApp HR dashboard, as of 29 April 2025, the Country Office employed 73 personnel, with 20 individuals engaged on fixed-term appointments; 27 individuals on service contracts; 17 consultants; and nine United Nations Volunteers.

<sup>2</sup> UN Women Pakistan Strategic Note, page 32

<sup>3</sup> Pakistan Population (2025), Worldometer

<sup>4</sup> OneAPP Results Management System as of 10 May 2025 (planned budget), as of 10 May 2025 (actual budget), Quantum PDR as of 10 May 2025 (total expenditure).

The Country Office’s budget and expenditure are summarized in Table 1.<sup>4</sup>

**Table 1. Office target and actual budget, total expenditure (in US\$) and delivery rate**

Total resource requirements	2023	2024	2025 (to 19 June 2025)
Total budget target	9,345,276	9,173,766	8,228,197
Total actual budget	7,930,635	7,287,681	8,273,203
Resource mobilization	85%	79%	101%
Total expenditure	6,772,407	7,479,567	1,432,717
Financial implementation	87%	103%	17%

*Source: Project Delivery Dashboard and Results Management System data as of 19 June 2025. The actual budget and expenditure figures for 2025 are up to 19 June 2025*

In 2024 and 2025, as per the Project Budget Balance Reports, the country field programme comprised 15 non-core funded projects with a total budget of US\$ 12.3 million, funded by a range of donors, including:

- One bilateral donor US\$ 3.3 million
- United Nations agency-funded projects US\$ 2.7 million
- Multi Donor Trust Fund office US\$ 0.9 million
- Other bilateral donor funding amounts to US\$ 5.4 million.

As per PGAMs data on 19 May 2025, the Country Office has 28 programme partner agreements with 26 programme partners amounting to US\$ 3.5 million.<sup>5</sup>

<sup>5</sup> This includes approved programme partners with an agreement end date of 2024 and onwards.

Quantum-recorded expenditure for the Country Office totaled US\$ 7.3 million for the period under review. Overall, this included non-staff costs (29 per cent)<sup>6</sup>; staff costs (16 per cent); repairs and maintenance (11 per cent); travel (12 per cent); learning and recruitment costs (10 per cent); contract with service company (3 per cent); communication costs (3 per cent); consumables (3 per cent); office equipment rent (3 per cent) and other costs (10 per cent).

From a management perspective, the Country Office has experienced high personnel turnover as the previous Country Representative left in early 2024 and was followed by temporary Country Representatives throughout the year. The current Country Representative assumed the role in December 2024. Additionally, the Programme Specialist performs the role of the Deputy Country Representative and has been in the role since 2021.

In line with the Secretary-General's reforms, Pakistan has been chosen to participate in the second wave of countries implementing the Common Back Office initiative. The initiative aims to streamline administrative, HR, ICT, logistics, procurement and financial services to improve efficiency and cost-effectiveness. It involves the establishment of standardized services across various service lines. At the time of this report, Pakistan is in the proposal preparation stage, with entities invited to submit proposals to become the Common Back Office Hosting Entity in Pakistan. The launch date for the Common Back Office is set for January 2026.

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<sup>6</sup> This includes Service Contract, UN Volunteer and Consultants costs

## II. AUDIT RESULTS

### A. Strategic priorities, programme planning and implementation

The Country Office had a Strategic Note covering 2023-2027 which is aligned to the United Nations Sustainable Development Cooperation Framework for Pakistan.

Stakeholders generally confirmed that the Country Office was active in advocating for gender equality and the empowerment of women and girls in Pakistan. The Country Office has a Communications function, headed by a Partnership and Communications Specialist, Communications Officer and Communications Associate.

## KEY OBSERVATIONS AND CONCLUSIONS

### **Observation 1: Coordination**

In general, UN agencies and partners consulted as part of the audit highlighted that the Country Office led gender equality coordination efforts in Pakistan through the Gender Theme Group (GTG), which it co-chairs with UNFPA. The Country Office supported the Pakistan government and civil society organizations (CSOs) in developing and implementing the country's gender equality policies, priorities and programmes. In addition, the Country Office has supported the UN's gender strategy for Pakistan. However, IAS identified some improvement need linked to coordination activities, particularly linked to the provincial Gender Theme Group chapters and the evaluation of UNCT-SWAP indicators.

**Provincial Gender Theme Group chapters:** The Country Office, together with UNFPA is facilitating the establishment of provincial GTG chapters to enhance the coordination and implementation of gender equality and the empowerment of women efforts at the provincial level. These chapters would be to serve as an extension of the national GTG, ensuring that gender priorities are effectively addressed in provincial contexts and improving coordination among UN agencies and other stakeholders to further advance gender-sensitive and responsive programming.

The terms of Reference for the provincial GTG chapters were finalized at the end of 2024 and some chapters are operational.

However, one stakeholder interviewed suggested that where Provincial Programme Teams chapters already exist, instead of having stand-alone GTG chapters, the Country Office and UNFPA should consider incorporating gender topics into Provincial Programme Team meetings, especially in instances where some UN entities are thinly resourced in the provinces.

While IAS recognizes the advantages of establishing national and provincial GTGs, other UN agencies may face challenges in allocating resources to attend these meetings.

According to the Country Office, given Pakistan's federal system, this approach was devised in incorporating UN sub-office personnel based in provinces into the GTG. While the Country Office acknowledges the limitations in resources and staff, it is crucial to prioritize gender equality issues at both national and provincial levels, especially in a country that ranks at the bottom gender Global Gender Gap Index.

**UN System-Wide Action Plan (SWAP) Scorecard Assessment:** The Gender Theme Group promotes UN accountability by implementing the action plan devised as part of the UN-SWAP Scorecard assessment which includes 15 indicators. Five of the 15 indicators were selected and assessed for the 2024 UNCT Gender Equality Scorecard assessment.

Per the UN Women's UN Coordination Division, the Pakistan Country Office has not assessed several of the indicators that changed as part of the 2023 update to the technical framework. Therefore, data for Pakistan for all 15 indicators in the UNCT-SWAP Scorecard is incomplete. The UNCT conducted the last comprehensive assessment in 2022, and the Country Office will have until 2027 to assess all the indicators.

**Gender Theme Group Secretariat:** The Country Office hosts the Gender Theme Group Secretariat, which is funded by a common UN budget. IAS noted that the Gender Theme Group Coordinator and Assistant posts had been vacant for some time. According to the Country Office, recruitment for the Group Coordinator position was concluded in early 2025.

*IAS advises the Country Office, in collaboration with UNFPA, to consider incorporating gender-related topics, which would be covered under the provincial Gender Theme Group chapters, into Provincial Programme Teams or other relevant provincial meetings rather than formalizing provincial Gender Theme Group chapters.*

*Additionally, the Country Office, in collaboration with UNFPA, should coordinate with UNCT members and encourage the UNCT to select indicators for the 2025 UN-SWAP assessment and reporting, for which there is currently no data.*

## **Observation 2: Strategic Note design and implementation**

The Country Office's Strategic Note (2023–2027) appears generally well-defined and review of outputs and outcomes, revealed a generally positive trend in progress made. The Country Office has planned a mid-term review of the Strategic Note in mid-2025.

Additionally, the Country Office developed a Monitoring, Evaluation and Research Plan, however, monitoring and evaluation resourcing and the validation of reporting could be improved as detailed below.

**Monitoring and evaluation (M&E) resources:** The M&E and Planning Officer's role involves integrating monitoring and reporting into programme formulation, tracking

progress against Strategic Plan targets, and reporting results to both internal and external audiences. As such, this is considered a critical position for the Country Office. However, IAS noted that the M&E and Planning Officer post has been vacant since 2023.

The Country Office hired an international consultant to support preparation of the 2023 and 2024 annual reports. However, they left in January 2025 and programme personnel stepped in to support and validate some data points for the 2024 Annual Report. Additionally, on the organization chart the role reports to the Deputy Country Representative/Programme Specialist.

IAS does not consider this arrangement good practice<sup>7</sup> as the M&E and Planning Officer (and anyone else performing the role's activities) should be independent of the implementation of programmes and projects.

To maintain the independence and integrity of the M&E function it should have dual reporting lines to the Country Representative with dotted reporting lines to the heads of programmes and operations.

The Country Office confirmed that in June 2025 a new full-time national M&E Officer was recruited and going forward the Country Office will establish a secondary reporting line to the Country Representative.

**Validation of target populations, women and girls in the 2024 Annual Report:** IAS selected a sample of five data points linked to Strategic Note indicators from the 2024 Annual Report to assess and validate.

Based on discussions with the Country Office, IAS understood that each data point may involve multiple projects (each with its own results framework), activities, responsible parties and activity reports. Each programme manager is responsible for maintaining information linked to data points reported in the Annual Report.

However, based on the information provided by the Country Office, IAS could not fully validate the data points reported in the Annual Report. The Country Office had not formally defined an approach or methodology linked to how the data points reported

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<sup>7</sup> In the Presence Governance Guidance, for large offices, the M&E function should report to the Country Representative.

were calculated and there was insufficient documentation defining how the Country Office collected, consolidated, calculated and validated data points to ensure that the Annual Report included consistent and accurate information. Further, the Country Office relies heavily on the information provided by the programme partners who implement activities on its behalf.

While IAS did not find evidence that that information reported is materially incorrect, without effective controls within the Country Office to review the data received and to calculate the data points, there is a risk the Country Office may be reporting incorrect and/or incomplete data, and the organization relying on that data for decision making.

### **Recommendation 1 (Medium):**

The Country Office to:

- (a) Ensure that the office has sufficient resources and reporting lines to implement its Monitoring, Evaluation and Reporting Function and framework and with sufficient independence.
- (b) Strengthen and formalize the process of collecting, validating and reporting on Strategic Note implementation.

### **Observation 3: Resource mobilization**

The Country Office successfully secured resources through several joint programmes with other UN agencies in Pakistan and as of May 2025 has mobilized 40 per cent of the total resources required for the Country Office's Strategic Note 2023–2027, However, the review of resource mobilization identified several areas for improvement linked to potential overreliance on a small group of donors and inadequate monitoring of the pipeline.

**Resource Mobilization Action Plan:** The Country Office developed a Resource Mobilization Action Plan and as mentioned above, has mobilized resources. However, it was unclear how the Country Office monitors implementation of the plan. IAS understood that prolonged vacancies have impacted resource mobilization monitoring.

**Insufficient donor diversification:** While the Country Office has mobilized resources over the past few years, amid ongoing global financial uncertainty, this momentum may not be sustainable. In 2024, the Country Office only secured one new donor agreement for a total of approximately US\$ 8 million, which is set to conclude in 2028. While the Country Office has another significant donor and both donors are valued partners, with the current funding landscape, this may lead to an over-reliance on these two donors, potentially affecting long-term financial sustainability.

According to the Country Representative, while the Country Office has a funding pipeline, more could be done to monitor its sufficiency and effectiveness.

**LEADS:** IAS reviewed the LEADS system and noted only one new donor had been entered in 2025, but no amount was included, and the approval status was listed as in draft. Without sufficiently monitoring the Resource Mobilization Plan and funding pipeline, and actively engaging with donors, the Country Office may struggle to secure sufficient resources to achieve its objectives as outlined in the Strategic Note or support the office's current structure. According to the Country Office, they do maintain an offline monitoring system concept notes and/or proposals and since the audit was completed, the Country Office has US\$ 5.5 million in the pipeline. Furthermore, the Country Office emphasized that there are still over two years remaining in the current SN. With ongoing resource mobilization efforts and a hard pipeline from one donor, they anticipate being able to further reduce the funding gap.

## Recommendation 2 (Medium):

The Country Office to:

- (a) Reassess the current resource mobilization plan and incorporate measurable targets to ensure adequate funding for delivery of the Strategic Note. If resource mobilization efforts fall short despite these adjustments, the Country Office should consider prioritizing and potentially scaling down certain Strategic Note commitments and reviewing the office's structure and staffing levels.
- (b) Improve monitoring of the funding pipeline and actively identify and engage potential donors who could support any outstanding activities for those projects which no longer have funding.

## Observation 4: Project design

Based on a sample of 10 projects reviewed, IAS noted that the Country Office's projects were supported by ProDocs, donor agreements, workplans, detailed budgets, results frameworks and indicators, clearly articulated management structures and arrangements. All non-standard donor agreements were duly cleared by headquarters. Most ProDocs clearly highlighted target populations, selection criteria and targeted numbers, which were mostly women and girls. However, there are several areas of improvement identified with regards to project design.

**Project sustainability and exit strategies:** To demonstrate continued project impact and value-for-money, the Country Office needs to ensure its projects' sustainability and exit approaches and strategies are feasible to prepare target populations and institutions to take over projects from UN Women.

From review of a sample of 10 projects, one did not have a sustainability strategy or principles and three did not have clear exit/phase-out strategies. Additionally, although 7 of the 10 projects had exit strategies, IAS noted that some were vague and referred to handover mechanisms/responsibilities without any indication of how these would be effectively carried out at the time of project closure.

Overall, the quality of strategies varies widely due to a lack of standardized requirements, leading to inconsistent project handovers and risking continuity of impacts. However, IAS is aware that the Programme Support and Management Unit (PSMU) at headquarters is working on corporate guidance on sustainability and exit strategies, and IAS highly encourages the Country Office to align with the guidance once promulgated.

The development of exit strategies has become of paramount importance since a key donor requested that UN Women as a whole, including in Pakistan, cease all projects it funded before the agreed end dates.

***IAS advises the Country Office to make exit and sustainability strategies mandatory requirements within project design; implement stronger quality assurance processes to ensure they are in place and then have them monitored during project implementation.***

## Observation 5: Project portfolio management

The Country Office has processes in place to manage its project portfolio. However, there were instances of inconsistent project oversight, monitoring and donor reporting; and ensuring the Country Office met specific donor requirements.

**Monitoring of projects:** To track progress, and identify and address any impediments to project implementation, the ProDocs and donor agreements of all 10 sampled projects clearly stipulated the requirements for project monitoring (e.g. establishment of M&E frameworks and plans, monitoring tools, monitoring visits, etc.). However, 2 of the 10 projects sampled did not have monitoring plans or performance monitoring frameworks; and 8 of the 10 projects had incomplete monitoring reports – they included reports for visits or meetings with programme partners, but not for the other implementation modalities used to achieve project objectives. Only focusing on programme partners limits the oversight of projects and identification of issues.

IAS noted also noted that the Country Office did not consistently document project team meeting discussions. There was no evidence that regular meetings were held for all 10 projects. While IAS acknowledges that mechanisms, such as activity-level monitoring by relevant provincial colleagues and mid-term reviews are in place, there is still room for improvement.

**Late submission of donor reports:** The donor agreements, ProDocs and proposals had clear reporting requirements for narrative and financial reports, which were duly captured in the donor agreement management system (DAMS) for tracking the due dates. The submitted narrative and financial reports were comprehensive, providing details of successes, progress against results indicators, challenges, dependencies, etc.

IAS selected and reviewed one narrative and one financial report for a sample of 10 projects. For 4 of 10 projects, there were several instances whereby programme teams did not achieve the targets for output and outcome indicators. Furthermore, the remedial actions were inadequate; baseline studies required by the donor agreements and ProDocs had not been undertaken; some results indicators were off-track; and there were delays in recruiting project managers for projects with significant financial budgets, which delayed implementation of project activities by several months.

The Country Office agreed with the observations and confirmed there were delays in the implementation of project activities and subsequent submission of donor reports. Some delays occurred due to the time taken to recruit and onboard a project manager; the high volume of activity at field level for some joint programmes; and the fragile situation on the ground, which were said to have hindered some work from being carried out. For the ongoing projects, the Country Office indicated that it updated its plans to achieve all activities and indicators for success going forward.

**Project steering committee meetings:** According to the specifications contained in ProDocs and donor agreements, project steering committees or annual consultation meetings are required to meet regularly to review, discuss, approve and appraise project progress with inputs from donors, government and other stakeholders. IAS noted that 5 of the 10 projects reviewed did not have steering committee meetings. Weak oversight in ensuring adherence to project governance arrangements and could result in (a) reduced dialogue between donors and the Country Office; (b) donors' inability to contribute constructively to a project's strategic direction; and (c) could affect donors' ability to take timely decisions to address any risks and challenges that arise during project implementation.

The Country Office agreed with the observation and has committed to hold quarterly partner meetings and establish a regular coordination mechanism with programme partners. The Country Office also finalized the terms of reference to be used after onboarding partners for committee meetings.

**Non-standard donor agreements:** Out of the 10 projects sampled for review, 4 projects had non-standard donor agreements. IAS noted that all these agreements were duly cleared by headquarters as per requirements. However, the Country Office could not demonstrate adherence to several requirements in the agreements. This occurred due to the lack of quality assurance mechanisms to consistently follow-up on requirements, critically for non-standard donor agreements, and because the Country Office has not been able to consistently track the execution of non-standard donor requirements. This might result in donor dissatisfaction, loss of reputation for UN Women and consequently, reduced confidence of donors. Furthermore, the Office might not be able to effectively deliver results to the target populations.

The Country Office informed IAS that it did not undertake some of the requirements contained in the agreements because of complex political and security-related developments, which consistently impacted project implementation throughout the duration of the projects. The Country Office stated that it will finalize the outstanding requirements and share the results with the donors.

### **Recommendation 3 (Medium):**

The Country Office to strengthen management of the project portfolio by:

- (a) Enhancing the monitoring and tracking of project progress against agreed targets and milestones, and annual workplans to achieve deliverables for results frameworks.
- (b) Organizing project steering committee meetings according to the frequency, participation and terms of reference agreed with donors for the timely identification of any impediments to project progress.
- (c) Improving the quality and review of donor narrative reports to proactively communicate challenges during project implementation.

#### **Recommendation 4 (High):**

The Country Office to develop a tool to register and track adherence to standard and non-standard donor agreements and their specific requirements. In cases where it is not possible to adhere to the requirements, proactively inform the donors and highlight the implications of non-implementation of the requirements. Adherence to non-standard donor agreement requirements can also be demonstrated in the narrative reports submitted to donors.

#### **Observation 6: Selection of programme partners**

The Selection of Programme Partners Procedure requires the Country Office to select programme partners on a competitive basis. Based on a sample of 16 programme partners, there were several indications that selection processes were not followed properly and consistently.

**Execution of risk-based capacity assessments:** The Selection of Programme Partners Procedure requires that risk-based capacity assessments are undertaken for all partners whether selected competitively or through sole sourcing to confirm the capacity of the partner; and to identify areas where improvements are needed. All 16 partner agreements reviewed had capacity assessments. IAS noted that in 4 of the 16 partner agreements sampled, several responses to the capacity assessment questions indicated partners' lack of, or inadequate, policies. However, following engagement of the partners, the Country Office did not adequately ensure that the partners had addressed the policy gaps.

Additionally, in 2023, Headquarters PSMU made it mandatory for capacity assessments to be done via PGAMS to reduce errors and increase accuracy in the risk scores and ratings. However, IAS also noted that the Country Office still performed capacity assessments offline using an excel template and uploaded the excel as attachments on PGAMS.

In response, the Country Office informed IAS that a standard format for capacity assessments was followed; each partner was invited for a partner orientation session; and regular monitoring visits were conducted for financial and technical capacity-building. Some issues stemmed from gaps in quality assurance and limited management oversight. The Country Office maintained that Programme teams are fully committed to addressing these shortcomings in the future. Relevant personnel are participating in learning cafés to strengthen their understanding of partner management and are instituting corrective measures alongside more rigorous compliance monitoring. To support sustained improvement, the programme teams will also initiate additional capacity-building sessions with partners.

**Conflict of interest declarations in the selection of programme partners:** Section 3.1 of the Selection of Programme Partners Procedure states that *“All personnel who are involved in reviewing and evaluating proposals must sign the **Confidentiality and No Conflict-of-Interest Form (Annex G)**, regardless of the type of Partner proposal being reviewed.”*

IAS observed that 11 of the 16 partner agreements reviewed did not contain the required declarations, due to weak enforcement mechanisms at the Country Office. Lack of declarations could increase the risk of uncompetitive and unethical practices by Country Office personnel who select and manage programme partners, resulting in financial/operational losses and undue risk exposure for UN Women. The Country Office agreed with the observation.

**Competitive selection of programme partners:** Section 3.1 of the Selection of Programme Partners Procedure requires competitive selection. From review of the partner selection processes, IAS noted potential indications of lack of competitive practices related to the selection of two programme partners via calls for proposals. In one case there was evidence contradicting the disqualification of a CSO. The Country Office agreed and will ensure actions are in place to avoid future occurrences.

**Increase in partner agreement budgets:** IAS noted that in 12 of the 16 partner agreements reviewed there were several instances where the partners agreement amended. Such amendments included significant budget increases.

While the Country Office documented justifications for the increases in partner agreement budgets, as the partner agreements are usually issued with low budget amounts but then significantly grow, there might be a perception that some programme partners deliberately indicate lower budget amounts in their financial proposals to win the calls for proposals and subsequently increase their budgets, which may then not be reflective of a fair and competitive selection process.

In response, the Country Office informed IAS that Pakistan had experienced devastating floods, and some donors had reached out to UN Women to increase measures to support those affected by the floods. As a result, the Country Office increased the budget of some partners to ensure sustainability of results, continue activities, reflect increased responsibilities in the workplans and due to requests by the government. IAS is of the view that while some budget increases may be reasonable, the high number and financial materiality should be considered by the Country Office to manage financial and reputational risks.

### **Recommendation 5 (High):**

The Country Office to enhance the competitive selection of programme partners through a risk and compliance-based approach to ensure completion of capacity assessments on PGAMS as mandatory.

The County Office to improve quality assurance, including creation and implementation of proper capacity development plans for partners rated significant and moderate risks; declarations of any conflict of interest in the selection of partners; and value for money of partner agreements, with critical analysis and justifications for any increase in partner budgets and extension of agreement end dates.

### **Observation 7: Programme partner management**

The programme partners IAS interviewed highlighted their good experience in working with the Country Office and the level of communication was felt to be generally

satisfactory. However, programme/project management internal controls were not always consistently applied.

**Project Appraisal Committee reviews and endorsements for programme partners:** The Selection of Programme Partners Procedure states that the role of the programme/project manager is to complete and coordinate the process for submission, selection and endorsement of programme partners by the Project Appraisal Committee.

In 4 of the 16 partner agreements, there were instances whereby the Local Project Appraisal Committee had endorsed the selection of the programme partner subject to the programme/project managers addressing several recommendations/conditions before or after signing the partner agreements or during implementation. However, these conditions were not met because the Country Office did not have a clear process or control to track the actions according to the time frames stipulated by the Project Appraisal Committee. Once partner agreements are signed, the programme/project managers often focus on implementation without fully regarding the risk or control elements highlighted by the Project Appraisal Committee, and subsequent monitoring did not always include these elements. This could result in critical governance issues going unaddressed throughout the duration of the partner agreements, increasing UN Women's risk exposure. The Country Office agreed with the observation.

**Risk assessments of partner agreements:** The Partner Management Procedures require that Country Offices complete partner risk assessments to identify, assess, treat and monitor the risks of working with that partner to enable success. Four of the 16 agreements did not include risk assessments. This may have occurred due to weaknesses in the quality assurance process for the review of ProDocs and could result in ineffective risk management practices.

**Clearance of advances and submission of reports by programme partners:** Cash advances and other cash transfer policies require programme partners to submit narrative reports and FACE forms within 20 days at the end of every three-month period. These policies stipulate that the Country Office must then review the narrative reports and FACE forms within 15 days of receipt from programme partners. IAS inspected one FACE form for 16 partner agreements.

In general, programme partners submitted good quality and comprehensive narrative reports. However, IAS noted instances of non-compliance with the policy. None of the reviewed FACE forms had certification of expenditure details, and 9 out of 16 were submitted late. IAS couldn't determine the timeliness of Country Office review for 10 forms due to missing dates, and some forms lacked the name of the reviewer. Additionally, most partners submitted several reports late to the Country Office.

Whilst submission delays may occur due to delays in the implementation of agreement activities and deliverables, this could result in delays in the closure of partner agreements and projects, an increase in partner audit findings and delays in donor reporting. The Country Office agreed there had been delays and will ensure corrective actions are taken in the future.

**Review of Partner Overspending:** IAS review of 2 of the 16 FACE forms revealed instances of overspending by the programme partners which was later approved by the Country Office. The overspending was for the reporting period and sometimes also exceeded the overall partner agreement budget. The partners did not provide reasons for the overspending either on the FACE forms or in the narrative reports. It was unclear whether the programme teams had become aware of the overspending upon approving the FACE forms or if they were aware ahead of time.

The Country Office informed IAS that one of the two partners related to the Women's Peace and Humanitarian Fund (WPHF) project, and it can continue to provide its services as long it is within the overall project budget. Regardless, the Country Office and partner sign an agreement with a clear budget, which the partner has committed to adhere to. Continuous overspending by partners could result in inefficient use of projects' funds and might also cause donor dissatisfaction.

**Extension of partner agreements:** The Country Office decides on the duration of partner agreements when launching calls for proposals and commits to these timelines with programme partners when signing the partner agreements and ensures alignment with the durations of projects funding the activities of partner agreements. Whilst some extensions of timelines are not unexpected, IAS noted that 9 of the 16 partner agreements sampled had one or two cost or no-cost extensions to the original end dates of the agreements.

Multiple extensions might be indicative that the Country Office was too ambitious with timelines and did not provide programme partners with sufficient time from the beginning, or that programme partners did not adequately manage their partner agreement deliverables. Although these were duly approved and there were often justifications for the extended end dates, the extension of partner agreements may increase associated operational costs and contribute to potential delays in the completion of main projects.

The Country Office informed IAS that some extensions were to ensure continuity in programme implementation; and sometimes, when one partner had unutilized funds from an agreement, the Country Office increased another partner's budget with those funds to undertake more training.

**Review of programme partner performance:** The Selection of Programme Partners Procedure requires final partnership evaluations to be undertaken at the end of all partner agreements. However, the Country Office did not assess and document performance evaluations in 9 of the 16 completed partner agreements reviewed, despite the closures being approved. The Country Office did not have strong enforcement mechanisms to ensure execution of all the required steps for the closure of partner agreements prior to approving the closure. This may result in the continuous engagement of weak/underperforming partners; inconsistency in the approach to performance management; and extensions that depend on the undocumented discretion of programme teams. The Country Office agreed with the observation and indicated it will ensure strict adherence with the requirements in the future.

**Sub-partnering by programme partners:** The Selection of Programme Partners Procedure section 1.1.7 states that all proposals must provide information regarding the use of sub-partners, including names if known. Programme partners must ensure each sub-partner agrees in writing to be bound by the terms and conditions of the partner agreement relevant to the work they will perform. Of the 16 partner agreements reviewed, five included sub-partnering and the programme partners did not sign legally binding contracts or memorandums of understanding with their sub-partners. In some instances, the Local Project Appraisal Committee had recommended programme teams request that the programme partners submit contracts; however, no follow-up action was taken to ensure submission.

Lack of contracts could result in programme partners collaborating with sub-partners that are weak and fail to deliver their allocated activities without a legal recourse.

**Implementation of sex disaggregated activities:** UN Women’s mandate is to empower women and girls, who should comprise a large majority of the target populations for projects and work delegated to programme partners.

However, IAS’ review of the sample of narrative reports submitted by programme partners revealed that that 5 of 16 programme partners implemented activities with more representation of men and boys than women and girls, despite the result frameworks submitted and the signed partner agreements indicating the activities would focus more on women and girls.

Furthermore, 9 of 16 partners submitted narrative reports without sex disaggregated data for the participants and target populations. The programme partners focused on meeting the minimum number of participants/target populations instead of meeting the required eligibility criteria. The programme managers who approved the reports despite these gaps did not exercise adequate supervision of the programme partners and the planning of activities was inadequate to ensure sufficient availability or representation of women and girls in activities that are meant to empower them.

The Country Office informed IAS that it regularly reminds programme partners to ensure equal representation in activities. While challenges do arise given the local context, programme teams have deliberately adopted an advocacy model that emphasizes the active engagement of men and boys. This approach reflects a strategic effort to foster inclusive participation and promote gender equality by addressing social norms through the meaningful involvement of all community members. Programme partners will continue to be reminded to ensure balanced representation of both men, women and other marginalized populations in all activities in the future.

**Indicators:** IAS noted that some partner agreements did not have indicators, which can increase ambiguity in the selection criteria for target populations. This might increase the risk of UN Women programme projects that do not achieve the intended impact; do not meet fully donor priorities; reinforce inequalities for women and girls; and also potentially lead to reputational risks. The Country Office agreed with the observation and

will ensure consistent compliance and include indicators in surveys/baseline studies in the future.

### **Recommendation 6 (High):**

The Country Office to enhance the monitoring and oversight of partner agreements to ensure programme partners effectively and efficiently achieve good quality and intended results, supported by timely reports, performance evaluations, definition of indicators in partner agreements and formal signed contracts with sub-partners.

## B. Governance, risk management and internal controls

According to the latest organization chart, the Country Office has 60 roles (including six vacancies). Fourteen of the filled positions are in Operations, 36 are in Programmes, 4 are in the executive function, five are in Coordination, Partnership, and Communications function, and two are in Monitoring and Evaluation.

The Country Office management structure includes the Country Representative (P5), the Deputy Country Representative (P4), the Operations Manager (NOC), one portfolio manager (NOC) for Ending Violence Against Women, one portfolio manager (NOC) for Women's Economic Empowerment and Humanitarian Assistance, and two sub-office heads (NOB).

### KEY OBSERVATIONS AND CONCLUSIONS

#### Observation 8: Sub-offices financial viability

**Sub-offices:** The Country Office has two sub-offices,<sup>8</sup> one in Quetta, Balochistan, and the other in Peshawar, Khyber Pakhtunkhwa. These offices were established in 2011 and 2012, respectively, prior to the development and implementation of the Presence Governance Policy. At that time there was no requirement for an initial business case to be submitted for clearance of sub-offices.

However, according to the UN Women's Presence Governance Policy, Heads of Offices must regularly monitor and at least annually review all sub-offices within their respective countries to ensure ongoing alignment with Annual Work Plans, Strategic Notes and the United Nations Sustainable Development Cooperation Framework. The annual review should address the continued justification for the sub-office. Heads of Offices should submit the outcomes of such reviews to the Regional Director.

IAS noted that the Country Office had not undertaken any such annual assessments. The Country Office explained it was unaware of the requirement to undertake annual assessments.<sup>9</sup>

<sup>8</sup> According to the Presence Governance Policy, a sub-office means a UN Women office in a location other than the location of the UN Women Country Office, that is subsidiary to and under the management and control of the UN Women Country Office, to maximize the impact of the Annual Work Plan, and addresses the needs of beneficiaries in a more cost-effective and efficient manner.

Without annual financial viability assessments, the sub-offices might indirectly increase the cost burden on Core and Institutional Budget funds, and Country Office management might not have assurance that the sub-offices still add substantive value to the Strategic Note and national priorities.

The Regional Office concurred and indicated that as it progresses with the country-level Quarterly Business Review exercise, financial viability assessments will be incorporated.

#### Recommendation 7 (Medium):

The Country Office to conduct financial viability assessments of its two sub-offices on an annual basis. The Country Office should submit the results of the assessments to the Regional Director of the Asia and Pacific and the Business Review Committee as per Presence Governance Policy requirements for review and relevant action.

#### Observation 9: Country Presence

**Typology:** In accordance with the Presence Governance Guidance, various criteria and targets<sup>10</sup> have been defined for each size of country presence type (e.g. large, medium or small). The Country Office is currently classified as a medium-sized country office based on the financial delivery and resources mobilized.

<sup>9</sup> IAS identified similar observations in the Country Office Audits of Tanzania, (recommendation 6, IEAS/IAS/2023/009) and Columbia (recommendation 1., IEAS/IAS/2024/011).

<sup>10</sup> Delivery and Resource Mobilization targets.

IAS noted that the Country Office, along with the Regional Office, did not adequately monitor and review the Country Office's performance against country presence criteria and targets, and then determine next steps when the criteria and targets were not met. IAS has noted this situation in other Country Offices as well.

The Regional Office concurred and indicated that as it progresses with the country-level Quarterly Business Review exercise, typology performance will be incorporated.

**Functional review:** The UN Women Business Transformation Unit in headquarters performs functional reviews at the request of Country Representatives. The last functional review of the Pakistan Country Office was performed in October 2023.

Unfortunately, the report was never shared with the wider UN Women team in Pakistan and the Country Office did not implement any of the actions recommended by the Functional Review team/Business Transformation Unit. IAS understood from the Country Office this was mainly due to changes in senior management. The Business Transformation Unit notes the functional review recommendations were advisory and may now be somewhat dated. However, it is happy to engage with the Country Office, if needed.

### **Recommendation 8 (Medium):**

The Country Office, in coordination with the Regional Office, to review the structure of the office and ensure that it is fit-for-purpose, and its functions align with available resources and strategic priorities.

### **Observation 10: Risk management**

Country Office personnel, including the Country Representative, Deputy Representative, Operations Manager and Finance Associate, have formal corporate risk management responsibilities. The risk register is updated bi-annually. Additionally, programme personnel identify and manage risks related to individual projects and programme partners.

However, risk management, or at least review of risks rated as high, was not included as a standard agenda item in personnel meetings. And, the Country Office has not held senior management meetings in the last eight months.

While Country Office management generally completed the mandatory formal actions on risk management, IAS identified several instances of information omitted or captured incorrectly in the risk register. Two risks that were initially omitted (i.e. Donor Relationship Management and Governance – internal), were subsequently added; and 17 of the 21 risks were still assigned to the previous Country Representative. Additionally, one risk (i.e. Programme Partner Management) did not have an appropriate mitigation action documented in the risk register. The Country Office has taken actions to address some of these inaccuracies.

While most risk ratings appear reasonable based on IAS' audit work, the Funding & Resource Mobilization risk was rated "Medium" at the time of the audit, and this risk has become more significant and present with recent funding challenges.

Although the Country Office has established risk management responsibilities and documented risks, risk management is perceived more as a compliance task rather than a strategic priority. This may result in the Country Office not effectively managing risks or adequately mitigating the potential impacts of significant threats.

*IAS advises the Country Office to enhance the risk management process by regularly reviewing and discussing risks in the risk register to ensure it contains the most up-to-date information, including accurate risk mitigation owners and risk ratings that align with UN Women's risk appetite.*

### **Observation 11: Control environment**

**Working environment:** IAS interviewed Country Office personnel and conducted a personnel survey to gather information on the Country Office's working environment. The response rate on the survey was 55 per cent.

Personnel raised some important concerns, such as around perceptions of lack of transparency, unclear expectations and lack of empowering leadership. Some personnel also reported feeling intimidated and noted instances of favoritism. Several indicated that their roles kept changing based on senior management decisions.

While the above-mentioned concerns may have been linked to past events several changes in senior management over the last year and/or job insecurity due to funding concerns, some external stakeholders also highlighted they were aware of several interpersonal issues and workplace challenges in the Country Office.

This may affect the working environment and may also be related to the challenges in recruitment, resulting in many vacancies. If performance issues occur, they should be discussed and resolved through the PMD process. A negative work environment may result in low personnel motivation, decreased efficiency, increased staff turnover and reputational damage.

**Changes in senior management:** During the audit period, IAS noted that the Country Office had a significant number of temporary Country Representatives in a short space of time. Perhaps as a result, while there were exchanges via email, the Country Office had not held regular senior management meetings, which include the Country Representative, the Deputy Country Representative and the Operations Manager in the last eight months. Furthermore, several previous Country Representatives issued several Inter-Office Memorandums (in 2022, 2023 and 2024) that outlined changes in personnel roles and responsibilities. Per discussions with personnel, these changes created a lot of confusion and animosity in the office.

For example, the Deputy Country Representative role is unclear. According to the Country Office's organization chart, the Deputy Country Representative role is performed by an individual who is also the Programme Management Specialist for the Rule of Law Project. Further, the Operations Manager reports to the Deputy Country Representative. As the Deputy Country Representative has responsibility for delivery of several programmes, and as one of the Operations Manager's roles is to perform oversight on the programmes, there is a potential conflict of interest and segregation of duties issue with current reporting lines.

Some stakeholders highlighted that with the continual changes in the Country Representative, the next most senior official in the Country Office was not always clearly communicated to everyone. In the absence of the Country Representative, it was unclear whether the Programme Specialist would assume the role of the Country Representative and/or whether the Country Office intends to fund the Deputy position.

The Country Office notes many steps have been taken and will continue to introduce clarity of roles and stability in the office.

**Pool of Programme Associates:** To break silos and allow for greater learning and development opportunities for project support personnel, the Country Office established the Programme Associate Pool, supervised by a Chief.

Based on discussions with personnel within the Country Office, the Programme Associate Pool is neither effective nor efficient. Some personnel also mentioned that Programme Associates were not provided with sufficient training opportunities to perform their duties; and others mentioned unfair allocation of workloads due to differing capability levels.

### Recommendation 9 (High):

The Country Office to foster a safe and conducive working environment by encouraging open communication, leading by example, clarifying roles and responsibilities, ensuring accountability, defining reporting lines, and identifying the skills needed to implement Country Office priorities.

### Observation 12: Follow-up of oversight recommendations

In 2021, the Country Office underwent a Country Portfolio Evaluation (CPE) and an IAS audit. All the CPE recommendations were implemented and while all the recommendations from the IAS audit were implemented too, some of the recommendations in 2021 were repeat observations in this 2025 IAS audit. There are also gaps in the follow-up of partner audit findings. Overall, the Country Office demonstrated weak utilization of reports from assurance providers and weak embedding of measures to control risk exposures.

**Programme partner audit findings and follow-up:** The Assurance of Programme Partners Procedure highlights that assurance of programme partners is essential to determine whether the funds transferred to partners are used for the purposes intended and in accordance with the signed partner agreements, partner project document and that risks are reduced.

For the Country Office, 13 partner agreements were audited for the year ending 31 December 2023. One of the 13 reports had a qualified audit opinion, while the remaining had an “unmodified” opinion. Of the 13 reports, 3 had financial findings (all resolved) and there were seven management control findings. The control findings related to inadequate cost allocation methodology, lack of audit trail, absence of documented training plan, lack of accounting system, incorrectly calculated indirect costs, excessive use of cash payments and lack of proof of payment.

The Assurance of Programme Partners Procedure requires that all types of findings be tracked and monitored for implementation via the partner audits portal. However, IAS noted that the Country Office only captured the three financial findings on the partner audits portal and developed action plans, but did not capture the seven management control findings, did not develop action plans and there were no status updates or visibility of any progress made. There was no evidence that the Country Office monitored the management control findings offline. It appears the Country Office prioritized the financial findings because they receive more attention from headquarters and the Regional Office.

Management of programme partners is weak. As a result, programme partners may continue to have control weaknesses for several years leading to potential continuous internal control gaps and an inability to deliver on partner agreements.

**2021 IAS audit of the Country Office:** In 2021, IAS conducted an internal audit of the Country Office,<sup>11</sup> with an overall audit rating of **Some Improvement Needed**. Seventeen recommendations (5 high and 12 medium priority) were raised. IAS closed all the recommendations in 2023 based on the documents and comments on progress provided at the time by the Country Office.

However, during the current audit in 2025, it became apparent that the Country Office had not consistently embedded the new controls implemented in 2023 into its control environment and ways of working. Some of the observations and recommendations IAS raises in the 2025 audit were repeated from the 2021 audit, i.e. 10 of the 17 audit

recommendations from 2021 are still applicable in 2025. Changes in leadership at the Country Office and inadequate risk management practices may have contributed. This might result in risk exposure beyond the risk appetite of UN Women.

The Country Office acknowledges this observation and the inconsistent implementation of the controls to address the previous audit’s findings. The Country Office stated it is committed to addressing these persistent gaps through renewed focus, strengthened internal monitoring and enhanced staff engagement, and will update its resource mobilization strategy in 2025.

### **Recommendation 10 (High):**

The Country Office to strengthen implementation and reporting on assurance and oversight recommendations. Ensure a systematic mechanism to embed new controls within risk registers, standard operating procedures, checklists, etc. to facilitate ease of operationalization and implementation of all accepted recommendations.

<sup>11</sup> Audit Report No. IEAS/IAS/2021/007, 10 November 2021: UN Women Pakistan, link, <https://www.un-women.org/sites/default/files/2021-12/UN-Women-audit-report-2021-007-UN-Women-Country-Office-in-Pakistan-en.pdf>

## C. Operations

The Country Office Operations team is led by the Operations Manager based in Islamabad. The team includes a Finance Associate, a Procurement Analyst, two Procurement Associates, an HR Associate, an HR Assistant, an ICT/Information Associate, an Administrative Associate, two Office Support positions and three drivers. The Security team consists of one Security Associate who reports to the Operations Manager.

The Country Office procurement function processed 717 purchase orders amounting to US\$ 3.5 million from January 2024 to February 2025.<sup>12</sup>

### KEY OBSERVATIONS AND CONCLUSIONS

#### **Observation 13: Consultants and HR management**

IAS assessed that HR management processes were generally established. IAS reviewed a sample of recruitments, including fixed-term appointments, service contractors and consultants. The recruitment of fixed-term appointments and service contractors was generally conducted in accordance with recruitment policies. However, IAS noted the following areas for improvement.

**Staff turnover and vacancies:** IAS noted that staff turnover was quite high, and positions were vacant for long periods of time. Examples included the Programme & Budget Analyst and the M&E and Planning Officer.

**Consultant recruitment:** IAS reviewed a sample of eight consultant recruitments:

- Only desk reviews were used to recruit the consultants. While this is allowed by the Consultant Contract Policy, IAS highly encourages the Country Office to combine desk reviews with written tests and/or oral interviews to ensure and demonstrate robust recruitment practices.
- In six of the eight cases, the consultancies were not advertised, and there was no documented explanation about how the resumes were sourced. The Country Office informed IAS that the resumes were usually obtained through referrals from other UN entities, and Programmatic Units undertook the “headhunting”.

According to the Consultant Contract Policy, the selection of consultants should be made through a competitive process to ensure the engagement of the best-qualified candidate for the assignment, ensuring an open, transparent and objective assessment. Managers and heads of requesting units with delegated authority are responsible for instituting a competitive selection process either through advertisement, a vetted roster or referrals, including reference checks for the engagement of all consultants in their office.

- For three of the consultant recruitments reviewed by IAS, the advertised role was for a regular and potentially continuing function (e.g. Planning, Monitoring and Reporting Officer). According to policy, such roles should be performed by fixed-term appointments or service contractors.

According to the Country Office, one of the key challenges with consultant recruitment is the hiring unit’s urgent requests for consultants which often arise with limited lead time. Hiring managers may be pressed for time due to external factors and may not have the flexibility to complete the entire recruitment cycle for fixed term appointments, which is relatively longer, thereby preferring the consultancy route.

The Country Office acknowledges this observation and moving forward, the Country Office will establish stronger controls to ensure the appropriate use of consultants on Special Service Agreements, including better planning and more consistent application of competitive processes.

<sup>12</sup> This excludes travel related purchase orders.

**Hiring of government officials:** According to the Consultants Contract Policy, it is permissible for a consultant to be engaged by UN Women if the individual has a contract with another employer, provided that there is no actual or perceived conflict of interest and performance of the required services for UN Women is feasible (for example, if both contracts involve a part-time work schedule or if the consultant will be working on a retainer or deliverables basis).

IAS noted that the Country Office had hired government officials as consultants. According to information provided by the Country Office, seven<sup>13</sup> government officials were hired in 2023 and one<sup>14</sup> was hired in 2024. For the government official hired in 2024, UN Women received a No Objection Certificate (NOC) stating that the Government Secretariat had no objection to the individual pursuing consultancy opportunities with UN agencies. However, there is no documentation of a UN Women assessment to determine if this case could result in an actual or perceived conflict of interest.

The UN Women Ethics Function has advised Country Offices not to hire consultants who have concurrent employment with governments, as it conflicts with the UN Charter and the independence and impartiality required of all UN Women personnel. The only exception is if the candidate is on leave without pay and the government has provided a letter to UN Women to support this.

The Country Office acknowledges that the NOC may not have been enough to conform to corporate guidelines and has taken note to ensure its future compliance.

**Learning and development:** IAS observed that the Country Office had not established a learning and development plan. Several capacity gaps identified in this report could be addressed through training opportunities provided by UN Women, either online or in person. Implementing a learning and development plan fosters continuous professional growth, enhances workforce efficiency, and helps to effectively resolve operational bottlenecks.

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<sup>13</sup> Six were hired through a contract with a third-party company, through Professional Employers Limited, and one was hired through a Special Service Agreement contract.

**Performance Management and Development (PMD):** UN Women's performance management policy requires staff self-assessments and supervisor reviews. The Country Office's HR Associate monitors performance management. Per PMD data, 4 of 16 staff had not finalized their PMD for 2023. This included two drivers, the Country Representative and the Deputy Country Representative. The HR Associate was following up on this with the staff members concerned.

For 2024, at the time of audit fieldwork, 12 of 18 staff had completed their PMD goals. While the process is ongoing and was expected to be completed by the end of April 2025, the time was extended across all offices by HR in headquarters to June 2025 due to the low implementation rate.

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### **Recommendation 11 (High):**

The Country Office to strengthen HR processes to ensure effective resourcing and oversight of those activities to enable delivery of the requirements of the office. This includes enhancing the recruitment process for consultants, improving transparency in candidate sourcing, conducting thorough reviews of candidates (including interviews and tests), reviewing possible conflicts of interest and assigning specific, time-bound deliverables to all consultants. Develop a learning and development plan based on the Country Office's needs to enhance workforce efficiency and address bottlenecks effectively; and ensure staff and supervisors complete PMDs timely, aligning staff development with organizational goals.

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**Vendor contracted consultants:** The Country Office uses a third-party company to hire third-party consultants, referred to as Vendor contracted consultants (VCCs). VCCs are used by the Country Office as they offer more flexibility, particularly for roles requiring frequent field travel, including to high-risk areas such as Khyber Pakhtunkhwa and Baluchistan. However, there are no strict limitations on who can be hired under a VCC contract and over the last 24 months there was significant expenditure with VCCs which

<sup>14</sup> Consultancy contract with Professional Employers Limited, and one was hired through a Special Service Agreement contract.

indicates a potential reliance that the Country Office should review.

Given the costs involved, the Country Office may want to consider the best modality for engaging consultants based on operational demands. The Country Office provided an update that some VCCs have transitioned to UN Women consultant agreements.

Furthermore, the Country Office processed payments to VCCs without formal confirmation from Programme personnel that services were satisfactorily performed and sometimes payment requests were processed before the end of the month.

The Country Office confirmed the above as these actions were in line with internal procedures outlined in the Inter-Office Memorandum from March 2022, signed by the previous Country Representative and it follows the same hiring process as consultants.

***IAS advises the Country Office to assess the use of Vendor Contracted Consultants to ensure it delivers value for money. The Country Office should strengthen the payment process and ensure payment is made upon satisfactory confirmation of services delivered.***

#### **Observation 14: Financial management**

IAS noted several areas for improvement in financial and budget management.

**Project rephasals:** Each project manager is responsible for implementing and monitoring designated project budgets in Quantum. Project managers may “rephase” unused annual non-core project budgets to the next year (where project implementation circumstances warrant and align with the donor agreement). UN Women encourages project managers to review a project’s financial status and complete budget “rephasals” by 31 October each year. Of the budget rephasals reviewed, IAS noted the following:

- IAS could not obtain an exact financial figure or number of the rephasals processed by the Country Office or later reversed. Currently, there is no Quantum report available which lists all rephasals. IAS understood from PSMU in headquarters that a report is being developed and should be available in mid-2025.
- IAS identified seven projects (of a total of 12 non-core projects) that underwent budget rephasals in October 2024. However, it was difficult for IAS to assess whether the circumstances warranted the rephasals as the Country Office did not

use the required checklist for budget revisions/rephasals. The Country Office informed IAS that the budget rephasals were discussed during personnel and programme meetings. Then requests were sent via email to the respective person, usually the Finance Associate, to process the rephasals. IAS noted that emails were sent by junior staff with no evidence of project manager approval of the rephasals and budget justifications (as required by the checklists) beyond them being copied on the email.

- IAS noted that in December 2024, two projects which had rephasals in October 2024 had a significant portion of their budgets reversed due to budget shortfalls identified by project managers. Such rephasal reversals suggests that project managers may not be accurately calculating amounts to be rephased and/or sufficiently monitoring their projects.

If project managers do not effectively manage and monitor non-core projects and activities, this could result in non-compliance with donor agreements.

The Country Office highlighted it was unaware that budget revision/re-phasal checklists were required (in 2023 PSMU circulated checklists for approval and revisions of project award budgets to all Country Offices).

According to the Country Office, due to changes in management and inconsistent strategic direction, budgets were rephased before the cut-off date as there was uncertainty regarding the roll-out of various activities. With the arrival of the permanent Country Representative, the situation improved, and activities resumed, resulting in a shortfall of funds for which budget revisions were made. They maintain that budget reversals per se did not result in over-expenditure, financial reporting errors, or ineligible cost flags in any donor financial report as per 2024 reporting cycles but have taken note to improve its project management capacities.

### Recommendation 12 (Medium):

The Country Office to:

- (a) Improve project planning, forecasting, monitoring and oversight to reduce the number of budget rephasals and reversals.
- (b) Perform and document the review of all rephasals, including the revision/rephasals checklist, to evidence justification and appropriate approval.

**Project personnel cost allocations:** For non-core projects, IAS noted that the Country Office was not consistently following project budgets' allocation of personnel costs (which were approved by donors); and did not have a consistent approach for allocating operational personnel costs. Methodologies could include allocating costs based on time worked or predefined formulas.

Several project managers raised this concern, mentioning instances where personnel costs were allocated to their projects without them being aware of or approving the allocation of costs.

The Country Office maintains that they have consistently adhered to donor requirements, ensuring transparency regarding staff funding for specific projects. Donors have not raised any objections to non-core personnel costs, as these expenditures have been managed within the flexibility outlined in the project documents and within acceptable tolerance limits.

### Recommendation 13 (High):

The Country Office to strengthen the methodology, allocation and monitoring of personnel costs across non-core projects.

<sup>15</sup> In early February 2025, UN Women's senior management introduced more stringent requirements to enhance efficiency in travel, meetings, and conference expenditures including. This includes that all staff must initiate the ticketing process as early as possible, preferably 30 days or more in advance, to secure the best available airfare. Travel Requests must be submitted no later than 21 calendar days before the

### Observation 15: Travel management

The Country Office has established controls and a standard operating procedure for travel management and leverages other UN Long-Term Agreements (LTAs) for travel services through Participation-Level Agreements.

From review of a sample of 28 travel transactions and the analysis of UNALL travel data IAS identified the following areas for improvement.

**Advance booking for air travel tickets:** According to the Duty Travel policy<sup>15</sup>, the Country Office should finalize travel arrangements at least 10 calendar days before the start of official travel. Advance booking is crucial for securing cost-effective fares and ensuring compliance with financial regulations.

Based on the analysis of travel requests in UNALL, IAS noted that in 2024, 192 (36 per cent) of 533 travel requests were booked less than 10 days before the travel date.

Failure to adhere to this policy may lead to increased travel costs and potential non-compliance with organizational financial rules.

**Value for money – procurement of air tickets:** According to UN Women's Procurement Policy, the Country Office should ensure that best value for money is obtained. Therefore, the process of soliciting bids and selecting an airline tickets supplier should: (a) maximize competition; (b) minimize the complexity of the solicitation, evaluation and selection process; (c) ensure impartial and comprehensive evaluation of solicited bids; and (d) ensure the selection of the supplier whose bid is the most appropriate in terms of specifications and whose performance is expected to best meet the business unit's specifications, statement of works or terms of reference.

IAS reviewed airline ticket purchases for 15 travel requests and noted that for 13 air tickets, the Country Office only obtained one quotation from a travel agent. Not obtaining quotations from multiple travel agencies limits price comparisons, potentially

scheduled start of travel, and air ticket issuance must be finalized no later than 16 calendar days before the start of official travel.

leading to higher costs and reducing cost-saving opportunities. The lack of competitive procurement can compromise value for money and transparency.

According to the Country Office, as the convening agent for the LTA, the UNDP Country Office designated one primary and one secondary travel agent for both domestic and international travel arrangements. The Country Office adhered to this principle and procured domestic tickets accordingly. However, for international travel, the Country Office still endeavored to obtain quotes from at least two travel agents. Going forward, with the new LTAs in place, a standard operating procedure has been established for all participating UN agencies to seek quotes from all Long-Term Agreement holders before placing an order.

**Travel claims:** The Travel Policy stipulates that the traveler is required to submit the travel claim within 30 calendar days from completion of the travel. IAS reviewed 28 travel requests and related travel claims and noted that seven were submitted late.

#### **Recommendation 14 (Medium):**

The Country Office to enhance travel compliance through education and awareness of corporate requirements for booking and claiming travel and obtaining competitive quotes.

### III. RECOMMENDATIONS AND MANAGEMENT ACTION PLAN

Observation	Recommendation	Priority	Responsible Unit	Action Plan	Implementation date
Observation 2. Strategic Note design and implementation	Recommendation 1. The Country Office to: (a) Ensure that the office has sufficient resources and reporting lines to implement its Monitoring, Evaluation and Reporting Function and framework and with sufficient independence. (b) Strengthen and formalize the process of collecting, validating and reporting on Strategic Note implementation.	Medium	Country Representative / Deputy Country Representative, Project Managers and M&E	Country Office management agreed with the recommendation. <ul style="list-style-type: none"> <li>The Country Office has recruited a full-time national Monitoring and Evaluation Officer (June 2025) to restore core MER capacity. The Officer reports to the Deputy Country Representative, with a secondary reporting line to the CR and is responsible for leading results-based monitoring, data quality assurance, and reporting across all portfolios, ensuring alignment with corporate systems.</li> <li>Reporting progress on indicators in the Strategic Note will be embedded in periodic results-based structured quarterly reviews. These reviews, led by the Country Representative and supported by the relevant staff, will enable data validation, issue resolution, and timely corrective action based on indicator performance. In addition, strategic note and indicator monitoring will be a component of the quarterly business review undertaken with the Regional Office, attended by DCR and OM. From Q2 2025, the QBRs have followed a more integrated and joined up review process, linking KPIs across strategic note, planning, reporting, and delivery.</li> <li>A Monitoring, Evaluation and Reporting (MER) Protocol will be developed per the Strategic note and Donor agreements and rolled out to all programme teams, including standardized tools for data collection, verification, and results documentation.</li> <li>A draft partner monitoring mechanism is under review and will be institutionalized across the Country Office to enable uniform oversight and risk-informed engagement with implementing partners.</li> </ul>	30 June 2026
Observation 3. Resource mobilization	Recommendation 2. The Country Office to: (a) Reassess the current resource mobilization plan and incorporate measurable targets to ensure adequate funding for delivery of the Strategic Note. If resource mobilization efforts fall short despite these adjustments, the Country Office should consider prioritizing and potentially scaling down certain Strategic Note commitments and reviewing the office's structure and staffing levels. (b) Improve monitoring of the pipeline and actively identify and engage potential donors who could support any outstanding activities for those projects which no longer have funding.	Medium	Country Representative / Deputy Country Representative, Portfolio Leads and M&E, Head of Partnership and Communication, HR	Country Office management agreed with the recommendation. <ul style="list-style-type: none"> <li>The Country Office will establish a dedicated task team, under the overall guidance of the Country Representative, to critically review the current funding situation against the Strategic Note's resource mobilization targets. The team will identify funding gaps, analyze their potential impact on programmatic results, and propose actionable strategies to strengthen and accelerate resource mobilization efforts</li> <li>The Country Office is revising its resource mobilization strategy to reflect the current funding landscape, donor shifts, and internal delivery capacity. The updated strategy will incorporate measurable annual targets, projected pipelines per outcome area, and a tiered approach to donor risk and diversification. It will also include a contingency mechanism to trigger reprioritization of Strategic Note commitments in case of underfunding.</li> <li>A pipeline tracking system will be established, aligned with LEADs (until PRISM captures the same systematically) and maintained by the Deputy Country Representative in coordination with the Country Representative and Head of Partnership and Communication. This will include monthly analysis of proposal status, engagement cycles, and match against funding gaps in the SN. The pipeline data will inform internal resource decisions and ensure timely follow-up with potential partners.</li> <li>The Country Office will adopt the Donor engagement tool being used by ROAP in the context of Pakistan. The tool will help map donor priorities, engagement history, and status of discussions, enabling a more structured and anticipatory approach to proposal positioning.</li> <li>A Programme and Budget Analyst is recruited (August 2025) and has been assigned responsibility for monitoring and coordinating LEADS inputs, aligning donor outreach with budget forecasting, and supporting cross-team resource planning.</li> </ul>	30 June 2026
Observation 5. Project portfolio management	Recommendation 3. The Country Office to strengthen management of the project portfolio by: (a) Enhancing the monitoring and tracking of project progress against agreed targets and milestones, and annual workplans to achieve deliverables results frameworks especially for non-standard donor agreement conditions. (b) Completing projects in a timely manner, considering the operational costs of too many extensions and budget revisions. (c) Organizing project steering committee meetings according to the frequency, participation and terms of reference agreed with donors for the timely identification of any impediments to project progress. (d) Improving the quality and review of donor narrative reports to proactively communicate challenges during	Medium	Country Representative / Deputy Country Representative, Portfolio Leads and M&E	Country Office management agreed with the recommendation. <ul style="list-style-type: none"> <li>The Country Office will ensure that the current thematic portfolio-based project management model is assigned to a Portfolio Manager supported by Programme Analysts or Officers. This structure will enhance accountability, coordination, reduce duplication, and improve responsiveness to programme needs. Donor liaison and coordination at the working level will continue to be one of the core functions of Portfolio Managers. Formal communication with donors at a more senior level (Ambassadors/Deputies or equivalent) will be at the CR or DCR level only, unless specifically authorized.</li> <li>Project Managers designated as per ICF will continue to serve as functional leads for delivery and compliance.</li> <li>Monitoring and tracking matrices will be developed for each project enhanced through improved alignment of project workplans with results frameworks, and regular reviews to ensure progress against agreed targets and milestones.</li> <li>Project Steering Committee meetings under RoL, PWL and KOICA projects will be organized in accordance with agreed terms of reference, with increased attention to frequency, stakeholder participation, and timely resolution of implementation bottlenecks.</li> </ul>	31 December 2025

Observation	Recommendation	Priority	Responsible Unit	Action Plan	Implementation date
	project implementation.			<ul style="list-style-type: none"> <li>Internal processes for monitoring timely submission timelines, reviewing donor narrative reports will be reinforced under the M&amp;E Officer to ensure quality, consistency, and proactive communication of challenges and mitigation measures during project implementation</li> </ul>	
Observation 5: <b>Project portfolio management</b> - Non-standard donor agreements	Recommendation 4. The Country Office to develop a tool to register and track adherence to standard and non-standard donor agreements and their specific requirements. In cases where it is not possible to adhere to the requirements, proactively inform the donors and highlight the implications of non-implementation of the requirements. Adherence to non-standard donor agreement requirements can also be demonstrated in the narrative reports submitted to donors.	High	Country Representative / Deputy Country Representative, Portfolio Leads and M&E	Country Office management agreed with the recommendation. The designated Project Manager, under the guidance of DCR and CR, will track and monitor compliance with both standard and non-standard donor agreements. This will facilitate the timely identification of specific donor obligations and ensure adherence throughout the project lifecycle. In instances where compliance is not feasible, the Office will proactively engage with donors in consultation with the Regional Office and HQ to communicate constraints and the potential implications. Additionally, efforts will be made to clearly demonstrate adherence to non-standard requirements in donor narrative reports.	31 March 2026
Observation 6 Selection of programme partners	Recommendation 5. The Country Office to enhance the competitive selection of programme partners through a risk and compliance-based approach to ensure completion of capacity assessments on PGAMS as mandatory.  The County Office to improve quality assurance, including creation and implementation of proper capacity development plans for partners rated significant and moderate risks; declarations of any conflict of interest in the selection of partners; and value for money of partner agreements, with critical analysis and justifications for any increase in partner budgets and extension of agreement end dates.	High	DCR, Project Managers, Finance and PAs	Country Office management agreed with the recommendation. <ul style="list-style-type: none"> <li>The Country Office will ensure that all programme partner selections and emergency funding streams undergo mandatory capacity assessments on PGAMS as per corporate policy. Offline tools previously used for expediency will be discontinued effective immediately.</li> <li>A centralised quality assurance checkpoint under the supervision of DCR will be introduced. The CO has invested and will continue to invest in strengthening staff capacities for effective project/Partner management while ensuring PPG compliance. Capacity development plans for Partners not rated as low risk will be developed, implemented and monitored as per policy.</li> <li>The Country Office will ensure compliance with signed declarations of impartiality and conflict of interest documents during the selection process.</li> </ul>	30 June 2026
Observation 7. Programme partner management	Recommendation 6. The Country Office to enhance the monitoring and oversight of partner agreements to ensure programme partners effectively and efficiently achieve good quality and intended results, supported by timely reports, performance evaluations, definition of indicators in partner agreements and formal signed contracts with sub-partners.	High	DCR, Project Managers, M&E officer	Country Office management agreed with the recommendation. <ul style="list-style-type: none"> <li>A partner monitoring mechanism, which was piloted under one project, is currently under internal review and will be institutionalized across the office, in consultation with ROAP.</li> <li>The country office will ensure adherence of submission timelines of fully compliant FACE forms/reports by partners.</li> <li>During orientation sessions, the Country Office will ensure that all partners are made aware of UN Women's financial rules and Policies.</li> <li>For all agreements involving sub-partners, the Country Office will ensure that Partners comply with the requirement to ensure that their sub-partner agree-in writing-to be bound by terms and conditions of Programme Partner agreement (signed by UN Women and Programme Partner), relevant to the portion of work or services to be performed by sub-partner.</li> </ul>	31 December 2025
Observation 8. Financial viability of sub-offices	Recommendation 7. The Country Office to conduct financial viability assessments of its two sub-offices on an annual basis. The Country Office should submit the results of the assessments to the Regional Director of the Asia and Pacific and the Business Review Committee as per Presence Governance Policy requirements for review and relevant action.	Medium	CR, DCR, Operation Manager, Regional Office	Country Office management agreed with the recommendation. The Country Office will conduct annual financial viability assessments of its sub-offices at the end of 3 <sup>rd</sup> quarter of each year to guide planning and presence decisions for the following year. The assessment will be carried out by the management team in consultation with the Regional Office.	31 December 2025
Observation 9. Country Presence- Structure and reporting lines	Recommendation 8. The Country Office, in coordination with the Regional Office, to review the structure of the office and ensure that it is fit-for-purpose, and its functions align with available resources and strategic priorities.	Medium	CR, Regional Office,	Country Office management agreed with the recommendation. <ul style="list-style-type: none"> <li>The Country Office has initiated the recruitment process for a full-time National Deputy Country Representative (DCR). The role is expected to strengthen internal oversight, coherence across programme and operations, and structured leadership within the portfolio-based management model.</li> <li>A structural review will be carried out in coordination with the Regional Office and will examine the alignment between staffing, financial sustainability, and delivery capacity across portfolios. It will also assess the office's functional footprint in light of the evolving donor landscape and sub-office viability. This review will also take into account the need for alignment with the initiation and roll-out of the UN Common Back Office, led by the UN Resident Coordinator as of 1 January 2026.</li> </ul>	30 June 2026
Observation 11. Control environment	Recommendation 9. The Country Office to foster a safe and conducive working environment by encouraging open communication, leading	High	CR, DCR,	Country Office management agreed with the recommendation.	30 June 2026

Observation	Recommendation	Priority	Responsible Unit	Action Plan	Implementation date
	by example, clarifying roles and responsibilities, ensuring accountability, defining reporting lines, and identifying the skills needed to implement Country Office priorities.			<ul style="list-style-type: none"> <li>The Country Office will continue to promote an open, respectful, and performance-driven work culture. An office staff retreat was held in June 2025 to support team cohesion, rebuild trust, and initiate a shared culture of collaboration following recent structural and leadership transitions.</li> <li>The PA Pool will be dissolved, and Programme Associates will be reassigned to the respective thematic areas/projects, reporting directly to Project Officers/ Managers.</li> <li>The Country Office will ensure that there are clear reporting lines and well-defined roles and responsibilities. Supervisors will ensure that staff contributions, development, and feedback are reflected in the Performance Management and Development (PMD) process.</li> <li>Regular one-on-one check-ins and informal team interactions will be encouraged to strengthen feedback loops and foster supportive supervision practices along with an informed discussion on supervisee performance.</li> <li>The CR and DCR will prioritize supervisory skills training and coaching of managers as required.</li> </ul>	
Observation 12. Follow up of oversight recommendations	Recommendation 10. The Country Office to strengthen implementation and reporting on assurance and oversight recommendations. Ensure a systematic mechanism to embed new controls within risk registers, standard operating procedures, checklists, etc. to facilitate ease of operationalization and implementation of all accepted recommendations.	High	DCR, Programme team, Operations Manager	Country Office management agreed with the recommendation. <ul style="list-style-type: none"> <li>The Country Office will establish a centralized quality assurance checkpoint to serve as the primary mechanism to track and follow up on all audit recommendations related to partner agreements.</li> <li>The office will ensure a quarterly review of the Risk Register to incorporate any new or revised existing risks in the Country Office Risk Register and RO QBR, ensuring alignment between risk mitigation and assurance functions.</li> <li>The approach shifts from a reactive to a systems-based model, ensuring that audit learnings are built into programme management workflows rather than managed as standalone follow-up tasks.</li> </ul>	30 September 2026
Observation 13. Consultants and HR management	Recommendation 11. Country Office to strengthen HR processes to ensure effective resourcing and oversight of those activities to enable delivery of the requirements of the office. This includes enhancing the recruitment process for consultants, improving transparency in candidate sourcing, conducting thorough reviews of candidates (including interviews and tests), reviewing possible conflicts of interest and assigning specific, time-bound deliverables to all consultants. Develop a learning and development plan based on the Country Office's needs to enhance workforce efficiency and address bottlenecks effectively; and ensure staff and supervisors complete PMDs timely, aligning staff development with organizational goals.	High	CR, DCR, Regional HR Business Partner, HR	Country Office management agreed with the recommendation. <ul style="list-style-type: none"> <li>The Country office will ensure improvement in HR processes. To improve recruitment efficiency, clearer workflows and timelines will be established for each recruitment with regular follow-up and performance metrics. The CR and DCR will continue to work with the OM to ensure that bottlenecks are minimized and that deadlines are met without compromising quality or due process.</li> <li>PCO will follow up with the RC Office/lead agency to ensure that the HR function is aligned with the Common Back office (CBO) and that the CBO's HR services meet the high standards expected by UN Women in accordance with the audit recommendations.</li> <li>Consultants will be hired strictly on a deliverable basis, with contracts clearly outlining timelines, outputs, and performance expectations. All new recruitment cases will include TOR-based deliverables and standardized review checklists.</li> <li>Before engaging any consultant with a government affiliation, the Country Office will consult the Ethics Adviser and HQ HR, looping in regional HR.</li> <li>PMD completion will be strictly enforced, and renewal of the contract will be subject to PMD completion of the supervisee along with other relevant parameters.</li> <li>An office-wide 2026 learning and development plan will be developed and rolled out.</li> </ul>	30 September 2026
Observation 14. Financial management	Recommendation 12. The Country Office to: (a) Improve project planning, forecasting, monitoring and oversight to reduce the number of budget rephasals and reversals. (b) Perform and document the review of all rephasals, including the revision/rephasals checklist, to evidence justification and appropriate approval.	Medium	CR, DCR, Programme team, Procurement Budget	Country Office management agreed with the recommendation. <ul style="list-style-type: none"> <li>The Country Office has already initiated the use of a budget re-phasal checklist as highlighted by the audit team.</li> <li>Project / Portfolio Managers will be primarily responsible for timely and regular project planning, forecasting, monitoring and oversight for all projects under their purview. They will be supported by the Programme and Budget Analyst, reporting to the Country Representative and working in close coordination with the DCR.</li> <li>Bi-monthly budget review meetings will be institutionalized to closely monitor budget utilization and flag potential deviations. The Project Managers will update financial projections in close coordination with the Budget and Procurement Team, and adjustments will be reflected in the project implementation.</li> </ul>	31 December 2025
	Recommendation 13. The Country Office to strengthen the methodology and allocation of personnel costs across non-core projects.	High	CR, DCR, Programme team, Budget	Country Office management agreed with the recommendation. <ul style="list-style-type: none"> <li>In light of the Direct Project Costing (DPC) Policy, the Country Office will devise and issue a comprehensive costing plan, in which the roles of staff and non-staff will be rationalized under a sustainable cost model. This will ensure that non-core projects are not burdened with disproportionate personnel charges and that funding strategies align with staffing needs.</li> <li>Additionally, the staff designated by DCR/CR will conduct capacity-building sessions to ensure that relevant staff understand the principles and procedures related to personnel cost allocation and DPC.</li> </ul>	30 June 2026
Observation 15. Travel management	Recommendation 14. The Country Office to enhance travel compliance through education and awareness of corporate requirements for booking and claiming travel and obtaining competitive quotes.	Medium	Operations, Procurement	Country Office management agreed with the recommendation. <ul style="list-style-type: none"> <li>The Country Office has already initiated the use of obtaining competitive quotes with the launch of new LTA's since Q2 this year.</li> </ul>	31 December 2025

Observation	Recommendation	Priority	Responsible Unit	Action Plan	Implementation date
				<ul style="list-style-type: none"> <li>The Country Office will reinforce adherence to corporate travel SOPs through a targeted communication and training initiative to raise awareness among staff, including procedures for travel requests, booking, and expense claims. and documentation procedures.</li> <li>The Procurement Analyst will support the Country Office in developing/compiling simplified guidance documents and checklists outlining key travel steps, which will be accessible on the office's shared drive for easy reference, ensuring adherence to corporate travel and event policies. With the transition to the CBO in early 2026, the Country Office will ensure alignment so optimize efficiency and minimize any potential duplication of travel related tasks, while meeting corporate requirements.</li> </ul>	

# Annex 1: DEFINITIONS OF AUDIT TERMS, RATINGS AND PRIORITIES

## A. AUDIT RATINGS

<b>Satisfactory</b>	The assessed governance arrangements, risk management practices and controls were adequately established and functioning well. Issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area.
<b>Some Improvement Needed</b>	The assessed governance arrangements, risk management practices and controls were generally established and functioning but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area.
<b>Major Improvement Needed</b>	The assessed governance arrangements, risk management practices and controls were established and functioning, but need major improvement. Issues identified by the audit could significantly affect the achievement of the objectives of the audited entity/area.
<b>Unsatisfactory</b>	The assessed governance arrangements, risk management practices and controls were either not adequately established or not functioning well. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity/area.

## B. PRIORITIES OF AUDIT RECOMMENDATIONS

<b>High (Critical)</b>	Prompt action is required to ensure that UN Women is not exposed to high risks. Failure to take action could result in major negative consequences for UN Women.
<b>Medium (Important)</b>	Action is required to ensure that UN Women is not exposed to risks. Failure to take action could result in negative consequences for UN Women.
<b>Low</b>	Action is desirable and should result in enhanced control or better value for money. Low priority recommendations, if any, are dealt with by the audit team directly with the management of the audited entity/area, either during the exit meeting or through a separate memo subsequent to the fieldwork. Therefore, low priority recommendations are not included in this report.

# UN WOMEN EXISTS TO ADVANCE WOMEN'S RIGHTS, GENDER EQUALITY AND THE EMPOWERMENT OF ALL WOMEN AND GIRLS.

As the lead UN entity on gender equality and secretariat of the UN Commission on the Status of Women, we shift laws, institutions, social behaviors and services to close the gender gap and build an equal world for all women and girls. Our partnerships with governments, women's movements and the private sector coupled with our coordination of the broader United Nations translate progress into lasting changes. We make strides forward for women and girls in four areas: leadership, economic empowerment, freedom from violence, and women, peace and security as well as humanitarian action.

UN Women keeps the rights of women and girls at the centre of global progress – always, everywhere. Because gender equality is not just what we do. It is who we are.



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