

# Background Note: Briefing to the Executive Board

## Annual Session 2026

### Management Response to the 2025 Annual Report on Internal Audit and Investigations activities

#### *Summary*

This background note presents UN-Women’s management response to the Report on Internal Audit and Investigation activities for the period 1 January to 31 December 2025. It outlines key actions taken to address audit and advisory recommendations at the global, regional, and country levels, and provides updates on allegations of fraud and other forms of misconduct and related actions, reinforcing the organization’s commitment to accountability and integrity.

## I. Overview

1. UN-Women recognizes and values the contributions of the Internal Audit Services (IAS) in delivering independent, objective, and risk-informed assurance and advisory services in 2025. IAS continues to play a critical role in strengthening internal oversight, supporting informed decision-making, and reinforcing accountability across the organization. Management remains committed to the timely and effective implementation of all IAS recommendations and has further operationalized this commitment through strengthened follow-up mechanisms, enhanced second-line oversight, and system-based monitoring of implementation.
2. Management also acknowledges the investigative services provided by the Internal Investigation Function (IIF), complemented by the United Nations Office of Internal Oversight Services (OIOS) in its role as external service provider for investigations.
3. The 2025 IAS findings reflect a maturing but increasingly complex operating environment, shaped by continued decentralization, funding constraints, and rising expectations for delivery and impact. In this context, ensuring consistency in the implementation of corporate policies and procedures, strengthening accountability across all levels, and ensuring system coherence remain critical priorities for UN-Women. Management notes that the findings highlight both sustained progress in strengthening governance, risk management, and internal controls, as well as areas where further improvement is required. These findings provide an important basis for continued institutional strengthening and for informing management actions under the UN-Women Strategic Plan 2026–2029.

## II. Opinion

4. Management welcomes IAS’s overall opinion that “... UN-Women’s governance, risk management, and control processes were, in aggregate, generally established and working but needed some improvement”. This assessment provides a solid foundation for continued improvements in oversight, risk management, and internal controls. Management is committed to addressing IAS findings to further enhance institutional effectiveness, particularly in the following areas:
  - a) **Second line of defence:** UN-Women continues to strengthen second-line oversight across headquarters and regional levels on the need to ensure consistent implementation of corporate policies and procedures in a decentralized operating model. Efforts focus on continued refinement of policy frameworks and clarification of roles and responsibilities between the first and second lines of defence to address oversight gaps and reinforce accountability. Performance monitoring has been further institutionalized through the Quarterly Business Review (QBR), strengthening systematic oversight and follow-up on implementation across regional

and corporate levels. In addition, regional oversight capacity has been expanded through deployment of specialized expertise and investments in second-line functions under the 2026–2027 Integrated Budget. UN-Women has further strengthened second-line risk oversight, including through the revision of the Risk Management Policy and Procedure, promulgated in September 2025, contributing to more streamlined, integrated, and forward-looking risk management practices (see IV. A. Risk Management). These measures aim to strengthen accountability, improve compliance and operational efficiency, and ensure consistent implementation of corporate policies, procedures, and risk management practices across the organization.

- b) **Project management, monitoring, and oversight:** UN-Women has further strengthened its project management, monitoring and oversight frameworks for clearer structures, particularly on corporate initiatives and high-risk or large projects. Efforts have focused on enhancing clarity, consistency, and accountability across the full project lifecycle. This includes refinement and operationalization of project management procedures, for which the Project Initiation, Planning, and Approval Procedure has been finalized, and the Project Implementation, Monitoring and Reporting and the Project Closure and Learning Procedures are nearing finalization. Concurrently, tools for all stages of the Project Lifecycle are being built into the Performance and Results Integrated System for Management (PRISM) and rolled out in phased modules during 2026 and 2027. Standardized tools and mechanisms, such as mandatory Project Concept Notes and Project Documents, Project Appraisal Committees at all levels, and, where applicable, Project Oversight Committee, have been enhanced to ensure clear governance structures, stronger quality assurance, and more systematic oversight. Operationalization of Project Management tools is available through PRISM, integrated with Quantum, embedding system-based controls and enabling timely monitoring of progress, financial performance, risks, and corrective actions. Oversight is further strengthened through clear roles and delegations of authority, regular portfolio reviews, and systematic documentation and follow-up. Together, these measures enable earlier risk identification and ensure that project management, monitoring, and oversight structures are clearly defined, consistently applied, and proportionate to the scale and risk of initiatives, strengthening accountability and supporting delivery of results.
  - c) **Vacancy gaps:** UN-Women has strengthened measures to mitigate operational risks and ensure continuity in achieving results. To minimize the impact of vacancies, the organization maintains interim leadership arrangements to ensure continuity of authority and decision-making while recruitment processes are ongoing. Senior and field-based leadership positions, including Country Representative, continue to be prioritized within recruitment workflows. Recruitment oversight has been further strengthened through corporate monitoring mechanisms, including centralized reporting and dashboards that enable management oversight and early intervention where delays arise. These measures function as key controls to reduce vacancy gaps and maintain continuity of leadership and core functions. In parallel, UN-Women is further strengthening workforce planning and leadership pipelines through enhanced Human Resources capacity and a more structured approach to talent management, supported by system enhancements and the forthcoming People Strategy. These measures aim to reduce the duration and impact of vacancy gaps, strengthen organizational resilience, and support the achievement of intended results.
  - d) **Cybersecurity and data governance:** UN-Women continues to strengthen its approach to cybersecurity, data governance, and emerging risks, including those related to artificial intelligence. The organization maintains and further enhances a multi-layered cybersecurity framework, supported by continuous monitoring, strengthened technical controls, and alignment with international standards. In parallel, data governance is advancing through the development and implementation of key frameworks under the Policy, Procedure and Guidance mechanism, while embedding good practices across global operations. UN-Women is also strengthening its capacity to monitor and address emerging technology risks, including artificial intelligence, through enhanced governance, risk awareness, and system-based controls. These measures aim to ensure that technology-related risks are proactively monitored and managed, strengthening organizational resilience, safeguarding information assets, and supporting effective and accountable operations.
  - e) **Statement of Internal Controls:** UN-Women issued Statements of Internal Controls over financial reporting in its 2024 and 2025 financial statements and will continue to strengthen and expand this practice in 2026 beyond financial reporting.
5. Taken together, IAS findings point to a cross-cutting challenge related to the consistency of implementation of policy and procedures in a decentralized and resource-constrained operating model. Management is addressing this through strengthened second-line functions, enhanced system integration, clearer accountability frameworks,

and targeted capacity development, with a focus on ensuring that organizational standards translate into consistent practice across all levels.

### **III. Implementation of internal audit recommendations**

6. UN-Women continues its approach to the timely implementation and closure of internal audit recommendations. In 2025, management strengthened oversight of pending actions and supported offices in the timely execution of required measures, reinforcing accountability and follow-up across all levels. Annex I provides a comprehensive overview of high-priority, long-outstanding recommendations and the latest updates on their status.

### **IV. Key internal audit and advisory results**

7. UN-Women notes the internal audit activities conducted by IAS in 2025, comprising eight internal audit reports—seven covering country offices and one addressing a thematic and cross-cutting area as well as seven advisory engagements. Of the eight audit reports, four were rated as "satisfactory", one as "some improvement needed" and three as "major improvement needed", reflecting a range of performance across offices and highlighting areas requiring continued strengthening, particularly in relation to implementation of policies and procedures, oversight, and control effectiveness across decentralized contexts.
8. Between 2021 and 2025, a total of 545 internal audit recommendations were issued, of which 463 (85%) have been successfully closed. Of the remaining 82 ongoing or outstanding recommendations, 55 (67%) were issued in 2025. As of 31 December 2025, long-outstanding internal audit recommendations decreased to 2 percent of the total, down from 11 percent in 2023 and 3 percent in 2024, well within the corporate target (not to exceed 10 per cent). This reflects sustained progress in implementation and strengthened follow-up across the organization.

#### **A. Risk Management**

9. In 2025, UN-Women continued to strengthen its enterprise risk management framework and practices. Key measures included the revision of the Risk Management Policy and Procedure; strengthened quality assurance of Strategic Note risk assessments; and enhanced integration of risk management into planning and oversight processes, including through PRISM and QBR. These efforts are supported by a combined top-down and bottom-up approach to ensure an up-to-date view of the organization's risk profile. Risk governance was also strengthened through the institutionalization of Risk Management Committee deep dives and the establishment of Regional Risk Management Committees to enhance ownership and consistency at the regional level.
10. At the country level, offices are taking targeted actions to strengthen risk management. Country offices are improving the quality and use of risk registers by ensuring they reflect current and emerging risks, are regularly reviewed and validated, and are integrated into planning and monitoring processes. In parallel, centralized mechanisms are being established to systematically track, monitor, and report on the implementation of audit, evaluation, and partner audit recommendations, with clear assignment of responsibilities, defined timelines, periodic internal reviews, and escalation protocols for overdue actions. Efforts are also underway to further embed risk management into routine operations and decision-making, including through management and programme discussions and the more systematic use of audit findings, partner audits, evaluations, and prior assessments to inform risk-based capacity assessments, partner oversight, and mitigation measures. In this context, mitigation measures are increasingly being linked to individual performance objectives to strengthen accountability.
11. These measures respond directly to IAS observations on the need to embed risk management in regular discussions, improving risk register quality, strengthening follow-up of assurance recommendations, and using assurance inputs more systematically in decision-making. Taken together, they aim to strengthen the consistency and effectiveness of risk management practices, improve the reliability and usability of risk information, and support more proactive and evidence-based decision-making across programme and operations.

## **B. Organizational structure and presence governance**

12. UN-Women has further strengthened its approach to organizational structure and presence governance. The Business Transformation Unit continues to provide dedicated expertise for organizational design and functional reviews, including support for country offices through tailored advisory services, analytical tools, and in-country assessments where required. Organizational design considerations are systematically integrated into Strategic Notes processes at country, regional, and global levels, supporting alignment with strategic priorities and available resources.
13. At the country level, offices are taking measures to ensure that organizational structures are fit-for-purpose, with clear reporting lines and accountability frameworks. Functional and structural reviews are being undertaken to optimize roles, clarify responsibilities, and improve alignment between functions, resources, and strategic priorities. Particular attention is being given to strengthening oversight functions to enhance effectiveness and accountability. Offices are also addressing capacity and succession risks through targeted actions, including capacity-building initiatives, strengthened performance management and accountability systems, and structured handover and transition processes to mitigate these risks and ensure continuity of operations. In addition, country offices are conducting financial viability assessments of sub-offices, supported by standardized corporate tools and technical guidance, to ensure alignment between operational presence, available resources, and strategic priorities.
14. These measures respond directly to IAS observations on fit-for-purpose structures, reporting lines, independence of oversight functions, succession risk, and annual financial viability assessments of sub-offices. Taken together, they aim to ensure that organizational structures are aligned with strategic priorities and available resources, strengthen accountability and oversight, and support sustainable and effective results delivery across decentralized presences.

## **C. Implementation of strategic priorities**

15. UN-Women continues to strengthen its institutional framework for the implementation of strategic priorities through the Planning, Monitoring and Reporting (PMR) Policy (2023) and Procedures (2024-2025). These frameworks define corporate processes, quality assurance mechanisms, and roles across all levels of the organization. Strategic Notes serve as integrated planning instruments, bringing together results frameworks, risk management, human resource planning, evaluation plans, and a Partnerships, Communications and Visibility annex, ensuring that resource mobilization and partnership considerations are embedded from the outset. The PMR framework also reinforces accountability through structured monitoring and reporting processes, including mid-year reviews, forward-looking strategic monitoring, and standardized annual reporting, supported by system-based controls and corporate platforms that enhance data integrity, transparency, and timely performance assessment.
16. At the country level, offices are reinforcing the implementation of Strategic Note priorities by aligning programmatic ambitions with available and projected resources. This includes targeted reviews of Strategic Notes, refined resource mobilization strategies, enhanced donor mapping and engagement, strengthened pipeline monitoring, diversification of funding sources, including private sector engagement, and scenario planning to support financial sustainability. At the same time, country offices are strengthening monitoring, evaluation, and reporting capacities through dedicated staffing, improved tools, and more structured monitoring approaches. Efforts to standardize data collection and verification are being advanced through internal tools, peer learning, and regional collaboration, alongside strengthened partner oversight mechanisms.
17. These measures respond directly to IAS observations on the need for more realistic Strategic Note priorities, updated and operationalized resource mobilization strategies, stronger data validation linked to annual reporting, and enhanced monitoring and reporting functions and frameworks. Taken together, they aim to strengthen the realism and feasibility of strategic priorities, improve the effectiveness of resource mobilization, and ensure more reliable monitoring, reporting, and evidence-based implementation across the organization.

## **D. Programme partner management**

18. UN-Women has enhanced its approach to managing programme partners by implementing a comprehensive policy and procedures that guide the entire management lifecycle. The institutional framework supporting programme partner management is structured around four main pillars: policies and guidance, capacity development, systems, and oversight. This framework is further strengthened through ongoing knowledge-sharing efforts, secondary oversight mechanisms, communities of practice, improvements to management systems, and continual refinement of procedures to support risk-based selection and oversight of partners. Central to the framework are institutionalized processes such as risk-based capacity assessments (with accompanying capacity strengthening plans), quarterly monitoring, and assurance measures including scheduled audits and spot checks. Additionally, evaluations of partner performance and lessons learned have become standard practice, helping shape future partnership decisions and drive further capacity development.
19. At the country level, offices are strengthening programme partner management by employing these risk-based approaches to partner selection and management, thereby reinforcing due diligence processes, and capacity development practices. Offices are also strengthening monitoring, reporting, and partner performance management through the institutional requirements of structured quarterly monitoring mechanisms, timely review of financial and narrative reports, and more effective management of advances achieved through robust planning and coordination. Additionally, country offices systematically track actions resulting from capacity assessments, assurance activities (scheduled Audits/Spot Checks), and quarterly monitoring and related risk reviews. Capacity-strengthening initiatives, practical guidance tools, and staff development are being scaled up to reinforce both internal capabilities and those of partners.
20. These measures respond directly to IAS observations on the need for more robust capacity assessments, stronger mechanisms to track and complete follow-up actions, more timely and disciplined monitoring of partner implementation, and stronger use of partner performance evaluations to inform future engagement decisions. Taken together, they aim to strengthen the consistency, accountability, and effectiveness of programme partner management across the organization.

## **E. Project management**

21. UN-Women has strengthened its corporate project management framework through the issuance in 2025 of the Project Initiation, Planning and Approval Procedure, which establishes mandatory processes and standardized templates for project design, including key elements such as baselines, risk management, human resource planning, and sustainability. Quality assurance is embedded at both initiation and planning stages, with approvals granted by delegated authorities upon compliance. To operationalize this framework, project planning modules were launched in PRISM in February 2026, enabling system-based standardization, documentation, and oversight across the full project lifecycle, including results monitoring, financial tracking, governance processes, and donor compliance. In parallel, second-line capacity has been strengthened through targeted training and enhanced regional office engagement in PRISM-based quality assurance and oversight, and work to integrate key performance indicators into PRISM and the QBR.
22. At the country level, offices are strengthening project management practices by enhancing planning, quality assurance, and alignment with donor and corporate requirements. This includes project design processes through inception phases, sustainability strategies, and compliance with corporate policies; improving donor coordination through structured steering committees and strengthened internal review of donor reporting; and establishing tools and mechanisms to track compliance with both standard and non-standard donor requirements. Offices are also enhancing monitoring, oversight, and delivery through improved tracking systems, structured monitoring plans, and strengthened coordination among teams and partners, and the use of monitoring tools, joint monitoring missions, and alternative oversight approaches where constraints exist. In parallel, offices are strengthening documentation, resource planning, and governance arrangements across the project lifecycle, while improving data tracking through baselines, milestones, and performance matrices.
23. These measures respond directly to IAS observations on the need to strengthen project design quality, project monitoring and governance, compliance with donor and project requirements, the timeliness and accuracy of donor reporting, and the timely delivery of results supported by better planning of timelines, resources, and

baselines. Taken together, they aim to strengthen project governance and oversight, improve compliance and donor accountability, and support more effective and results-oriented project delivery across the organization.

## V. Advisory services

24. Management appreciates the seven advisory engagements undertaken by IAS in 2025, including reviews on regional offices, crisis preparedness, Buy from Women, the Pivot project, data governance, unallocated balances, and a targeted rapid assessment of operations, finance and project management processes in the Cameroon Country Office. Management also values IAS's regular advisory support through its participation in key corporate forums and policy discussions. These advisory services have been important in identifying areas for improvement and informing efforts to strengthen policies, processes, and operational effectiveness across the organization.
25. Annex II and III provide a summary of the actions taken in response to the findings and recommendations arising from these audits and advisory engagements. They outline the measures implemented to address the issues and support continued strengthening of UN-Women's operational and management framework.

## VI. Response to the Executive Board decision

### Decision 2023/5

*The Executive Board "Recalls decision 2023/1, notes with appreciation the completion of the initial assessment of the Financial Rules and Regulations, and requests that UN-Women undertake a comprehensive review of the Financial Rules and Regulations to submit the revised Financial Rules and Regulations for approval to the Executive Board at the Second Regular Session 2025.*

26. The revised Financial Regulations of UN-Women were adopted at the First Regular Session of 2026.

### Decision 2024/5

*The Executive Board: "Urges UN-Women to expedite the implementation of the remaining recommendations from the 2021 Anti-fraud programme audit and requests UN-Women to report back to the Executive Board at the Annual Session 2025."*

27. UN-Women has fully implemented and closed all 12 recommendations arising from this audit.

### Decision 2025/7

*The Executive Board: Urges UN-Women to expedite the implementation of the long-outstanding internal audit recommendations.*

28. UN-Women is committed to implementing all long-outstanding recommendations, and, in collaboration with IAS, has embedded systematic follow-up mechanisms that have significantly reduced the number of these recommendations. These sustained efforts to accelerate their closure, strengthen accountability, and enhance overall organizational performance and oversight.

## VII. Investigations

29. Management notes that in 2025, OIOS received 66<sup>1</sup> new allegations related to 77 instances of alleged misconduct, of which 32 concerned workplace relations matters (22 involving prohibited conduct and 10 involving sexual

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<sup>1</sup> Cases may include multiple categories of alleged misconduct and therefore are counted more than once.

misconduct). Of these 32 instances, 20 were closed by OIOS following preliminary assessment, including 14 instances referred to the Director, Independent Evaluation, Audit and Investigation Services, for consideration and potential action by UN-Women; four instances were investigated and substantiated; and eight instances remained open as of 31 December 2025.

30. UN-Women recognizes with appreciation the work of the IIF<sup>2</sup> in receiving and processing 43 cases in 2025 referred by OIOS to the Director of Internal Evaluation, Audit, and Investigation Services (IEAIS) under the hybrid investigation model. Two investigations were opened, and where the IIF determined that matters would not be pursued, cases were referred to the relevant offices for appropriate management action, ensuring follow-up. The organization also acknowledges the continued support of OIOS in providing investigative services.
31. Management reaffirms its commitment to fostering a respectful organizational culture that promotes accountability and dignity, in which personnel are equipped and empowered to raise concerns, seek guidance, and address workplace-related issues. To this end, the organization continues to strengthen initiatives to inform and support personnel, including through confidential and informal conflict resolution mechanisms, such as coaching and mediation provided by the Ombudsman for United Nations Funds and Programmes, as well as support from Respectful Workplace Facilitators, whose presence has expanded from 16 to 24 countries, and access to advice on ethics-related matters through UN-Women Ethics Function. These efforts are complemented by ongoing outreach on UN-Women's values and principles and its broader normative framework. In addition, confidential psychosocial support and counselling services are available to all personnel.
32. As part of its broader efforts to enhance safeguarding, UN-Women remains dedicated to addressing sexual exploitation and abuse (SEA) and sexual harassment (SH) through a victim/survivor-centred approach. It continues to build the capacity of its network of 127 regional and in-country PSEA and SH focal points, and to contribute technical expertise and inputs to inter-agency coordination bodies, including the SEA Working Group, the Inter-Agency Standing Committee Technical Advisory Group and the United Nations Executive Group to prevent and respond to sexual harassment.
33. To further strengthen prevention and due diligence processes, the organization launched ClearCheck 2.0 in 2025, which expands the scope of misconduct screening and tracking beyond SEA and SH to include racism, racial discrimination, or other forms of serious misconduct. In parallel, UN-Women is piloting the Misconduct Disclosure Scheme in 2026, which aims to prevent the hiring or re-hiring of individuals who have committed SEA or SH across participating organizations outside of the United Nations.
34. The Executive Director has issued the attached report (i.e., Annex IV) setting out disciplinary measures and other actions taken in response to misconduct and wrongdoing by UN-Women staff members, other personnel, or third parties and cases of possible criminal behaviour for the period 1 January-31 December 2025 in accordance with the UN-Women Investigation and Disciplinary Process Policy.
35. In 2025, UN-Women took prompt and appropriate action to implement its zero-tolerance approach in substantiated cases following an investigation and disciplinary process. As set out in the report, in 2025, there were five cases that resulted in disciplinary or administrative measures against staff members, and one case in which the staff member separated, and the report was finalized by OIOS after their separation. Pursuant to paragraph 5.7.2 of the UN-Women Investigation and Disciplinary Process Policy, a letter was sent to the staff member, they were invited to comment on the letter, and the letter and any comments were placed in their official status file. There were two cases involving other personnel, and no cases involving third parties. Furthermore, no cases were referred to national authorities pursuant to General Assembly resolution 62/63.

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<sup>2</sup> Since August 2024, UN-Women's Internal Investigation Function has the mandate to conduct administrative investigations.

## **Annex I: High-priority Long-Outstanding Recommendations**

This annex lists the latest actions taken to address high-priority long-outstanding recommendations.

<b>Thematic Audit: UN-Women’s Role as the Secretariat of United Nations (UN) and UN-Women Trust Funds: Governance, Policy and Risk Management (2020)</b>	
<b>IAS Audit Recommendations</b>	<b>Action taken by the responsible office on the recommendation.</b>
<p><b>Two recommendations for PPID to collaborate with DMA, SPRED, IEAIS and Legal</b> to develop and submit for approval by senior management an end-to-end corporate policy and procedures on the establishment of UN-Women Trust Funds and operational management of United Nations or UN-Women Trust Funds, and corporate policy and procedures on Trust Fund Grant Management.</p>	<p>UN-Women has progressed with the development of the overarching policy, ensuring strong linkages to existing frameworks to maintain coherence, and has adopted a structured two-tier consultation approach. The first phase engaged hosted trust funds involved in grant-making activities to capture technical inputs and operational perspectives, and this initial consultation has been successfully completed. The draft policy is now being prepared for the second phase of consultations with regional and country offices to ensure broader organizational alignment and applicability across diverse contexts. Subject to the outcome of these consultations, the policy is expected to be finalized by the end of 2026.</p>
<b>Thematic Audit: Cybersecurity (2020)</b>	
<p><b>One recommendation.</b> Given their sensitivity, the recommendations are not listed here, but IAS is in regular contact with DFA/Information Systems and Telecommunications Section to follow up on their implementation.</p>	<p>UN-Women has developed a streamlined set of documents comprising a policy, procedure, and guidelines governing the use of personal and corporate devices, to be finalized by the end of 2026. The timeline was extended to accommodate a detailed technical assessment, including targeted internal and external consultations to ensure feasibility and validate key operational considerations. Further refinements were undertaken to enhance clarity, reduce fragmentation, and align with a related document, ensuring overall consistency and coherence across frameworks.</p>
<b>Thematic Audit: Third-Party Risk Management for Outsourced Services (2021)</b>	
<p><b>The Director, DFA</b>, in line with industry best practices in third-party risk management and the existing practices of United Nations organizations, and in consideration of the UNSDG Efficiency Agenda, to develop a basic corporate governance and policy framework for the outsourcing of business processes and functions by UN-Women to United Nations organizations or other providers.</p>	<p>The third-party management framework is under development. The draft adopts a principles-based, investment-efficient approach, outlining a clear governance structure, full lifecycle management, and an integrated risk management perspective. A consultant engaged in this work has delivered key outputs on schedule, including an initial mapping, benchmark analysis, internal survey, and a draft governance structure. All deliverables are expected to be finalized by the end of 2026.</p>

## Annex II: Management Response to Thematic Audits

This annex outlines management's response and actions taken to address the recommendations outlined in the on the thematic audit on UN-Women's enterprise risk management.

<b>Thematic Audit: UN-Women's Enterprise Risk Management (2026)</b>	
<b>IAS identified risk areas</b>	<b>Management Actions</b>
<p><b>Recommendation 1:</b> The Director of SPRED to coordinate with Senior Management to: a. Revise the Risk Appetite Statement, including aligning it to the revised Risk Management Policy and Procedure, UN-Women Strategic Plan 2026–2029, the current context and good practices. b. Provide training and further guidance on the Risk Appetite Statement, including specific steps to follow when encountering risks for which the organization has a low appetite or when risks exceed UN-Women's Risk Appetite Statement, and how to identify and escalate such risks, and how these should be captured and tracked.</p>	<p>Management accepts the recommendation. Building on the revised Risk Management Policy and Procedure issued in 2025, SPRED/Enterprise Risk Management (ERM) will revise the Risk Appetite Statement in 2026 to align it with the Strategic Plan 2026–2029, the current operating context, and lessons learned from implementation to-date. The updated approach will be accompanied by more practical guidance and communication on how to identify, document, escalate and track risks that approach or exceed established appetite and tolerance thresholds.</p>
<p><b>Recommendation 2:</b> SPRED to collaborate with the Human Resources Division to identify and implement useful training opportunities, prioritizing capacity-building initiatives, with a particular focus on strengthening Risk Owners' and Risk Focal Points skills and capabilities. These opportunities should then be communicated at the corporate level.</p>	<p>Management accepts the recommendation. In 2025, SPRED/ERM continued targeted awareness-raising and training on risk management for risk focal points and relevant personnel. Building on this, SPRED/ERM will continue to strengthen practical and accessible capacity-building, including on risk appetite, escalation, use of risk indicators, and differentiated responsibilities across the three lines of defence, while making use of cost-effective delivery modalities and recognizing resource constraints.</p>
<p><b>Recommendation 3:</b> The Director of SPRED to coordinate with Senior Management, to review the Terms of Reference (ToRs) for Regional Risk Management Committees (RRMC) and determine the most efficient and effective mode of implementation. For example, consider if the work of the committees can be integrated into existing platforms such as the Quarterly Business Review.</p>	<p>Management accepts the recommendation. SPRED/ERM has reviewed the Terms of Reference for Regional Risk Management Committees and is preparing guidance and supporting materials to facilitate implementation in 2026. Further work will clarify linkages, escalation pathways and interaction between regional and corporate risk governance arrangements, while seeking to integrate risk discussions into existing management forums, including the Quarterly Business Review, where feasible and value-adding.</p>
<p><b>Recommendation 4:</b> SPRED to reassess and ensure that the ERM function is adequately resourced to fully carry out its responsibilities and to sustain and advance ERM maturity within UN-Women. If financial constraints prevent adequate resourcing, this should be flagged to and accepted by Executive Management.</p>	<p>Management accepts the recommendation. UN-Women recognizes that ERM capacity remains constrained relative to the breadth of responsibilities required to support organization-wide implementation across global, regional and country levels. SPRED/ERM will continue to highlight this structural issue to senior management and explore options to strengthen resourcing over time, recognizing that further maturity gains depend on sustained investment and that financial constraints may need to be explicitly acknowledged by Executive Management.</p>
<p><b>Recommendation 5:</b> SPRED to support Senior Management across HQ and the regional offices to formally and clearly communicate their active involvement and commitment to risk management across the organization.</p>	<p>Management accepts the recommendation. In 2025, senior management engagement on risk management was reinforced through governance discussions and risk deep dives. SPRED/ERM will continue supporting more visible and regular communication from senior</p>

	<p>management across global and regional levels to reinforce risk management as a core management responsibility and an enabler of sound decision-making, rather than a stand-alone compliance exercise.</p>
<p><b>Recommendation 6:</b> SPRED to improve risk management reporting by providing more regular reporting and more comprehensive details on how risks are managed, ensuring the information is tailored to the intended audience's needs.</p>	<p>Management accepts the recommendation. UN-Women has continued to strengthen risk reporting through regular Risk Management Committee discussions, risk deep dives, quality assurance processes and the annual risk update to the Executive Board. SPRED/ERM will continue to improve the regularity, depth and audience-tailoring of risk reporting so that governance bodies and risk owners are better able to monitor trends, challenge risk assessments and track mitigation progress, subject to available capacity and timely engagement by responsible business owners.</p>
<p><b>Recommendation 7:</b> SPRED to review and refine the corporate and Strategic Note risk registers, along with any related guidance, to (a) ensure stronger integration and linkage between risk management and internal controls; and (b) better align the risk registers with recognized good practices.</p>	<p>Management accepts the recommendation. SPRED/ERM remains committed to refining both corporate and Strategic Note risk registers and related guidance. This includes strengthening the distinction between existing controls and additional mitigating actions, improving risk articulation and consistency, reviewing elements of the current risk taxonomy as needed, and reinforcing links between enterprise risk management and internal control processes. Further guidance and targeted capacity-building will support implementation.</p>
<p><b>Recommendation 8:</b> To strengthen risk management culture and accountability, SPRED to collaborate with the Human Resources Division to: a. Ensure that the job descriptions of key staff with risk management responsibilities explicitly reference risk management, with key staff defined according to criteria established by SPRED. b. Develop goals for key staff with risk management responsibilities.</p>	<p>Management accepts the recommendation. In 2026, SPRED/ERM in collaboration with HR, strengthened risk management accountabilities across key operational roles to address gaps identified during the Enterprise Risk Management audit and aligned with the ERM Policy and Procedure. The generic Job Descriptions for Country Representatives and Operations Managers globally have been updated to explicitly reflect risk management responsibilities. In addition, the Performance Management and Development system has been updated to include specific goals on risk management for these roles.</p>

## **Annex III: Management Response to Advisory Engagements**

This annex outlines management's response and actions taken on the advisory recommendations received.

<b>Meta-synthesis analysis of regional offices</b>	
<b>IAS identified risk areas</b>	<b>Management Actions</b>
<p>The objectives of this advisory were to summarize insights and lessons from the regional office audits conducted by IAS from 2019 to 2025; reflect on the extent to which regional offices provided oversight and support to their country offices, multi-country offices and non-resident agencies on strategic objectives, programmes and operations; identify ways headquarters business process owners can improve processes and controls for effective pivoting to the regions and countries; and benchmark regional offices' governance, resources, structures and practices.</p> <p>Eight medium-priority recommendations were provided to address the observations identified, including the lack of a clear accountability framework and compact for regional offices; inconsistent monitoring of the resolution of conditions set for changes in UN-Women country presences; ambiguity in terms of regional office roles and responsibilities for monitoring, technical support and oversight functions; and repeated post-facto approvals related to programme management and procurement as sustainable risk-management measures were not implemented.</p>	<p>UN-Women, in line with its Planning, Monitoring and Reporting framework, has finalized the Strategic Notes for 2026–2029 across all six regional offices, clearly articulating regional contexts, performance trends, and the organization's strategic positioning. These Strategic Notes are informed by comprehensive performance analyses, including reflection on oversight and second line of defence functions in governance, risk management, and compliance. The Strategic Notes define region- and country-specific priorities aligned with the Strategic Plan and outline their implementation through clearly delineated roles of regional and country offices, supported by key partnerships. They also reinforce the regional offices' oversight and support functions—providing strategic guidance, technical assistance, and quality assurance—while ensuring coherent planning, monitoring, and reporting across all levels.</p> <p>Moreover, integrated systems, clearly defined roles, and continuous monitoring of policies, procedures, and performance have resulted in operational improvements and strengthened internal controls. The DFA Directorate maintains regular engagement with Regional Operations Managers and business owners, who oversee regional operational specialists through system-based monitoring and structured coordination, including matrix reporting arrangements with headquarters.</p> <p>Corporate performance is systematically tracked through established monitoring tools, with the Quarterly Business Review serving as the primary platform to benchmark results across regional offices and headquarters. This process supports data-driven oversight of operations, compliance, delivery, and performance, while also facilitating the identification of priority actions to enhance efficiency, internal coordination, and implementation capacity across the organization.</p>
<b>Meta-synthesis analysis of UN-Women's preparedness to crises response</b>	
<b>IAS identified risk areas</b>	<b>Management Actions</b>
<p>The objectives of this meta-synthesis were to consolidate insights and lessons from audits of country offices engaged in humanitarian and crisis response since 2019; review the preparedness of UN-Women's corporate systems, structures and resources against benchmarks from comparable organizations; and identify pathways for building a stronger institutional framework for humanitarian engagement.</p>	<p>UN-Women, following the 2025 adoption of its Core Commitments for Humanitarian Action, is advancing its organization-wide institutionalization of these commitments. This includes strengthening capacity through training, peer learning, and knowledge products, and equipping country offices with practical tools—such as the Self-Assessment Checklist—to track progress, identify gaps, and guide targeted support. These efforts are complemented by enhanced global</p>

<p>The analysis highlighted good practices such as UN-Women’s leadership in advocating for gender-responsive crisis responses; use of gender-focused data to inform action, participation in Humanitarian Country Teams; and collaboration with local women-led civil society organizations. These efforts demonstrate how UN-Women has integrated humanitarian response into its broader strategic goals and begun to develop corporate guidance and tools, including draft policies and regional offers, to position itself in crisis settings.</p> <p>At the same time, the review underscored some systemic gaps that limit UN-Women’s ability to deliver effectively in emergencies. Most significant were the absence of a unified institutional vision for humanitarian action, insufficient resource mobilization strategies and an acute shortage of dedicated humanitarian staff across UN-Women. These challenges weaken UN-Women’s positioning within inter-agency coordination structures and constrain the Entity’s ability to respond quickly at the onset of crises. IAS provided three high and several medium-rated suggested actions to clarify UN-Women’s humanitarian role; strengthen funding and staffing strategies; finalize and operationalize corporate policies; and adapt business processes to support rapid deployment in emergencies.</p>	<p>learning, good practice documentation, and updated guidance, as well as strengthened operational systems, including designated focal points, standard operating procedures, surge support, and emergency financing, to ensure timely, coordinated, and scalable humanitarian responses.</p>
<p><b>High Level Advisory Review of Buy from Women</b></p>	
<p><b>IAS identified risk areas</b></p>	<p><b>Management Actions</b></p>
<p>IAS undertook an advisory review of the Buy from Women platform to understand how it incorporated innovation to contribute to the advancement of UN-Women’s technology and innovation initiatives. IAS used the Gartner Innovation Management Maturity Model for its assessment.</p> <p>IAS assessed the overall maturity level of Buy from Women at Level 2 “Active” with some elements of the lower Level 1 of “Reactive”.</p> <p>Going forward, IAS encourages management to consider whether Buy from Women should continue as an implementation modality for UN-Women; revisit the appropriateness of the contractual modality for transferring the platform to third parties; clarify the type of third parties UN-Women would like to take over the platform; and, if the modality continues, improve processes for design, development and quality assurance of the platform, and management of information security, cyber, copyright and intellectual property risks. Management could also consider fine-tuning the value proposition for amplifying women’s empowerment through the platform.</p>	<p>UN-Women will convene a review of IAS findings and recommendations with regional offices, with a focus on assessing the strategic relevance, sustainability, and potential exit approaches for the “Buy for Women” digital platforms, including mitigation of risks identified in the Advisory Review.</p>
<p><b>IEAIS rapid advisory assessment of the UN-Women Pivot process</b></p>	
<p><b>IAS identified risk areas</b></p>	<p><b>Management Actions</b></p>
<p>The assessment was advisory, for internal management purposes, and broadly assessed whether UN-Women is managing the Pivot project to realize and maximize the</p>	<p>UN-Women recognizes the critical importance of clear, consistent communication in managing organizational change and has further strengthened its efforts</p>

<p>expected substantive and economic benefits communicated.</p> <p>The Pivot focus was launched many years ago and was substantially advanced by the current Deputy Executive Directors. The joint leadership of the Deputy Executive Directors as co-chairs of the UN-Women Pivot was highlighted as key to advancing implementation of the project. Significant elements of the Pivot project have been implemented, particularly around delegation of authority and transfer of resources to regions and countries.</p> <p>Since the Pivot project was developed, the external context has sharpened with the financial crisis and UN80 reform. In this context, IAS suggested that the co-chairs may want to consider revisiting and updating the original objectives (for example, to strengthen the goal on cost savings). This notwithstanding, priority steps are needed to finalize and implement the full performance monitoring framework, which measures intended substantive and economic benefits. It was highlighted that regular monitoring of actual cost savings from the movement of people should start, to the extent practicable, to ensure that this element of the Pivot project is indeed realizing benefits and is ready to be communicated, as needed, for accountability.</p> <p>Communications since the start of the project have stressed ambitious project objectives. However, IAS suggested clearer reporting and communicating of results across all three Pivot components is required, particularly delegation of authority and increased resources to regions and countries.</p>	<p>accordingly. Enhanced internal communications now include expanded webinars and information sessions. Engagement with the Staff Council has also been reinforced, alongside more targeted communication on the delegation of authority and resource allocation aspects of the pivot process.</p>
<p><b>Unallocated Balances Advisory Review</b></p>	
<p><b>IAS identified risk areas</b></p>	<p><b>Management Actions</b></p>
<p>In 2022, UN-Women launched a comprehensive financial review to assess its financial health, sustainability and internal resource management practices considering the organization’s transition, over the years, from a predominantly core-funded to a largely non-core-funded entity. The external review highlighted substantial accumulated balances within regular resources and headquarters-based extra-budgetary funds. Following disclosure of these balances to the Executive Board, structured steps were taken to allocate the funds in support of the Strategic Plan.</p> <p>IAS reviewed the effectiveness of the governance and oversight mechanisms over the allocation of the balances; alignment of allocations and use of balances with expectations; the adequacy of documentation supporting allocation decisions, approvals and related expenditure; and compliance with one-time allocation principles.</p> <p>As the unallocated balances funds finished at the end of 2025, the advisory recommended that major fund allocations or initiatives outside the normal course of business would benefit from clear oversight and</p>	<p>UN-Women affirms that robust oversight, clear roles and responsibilities, defined allocation criteria, and structured financial and programmatic reporting are fully embedded in its existing policies, internal controls, and resource management processes, and were consistently applied in all resource allocations in line with strategic priorities. Allocation processes are governed by established mechanisms, including the Budget Allocation Committee, ensuring transparency, rigor, and alignment with organizational objectives and financial management principles.</p> <p>Looking ahead, UN-Women will further strengthen the clarity and complementarity of roles between regional offices and headquarters to enhance accountability and ensure delegated authority operates effectively. This includes reinforcing oversight mechanisms, improving information flows, and refining accountability structures to support a cohesive, efficient, and non-duplicative decentralized model.</p>

<p>accountability frameworks set up at the start, including clear roles and responsibilities, approval criteria, measurable performance indicators, and structured financial and programmatic reporting and monitoring mechanisms.</p> <p>To support the decentralized model that UN-Women operates, there is a need to strengthen second-line oversight, monitoring and accountability mechanisms and clarify and formalize the division of roles and responsibilities between regional offices and headquarters business process owners. While the Internal Control Framework Policy assigns Regional Directors the responsibility to monitor both financial and programmatic performance within their respective regions, the current structure lacks effective accountability mechanisms to ensure this mandate is consistently and thoroughly fulfilled.</p>	
<p><b>Data Governance Advisory Review</b></p>	
<p><b>IAS identified risk areas</b></p>	<p><b>Management Actions</b></p>
<p>This engagement aimed to assess the maturity of data governance, protection and privacy at UN-Women to provide feedback on the adequacy of the governance arrangements, risk management practices and control processes to achieve objectives and meet requirements in this area.</p> <p>IAS assessed the overall maturity of UN-Women’s data governance, protection and privacy as Level 1 (Initial) meaning that the organization has made an attempt, and shows desire, to meet the intent and requirements for effective data governance, protection and privacy. Initial work in these areas has been undertaken, and more is planned, but currently may be unpredictable and inconsistent, with risks emerging that may not be fully identified, understood and managed. Some sub-areas were assessed as having maturity of Level 2 (Managed) or Level 3 (Defined), including access controls, authentication mechanisms and training.</p> <p>Management has already taken some steps to improve data governance. In addition to adopting a policy on data protection and privacy, management devised a road map for the development of additional procedures, guidance and templates to operationalize the policy. Management is also in the process of updating relevant legal documents (e.g. programme partner agreement templates) to address data protection and privacy needs. Building on these actions, IAS identified the following areas for enhancement to consolidate good practices and lessons learned: (a) data governance policy development and operationalization; (b) data protection procedure development and operationalization; and (c) data classification and protection policy development and operationalization.</p>	<p>UN-Women has engaged a Data Privacy and Protection Consultant to advance the prioritization and development of key governance frameworks required to operationalize the policy. In close collaboration with ICT, Facilities, and relevant business units, this work will establish critical mechanisms, including data classification standards, personal data breach management protocols, privacy notices, and data protection impact assessments, to strengthen the organization’s overall data protection and privacy architecture.</p>