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Financial reports and audited financial statements, and reports of the Board of Auditors

Financial reports and audited financial statements, and reports of the Board of Auditors for the period ended 31 December 2021

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered 20 reports in connection with the financial reports and audited financial statements, and reports of the Board of Auditors for the period ended 31 December 2021, as follows:

(a) Concise summary of the principal findings and conclusions contained in the reports of the Board of Auditors for the annual financial period 2021;

(b) Seventeen financial reports and audited financial statements and reports of the Board of Auditors for the financial period ended 31 December 2021 pertaining to the audited entities;[1]

(c) Two reports of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports for the year ended 31 December 2021 on the United Nations and on the United Nations funds and programmes.

[1] The operations of the United Nations as reported in volume I, the International Residual Mechanism for Criminal Tribunals, the International Trade Centre (ITC), the Office of the United Nations High Commissioner for Refugees, the United Nations Capital Development Fund, the United Nations Children's Fund, the United Nations Development Programme, the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), the United Nations Environment Programme (UNEP), the United Nations Human Settlements Programme (UN-Habitat), the United Nations Institute for Training and Research, the United Nations Joint Staff Pension Fund, the United Nations Office for Project Services, the United Nations Office on Drugs and Crime (UNODC), the United Nations Population Fund, the United Nations Relief and Works Agency for Palestine Refugees in the Near East and the United Nations University (UNU).

A detailed list of the reports considered by the Advisory Committee is annexed to the present report.

2. The Advisory Committee will reflect its comments and recommendations on certain topics in separate reports. The Committee considered the report of the Board on the United Nations peacekeeping operations for the period from 1 July 2020 to 30 June 2021 in a dedicated report (A/76/735 and A/76/735/Corr.1). In addition, key findings and recommendations of the Board on the United Nations Joint Staff Pension Fund contained in its report (A/77/5/Add.16), on the implementation of the United Nations enterprise resource planning system (A/77/135) and on the strategic heritage plan of the United Nations Office at Geneva (A/77/94) are discussed in the related reports of the Committee.

3. During its consideration of the reports, the Advisory Committee met members of the Audit Operations Committee of the Board, who provided additional information and clarification, concluding with written responses received on 27 September 2022. The Committee also met representatives of the Secretary-General, who provided additional information and clarification on the status of implementation of the Board's recommendations, concluding with written responses received on 21 October 2022.

4. Upon enquiry, the Advisory Committee was informed that, in 2021 and 2022, considering the situation of the coronavirus disease (COVID-19) pandemic, the Board had carried out its work through a combination of remote and field audits, with the majority of the field visits at Headquarters.

5. In its concise summary, the Board included a section on the management of implementing partners (A/77/240, sect. VI), given their critical role in the implementation of United Nations mandates and the widespread observations noted in multiple audit reports. The information in the dedicated section pertains to eight entities (operations of the United Nations as reported in volume I, Office of the United Nations High Commissioner for Refugees (UNHCR), United Nations Children's Fund (UNICEF), United Nations Development Programme (UNDP), United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), United Nations Environment Programme (UNEP), United Nations Office for Project Services (UNOPS) and United Nations Population Fund (UNFPA)) and was collected through the audit reports of the Board and a questionnaire issued to the entities (ibid., paras. 2 and 220–222; see also para. 64 below).

6. **The Advisory Committee commends the Board of Auditors for the continued high quality of its reports and the resumption of in-person audits. The Committee also expresses its appreciation for the valuable cross-cutting information contained in the concise summary and the inclusion of a dedicated section on the management of implementing partners (see also A/76/554, para. 6).**

II. Audit opinions of the Board of Auditors

7. As in previous years, the Board of Auditors issued unqualified audit opinions for all audited entities. The Advisory Committee notes that, as in the Board's report on UNOPS for 2020 (A/76/5/Add.11, paras. 33–59), UNOPS again received an unqualified opinion, with an emphasis of matter related to its Sustainable Infrastructure Impact Investments (S3i) initiative, against which UNOPS had recorded a total bad debt allowance and impairments amounting to $39.02 million, or 66 per cent of the investment, as at 31 December 2021 (A/77/240, para. 4; A/77/5/Add.11, paras. 40–51). **While noting the emphasis of matter, the Advisory Committee welcomes the fact that all entities under review have again received unqualified audit opinions from the Board of Auditors (see also A/76/554, para. 7).**

III. Major findings of the Board of Auditors

8. **Taking into account significant deficiencies noted by the Board of Auditors and the need for further clarity and oversight in certain areas, the Advisory Committee is of the view that the continued focus, review and analysis of the Board is necessary on matters such as cost recovery, general temporary assistance, the use of personnel engaged by UNOPS, UNDP and third-party service providers, as well as the management of consultants and contractors (see paras. 24, 53 and 57 below).** The Advisory Committee highlights key findings of the Board of Auditors in the following paragraphs and provides related observations and recommendations.

A. Financial and budgetary matters

1. Financial situation of the audited entities

9. In its concise summary, the Board noted that, of the 17 audited entities,[2] 15 had closed the financial year with a surplus, while 2 (United Nations peacekeeping operations and the International Residual Mechanism for Criminal Tribunals) recorded a deficit. The Residual Mechanism had also recorded a deficit for the third consecutive financial year (A/77/240, para. 6). Furthermore, 15 audited entities showed positive net assets and 2 (International Trade Centre (ITC) and United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)) showed negative net assets for the third consecutive year, attributable mainly to an operating loss and a net actuarial loss on employee benefit liabilities recognized in net assets (ibid., para. 11). A ratio above 1 indicates an entity's ability to meet its overall obligations.[3] Of the audited entities, two had an assets-to-liabilities ratio below 1 (ITC, at 0.90, and UNRWA, at 0.91) and the remaining entities had ratios above 1 (ibid., para. 19).

10. The Board indicated that, in general, the financial position of all entities remained at least sufficient. The solvency ratios and liquidity ratios were comfortably high for most of the entities and, in the case of those entities for which the ratios were near or below 1, there was no immediate threat to their solvency. However, the Board noted that, for a second consecutive year, the liquidity ratios, specifically the quick ratio, of 11 entities had decreased compared with the previous year (ibid., para. 23).

11. The Board noted that the revenue for the operations of the United Nations as reported in volume I in 2021 totalled $7.55 billion, representing an increase of 10 per cent compared with 2020, owing mainly to additional voluntary contributions in the amount of $0.86 billion. The total amount of expenses was $6.68 billion, down slightly from $6.77 billion in 2020. The net assets increased by $1.34 billion, or 62 per cent, to $3.51 billion as at 31 December 2021, owing mainly to the surplus for the year ($870.76 million) and the actuarial gains on employee benefits liabilities ($483.25 million) (A/77/5 (Vol. I), paras. 13–14).

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[2] The United Nations Joint Staff Pension Fund is not included because it follows International Accounting Standard 26 and the International Public Sector Accounting Standards (IPSAS) for financial reporting purposes.

[3] The Board discussed IPSAS financial ratios: assets-to-liabilities ratio (total assets to total liabilities), current ratio (current assets to current liabilities), quick ratio (cash + short-term investments + accounts receivable to current liabilities) and cash ratio (cash + short-term investments to current liabilities). The assets-to-liabilities ratio and current ratio are solvency ratios. The quick ratio and cash ratio are the liquidity ratios.

12. **The Advisory Committee acknowledges from the conclusion of the Board of Auditors that the overall financial position of the audited entities was sufficient as at 31 December 2021 and encourages the Board to continue to include comparative data and analysis in its future reports (see also A/76/554, para. 11).**

2. Liquidity management

13. In the operations of the United Nations as reported in volume I, the Board indicated that the overall financial situation in the United Nations for the year 2021 was relatively healthy. For the regular budget and related funds, the cash ratio was 0.06, 0.26 and 0.76 at the end of 2019, 2020 and 2021, respectively, indicating a gradually improving liquidity trend, albeit with periodic cash shortages. The regular budget continued to borrow from the Working Capital Fund and the Special Account during 2021. At the end of 2021, there were no borrowings from the Working Capital Fund, the Special Account or closed peacekeeping missions (A/77/5 (Vol. I), summary). The Advisory Committee discusses matters related to liquidity in its report on the financial performance report on the programme budget for 2021.

3. Issues related to cost recovery

14. With respect to the operations of the United Nations as reported in volume I, the Board noted several issues related to cost recovery, including accumulated surpluses, reserve management, unreasonable charges, deficiencies in the tracing of service costs and preparation of cost plans and the use of cost-recovery funds for non-cost recovery purposes. Upon enquiry, the Advisory Committee was informed by the Board that, in December 2021, the United Nations Secretariat had developed an updated policy and guidelines on cost-recovery services that addressed some issues identified by the oversight bodies, such as reserve levels. However, according to the Board, the monitoring of the implementation of those instruments needed to be strengthened, especially with regard to the cost-tracing regime, pricing model and reserve management. The Committee previously noted that, notwithstanding the issuance of this policy, different approaches to cost recovery remained prevalent and trusted that the Secretary-General would ensure a standardized approach to cost recovery across relevant budget sections, as appropriate, on the basis of realistic cost rates, performance and workload indicators and best practices (A/77/7, para. 76). **The Advisory Committee stresses the need for enhanced compliance with the United Nations policy and guidelines on cost-recovery services.**

Accumulated surplus

15. The Board noted an overall upward trend of the annual surplus of cost-recovery services of the operations of the United Nations as reported in volume I (10RCR) from 2016 to 2021, with a total amount of $448.54 million accumulated surplus as at 31 December 2021, reflecting an increase of 129 per cent compared with 2016. United Nations Headquarters had the largest portion of the 10RCR accumulated surplus, ranging from 45 to 56 per cent at year end for the past six years, with $41.98 million and $32.23 million belonging to the Department of Operational Support and the Department of Management Strategy, Policy and Compliance, respectively. In 2020, the annual surplus of 10RCR totalled $118.54 million, owing in part to the liquidity crisis and the COVID-19 pandemic, as explained by the Administration. It was agreed that the surplus would be rolled over and used in 2021 (A/77/5 (Vol. I), paras. 23 and 25). The Board also noted that, as at 26 April 2022, $22.96 million in 10RCR accumulated surplus had not been assigned to any fund centre (ibid., para. 31).

16. On a sample basis, the Board reviewed the 10RCR business transactions of the United Nations Office at Nairobi, the United Nations Support Mission in Libya (UNSMIL) and the United Nations Assistance Mission for Iraq and noted some cases of unreasonable charges for cost-recovery services, as follows:

(a) Charges for services that were already covered by the regular budget. For example, UNSMIL, from 2017 to 2021, charged various United Nations country team entities for accommodation, security aviation and other services that were included in the regular budget, which led to $14.78 million in 10RCR surplus (see also para. 17 below);

(b) Excess charges for cost-recovery services. For example, the United Nations Office at Nairobi charged the Office of the United Nations High Commissioner for Refugees (UNHCR) and the United Nations Human Settlements Programme (UN-Habitat) rental rates above the rate approved by the Controller, leading to $120,924.78 in excess charges in 2021 (A/77/5 (Vol. I), paras. 39–41).

In the context of the financial performance report on the programme budget for 2021, the Advisory Committee was informed that any surplus amount from UNSMIL under the cost-recovery fund for the prior periods would be identified early in 2023 in time for it to be captured in the financial statements and in the financial performance report for 2022 and would therefore be returned to Member States as a credit against the assessments for 2024. **The Advisory Committee is of the view that the surplus of $14.78 million related to the charges for services that were already covered by the regular budget for UNSMIL should have been credited to the Member States.** The Committee further discusses this matter related to the UNSMIL surplus in its report on the financial performance report on the programme budget for 2021.

17. Upon enquiry, the Advisory Committee was informed by the Board that, according to the Administration, the $448.54 million accumulated surplus of the 10RCR fund was mainly spendable. However, of that amount, there were some surpluses that had been consumed and some open commitments that had not been consumed. Taking also into account the identified unassigned accumulated surplus, the Board considered that the Administration needed to carry out a further comprehensive analysis of the root causes of the significant amount of accumulated surplus and determine accurately how much of the surplus could be returned to Member States. In particular, the Board was of the view that, if the services provided to the recipients were fully funded through the regular budget, such as in the case of UNSMIL (see para. 16 above and para. 21 below), the related revenue received from those services might need to be returned to Member States.

18. Furthermore, the Board noted that the total amount of $448.54 million in accumulated surplus was approximately 1.8 times 10RCR expenses for 2021 ($253.90 million). The percentage of the accumulated surplus, compared with annual 10RCR expenses (i.e., reserve ratio), among the entities varied significantly, from 37 to 2,959 per cent. Pursuant to the cost-recovery policy and guidelines issued in December 2021, the overall fund balance should not exceed one year of operating expenses and the difference between income and expenditure per year should not vary more than +/-10 per cent of the costs incurred (A/77/5 (Vol. I), paras. 32–33). Upon enquiry, the Advisory Committee was informed that industry practice suggested that reserves might be kept at a level of 6 to 12 months of operating expenses. According to the Board, while it was for the Administration to determine the appropriate reserve level based on its business model, the reserve level should be monitored regularly and updated if the surplus continued to increase.

19. **The Advisory Committee trusts that the Secretary-General will provide additional information to the General Assembly on the appropriateness, management, treatment and root causes of the accumulated surplus of**

$448.54 million from cost-recovery services at the time of its consideration of the present report. The Committee further discusses matters related to accumulated surplus in its report on the financial performance report on the programme budget for 2021 (see also para. 24 below).

Cost-tracing regime and cost plans

20. In line with the legal framework for cost recovery, service costs shall be attributed to specific and clearly defined service activities, as well as to the users. However, the Board found deficiencies in the tracing regime for service costs. For example, in one fund centre managing multiple service activities, service revenue, expenses and surplus could not be attributed to each type of service category and, at some entities, revenue and expenses for similar types of service were recorded in different fund centres. The Administration noted that there were technical and practical constraints to efficiently attribute every instance of expenditure to a service at the time it was incurred, especially in the case of indirect costs, such as salaries (A/77/5 (Vol. I), paras. 59–64).

21. The Board also noted deficiencies related to the costs plans for cost-recovery services, including the absence of cost plans (e.g., UNSMIL did not prepare any cost plan during the period 2018–2021) and the lack of relevant information in cost plans (e.g., the projected expenditure, liquidity forecast and staffing table were not included by the Department of Safety and Security in Geneva, Vienna, Santiago, Beirut and Bangkok in their cost plans during the period 2019–2021) (ibid., paras. 65–69).

22. **The Advisory Committee concurs with the Board of Auditors and emphasizes the importance of a precise cost-tracing regime for service costs, as well as comprehensive and accurate cost plans (including proposed services, projected revenue and expenditure, staffing table and liquidity forecast) and recommends that the General Assembly request the Secretary-General to implement both (see also A/77/7, para. 76).**

Cost-recovery funds used for purposes unrelated to cost recovery

23. On a sample basis, the Board noted some cases in which the 10RCR fund had been used for activities that were not related directly to cost-recovery services (i.e., $386,780 to cover salaries and entitlements of posts whose responsibilities were not related directly to cost-recovery services) (A/77/5 (Vol. I), paras. 55–58). Upon enquiry, the Advisory Committee was informed by the Administration that the cases of mismatch had been rectified.

24. **The Advisory Committee concurs with the recommendations of the Board of Auditors related to cost recovery and emphasizes the need for: (a) a comprehensive analysis of the significant amount of accumulated surplus, and any related bank interests, identifying any subsidization across sources of funding with a breakdown by entities, with a view to returning funds to Member States, as appropriate; (b) action to ensure that the overall fund balance is maintained at an appropriate level; (c) compliance with relevant normative frameworks, including to ensure reasonable charges at the minimum level necessary to cover related expenditure and avoid cross-subsidization across funding sources and entities, in particular entities funded through extrabudgetary funds; and (d) accurate cost tracing and cost plans (see paras. 16 and 22 above). The Committee trusts that the Board will continue to keep matters related to cost recovery under review and report thereon in its future reports (see para. 8 above).** The Committee further discusses related matters in its report on the financial performance report on the programme budget for 2021.

25. With respect to other entities, the Board noted that UNDP used outdated prices to recover costs of services provided, including in such areas such as human resources management, where related costs had increased significantly. The Board noted that neglecting to review the accuracy of prices hindered fulfilment of the obligation to recover costs fully, without making a profit or incurring a loss (A/77/5/Add.1, paras. 39–58).

26. With regard to UNOPS, the Board was of the view that the individually priced risk increment fees, together with the minimum fees, charged by UNOPS to its clients contributed to the significant surpluses of the entity, which had increased substantially over the past few years, and achieved a historical level of $63.5 million in 2021. The Board noted that the risk increment fee was meant to ensure that UNOPS met its minimum operational reserve requirements. However, although a new formula for the minimum operational reserve had been approved in September 2021 and the minimum operational reserve requirements had been met as at the end of that year, UNOPS continued to charge risk increment fees (A/77/5/Add.11, paras. 76–93). Upon enquiry, the Advisory Committee was informed by the Administration that UNOPS had released a revised pricing model on 29 August 2022, whereby once the minimum operational reserve requirement had been met, the indirect cost recovery would not include a risk element. The Committee was also informed that cost recovery was the key remaining issue in the discussions on the completion of a new memorandum of understanding between the United Nations Secretariat and UNOPS, expected to be finalized in 2022. **The Advisory Committee trusts that an update on the review of the memorandum of understanding between UNOPS and the United Nations Secretariat will be provided to the General Assembly at the time of its consideration of the present report and in the next relevant report (see also para. 53 below).**

4. Transfer of resources from the regular budget fund to the cost-recovery fund

27. The Board noted that, on 31 December 2020, the Administration had transferred $28.72 million from the 10UNA fund (major component of the regular budget) to the 10RCR fund (cost-recovery fund) for the purpose of ensuring business continuity during the COVID-19 pandemic. From that amount, $6.64 million was utilized by eight entities in 2021 for, among others, equipment and construction, such as information and communications technology (ICT) to support remote work and the upgrade and expansion of studio facilities of the Department of Global Communications. That expenditure was not included in the proposed programme budget but was instead approved by the Controller for business continuity. As at 31 December 2021, the balance arising from the 10UNA transfer was $21.68 million, after a $0.4 million adjustment (A/77/5 (Vol. I), paras. 72–80). Upon enquiry, the Advisory Committee received from the Administration an overview of the activities covered by the transferred funds, with the related commitments and expenditure, as summarized in table 1.

Table 1
Activities covered by transferred resources from the regular budget fund to the cost-recovery fund
(Millions of United States dollars)

	Commitment	*Actual*	*Consumed*	*Remarks*
Conference, information technology and network	6.8	4.7	11.5	Upgrade of conference, information technology and network infrastructure to support hybrid meetings and remote working arrangements
Policy Portal	–	0.1	0.1	As the Organization made the transition to an increasingly remote working environment, there was a need to strengthen accessibility for both staff and Member States to a one-stop-shop that consolidates up-to-date Secretariat-wide promulgated policies, formal guidelines, related regulations and procedures
Medical surge capacity – COVID-19	0.0	0.3	0.3	Temporary surge capacity to alleviate additional workload associated with COVID-19
Department of Global Communications studio capacity	3.1	0.9	4.0	Strengthening the communication efforts of the United Nations became more critical during the pandemic, given that the level of miscommunication about the pandemic increased. The enhancement and expansion of the studio facilities was considered an important business continuity measure and responded to the challenges presented by the pandemic, including the increased demand for digital content and virtual interactive events. The strengthened broadcast capacity was used to promote vaccine confidence and vaccine equity and combat misinformation, which could be detrimental to the efforts made by the United Nations system to address the challenges presented by the pandemic
Safety and security	11.1	0.7	11.8	Urgent and critical investment in physical security and the underlying technology to avoid failures and to adequately safeguard personnel and assets in the light of new and emerging threats, with 86 per cent of the resources needed requested for regional commissions (43 per cent) and offices away from Headquarters (43 per cent). The remaining 14 per cent was needed for Headquarters to strengthen the perimeter and access control
Data Strategy of the Secretary-General for Action by Everyone, Everywhere	0.2	–	0.2	
Total	**21.2**	**6.7**	**27.9**	

28. The Advisory Committee was further informed by the Administration that business continuity needs called for these urgent and unforeseen investments in information technology, networks and enhanced global communications. Furthermore, according to the Administration, managing the related transactions within the regular budget fund would have been difficult and prone to error owing to Umoja restrictions, whereas the 10RCR fund was viewed as a more suitable and appropriate administrative accounting mechanism for this purpose.

29. The Committee was informed by the Board that, in general, the transfer between different funds was possible. For example, if service recipients funded by 10UNA received cost-recovery services (e.g., medical evacuation under COVID-19) from the service providers, the transfer of funds from 10UNA to 10RCR to pay for the services received might be justified. However, it would be inappropriate to transfer funds from 10UNA to 10RCR without real service transactions, and neither the Controller nor heads of entities would have the authority to do so.

30. **The Advisory Committee is not convinced that the necessity and urgency of the above-mentioned investments for business continuity have been fully established, taking into account also the low level of expenditure. Furthermore, the Committee trusts that the Secretary-General will provide additional clarification and justification to the General Assembly at the time of its consideration of the present report on the decision to transfer related funds from the regular budget account to the cost-recovery account, which may, among others, negatively affect budget scrutiny carried out by the governing bodies.**

5. Deficiencies in the creation of fund commitments

31. The Board noted that, at the end of 2019 and 2020, in response to the liquidity crisis, the Administration created special fund commitments of $55.32 million and $116.66 million, respectively, without the normal supporting documentation (ibid., para. 83). Upon enquiry, the Advisory Committee was informed by the Administration that the funds were committed towards the end of 2020 owing to the liquidity crisis caused by the significant increase in arrears of assessed contributions and by the very late receipt of cash inflows, with nearly $330 million received in the last days of December 2020. According to the Administration, under the circumstances, it was not possible to survey programme managers on their ability to utilize funds within a reasonable period of time, and it was decided to raise the special fund commitments by reviewing only the non-post budget based on information available at the time, with the understanding that the any unspent funds would be returned to Member States. The Advisory Committee recalls that, pursuant to rule 105.9 of the Financial Regulations and Rules of the United Nations, an obligation must be based on a formal contract, agreement, purchase order or other form of undertaking, or on a liability recognized by the United Nations. All obligations must be supported by an appropriate obligating document (see para. 34 below).

32. With regard to the $55.32 million special fund commitments created in 2019, the Board noted that $35.53 million had been used, $19.79 million (or 36 per cent) had been cancelled and the balance was zero as at 31 December 2021. Of the $116.66 million in special fund commitments created in 2020, $23.12 million had been used, $75.8 million (or 65 per cent) had been cancelled and the balance was $17.74 million as at 31 December 2021 (A/77/5 (Vol. I), para. 85). Upon enquiry, the Advisory Committee was informed by the Administration that, of the $17.74 million commitment balance, a further $10.8 million had been liquidated, with the remaining balance representing commitments yet to be settled. In addition, no special fund commitments were made in 2021 and none were foreseen in 2022. Furthermore, considering the potential return in 2023 of more than $279 million of unspent funds from 2021 and earlier years, the General Assembly, in June 2022, took the decision to assign $100 million of credits to the Working Capital Fund. **The Advisory Committee trusts that the Secretary-General will provide an analysis of the impact of the increased Working Capital Fund in the next budget report.** The Committee discusses matters related to the balance of special fund commitments in its report on the financial performance report on the programme budget for 2021.

33. The Board further indicated that $18.59 million (part of the $116.66 million in 2020 special fund commitments) was transferred from the 10UNA fund (regular budget fund) to 10RCR (cost-recovery fund) as approved by the Controller to cover expenses, such as vehicle and equipment procurement, construction in progress and consultant fees incurred by 24 entities from April to December 2021. Some funds were allocated to activities without an approved budget and led to overexpenditure, the excess holding of assets or idle assets. For example, notwithstanding there not being provision for those purposes in the 2020 approved budget, those funds were used to engage consultants and experts in the Department of Global Communications

and to acquire vehicles at UNSMIL, which also resulted in an excess holding of vehicles by the Mission (ibid., para. 88).

34. The Board recommended that the Administration formulate additional criteria for future exceptional use of special commitments and continue to take appropriate action on the remaining balances in line with the provisions of the Financial Regulations and Rules of the United Nations (ibid., para. 93). As further clarified by the Board in response to the Advisory Committee's queries, the special commitments centrally approved in 2019 and 2020 should be exceptions. In addition, clear criteria in terms of assessment, acknowledgement and approval by the legislative bodies should be included in guidelines for exceptional future special fund commitments and the process of certification and approval in line with the Financial Regulations and Rules should be strengthened. **The Advisory Committee concurs with the recommendations of the Board of Auditors. The Committee trusts that the guidelines on the exceptional use of special fund commitments, with clear criteria in full compliance with the relevant Financial Regulations and Rules, will be developed, and is of the view that they should be presented to the General Assembly for its consideration (see also A/76/7/Add.16, para. 19).** The Committee further discusses special commitments in its report on the financial performance report on the programme budget for 2021.

6. Cash and investment management

35. As at 31 December 2021, the United Nations Treasury managed cash and investments of $12.02 billion in an investment pool comprising eight audited entities.[4] In addition, UNDP managed investments of $12.58 billion for its own programme and for UN-Women, UNFPA, the United Nations Institute for Training and Research (UNITAR) and the United Nations Capital Development Fund. Five entities (UNHCR, UNICEF, UNOPS, UNRWA and the United Nations University (UNU)[5]) had a total of $17.59 billion of cash and investments that were not pooled or managed by another United Nations entity. In general, investments were increasing. Cash, cash equivalents and investments represented more than half of total assets for 12 entities and for UNOPS and UNU, they were higher than 80 per cent of total assets. As cash balances and the number of accounts, transactions and payment currencies increase, the Board noted a greater need for professional management of cash and investments, to ensure that risks and returns are properly managed (A/77/240, paras. 25–29). **The Advisory Committee concurs with the analysis of the Board of Auditors on the greater need for professional management of cash and investments.**

United Nations Office for Project Services Sustainable Infrastructure Impact Investments initiative

36. The Board expressed concerns in relation to the UNOPS S3i initiative, which led to an emphasis of matter for the second consecutive year for the entity (see para. 7 above). From 2018 to 2020, UNOPS invested $58.8 million from its growth and innovation reserve by entering into agreements with seven special-purpose vehicles, all affiliated with a single private holding group, to carry out seven projects related to renewable energy and affordable housing. In 2020, UNOPS disinvested from two projects and recognized a bad debt allowance of $22.19 million against those projects.

[4] United Nations operations as reported in volume I, ITC, the International Residual Mechanism for Criminal Tribunals, UN-Habitat, UNEP, UNODC, UNU and United Nations peacekeeping operations.

[5] Of the total cash and investment of $503.84 million, $443.51 million, or 88.0 per cent, comprises the UNU Endowment Fund, which is managed by a global investment firm and overseen by the Office of Investment Management of the United Nations Joint Staff Pension Fund; $44.87 million, or 8.9 per cent, relates to the cash and investments pooled with the United Nations Treasury.

In 2021, UNOPS established a new bad debt allowance and impairments against six investments under S3i, amounting to $19.11 million. As at 31 December 2021, UNOPS had recorded a total bad debt allowance of $23.80 million against the two projects from which it had disinvested and had recognized impairments of $15.22 million against the five affordable housing projects. The total bad debt allowances and impairments against the seven projects amounted to $39.02 million, accounting for 66 per cent of the principal amount of the seven investments (A/77/5/Add.11, paras. 40–42). Upon enquiry, the Advisory Committee was informed by the Administration that, in addition to the $23.80 million in bad and doubtful debts, at the end of 2021 UNOPS had provisions related to its regular project activities amounting to $17.02 million. The Board considered that the establishment of bad debt allowance and impairments needed improvement and recommended that the Administration continue to collect comprehensive information on the debtors' financial position and asset values and appraise the debt values with adequate information and coherent methods (ibid., para. 50). **The Advisory Committee trusts that the Board of Auditors will continue to follow up on this matter in its next report.**

37. Upon enquiry, the Advisory Committee was informed by the Administration that, in 2022, the UNOPS Executive Board had requested UNOPS to urgently address failures regarding S3i, including by taking all steps necessary to recover funds related to S3i, the freezing of S3i investments, and ensuring that any funds recovered from S3i projects or proceeds from S3i investments were placed in the operational reserve. The Executive Board also requested UNOPS to provide third-party reviews of the oversight mechanisms that existed for S3i investments and of UNOPS internal control systems, risk management and overall governance structures. The reviews were expected to be completed in November 2022. **The Advisory Committee trusts that an update on the third-party reviews of UNOPS oversight mechanisms for S3i investments and overall internal controls, risk management and governance structures will be provided to the General Assembly by the Administration, at the time of its consideration of the present report.**

38. With respect to lessons learned from S3i and implications on future UNOPS public-private sector partnerships, the Advisory Committee was informed by the Administration that the diversification of partnerships was critical for both risk management and collective impact; investment decisions needed to be made by professional and independent experts; and UNOPS was uniquely positioned to work closely with the public sector and development finance institutions to promote an enabling environment to attract private sector investment in developing countries. It was also indicated that UNOPS might engage in an accelerated midterm review of its strategic plan, for the period 2022–2025, which, subject to Executive Board consideration, would articulate UNOPS ambitions to further the resource base for the Sustainable Development Goals, including as it related to public-private sector partnerships.

United Nations Relief and Works Agency for Palestine Refugees in the Near East investment strategy for excessive cash of the Microfinance Department

39. With regard to the UNRWA Microfinance Department, the Board noted that cash and cash equivalent balances amounted to $27.29 million at the end of 2021 and $29.24 million as at 31 December 2020. The Board recommended that UNRWA establish a specific investment strategy for excessive cash of the Department to enhance the efficiency of fund utilization (A/77/5/Add.4, paras. 207–212). The Secretary-General indicates in his report that UNRWA was working on a specific investment strategy (A/77/322/Add.1, para. 341). On a related matter, the Board noted that the Department was far beyond self-sustaining, notwithstanding COVID-19 circumstances and the difficulties faced in 2020. In addition, operating expenses for

2021 had decreased by 8.1 per cent compared with 2019, while the salaries of senior management had increased by 16.5 per cent. In the context of the improved operational self-sufficiency and reduced overall operating expenses of the Department, the Board reiterated its recommendation that UNRWA work on the reduction in its high interest rates for the three basic loan products (microenterprise credit, women's household credit and consumer lending product), incorporating considerations of cutting operating expenses and improving its loan productivity. UNRWA disagreed with the recommendation, stating that it reviewed interest rates on an ongoing basis against a multitude of factors (A/77/5/Add.4, paras. 179–190). Upon enquiry, the Advisory Committee was informed by the Administration that it was not feasible for UNRWA to reduce the interest rates, on the basis of its latest review. **The Advisory Committee notes that the salaries of the senior management of UNRWA Microfinance Department have increased and shares the concern of the Board of Auditors regarding the continued high interest charged by UNRWA for its basic loan products and their negative impact on the beneficiaries. The Committee trusts that UNRWA will make further efforts to achieve a reduction in the applied rates.**

7. Grant agreements with provisions inconsistent with the United Nations legal framework

40. On a sample basis, the Board reviewed 89 grant agreements signed by various departments and offices of the United Nations Secretariat and donors, from 2019 to 2021. The Board noted that 17 agreements, totalling $198.7 million, contained special provisions that were not in full compliance with the United Nations legal framework, including the Charter of the United Nations and the Financial Regulations and Rules of the United Nations (A/77/5 (Vol. I), paras. 134–135). Upon enquiry, the Advisory Committee was informed by the Board that the Office of Legal Affairs had not been consulted before the signature of those agreements, with the exception of one. In that case, the Office of Legal Affairs had advised that some provisions did not comply with the Charter and relevant United Nations regulations, and the Controller had requested that the donor modify the agreement; however, no revision was ultimately included. The Administration indicated that the provisions in the sampled agreements were not inconsistent with the Charter and there was no waiver of the Organization's privileges and immunities, either expressed or implied, nor should it be construed as such. The inclusion of such terms and conditions merely reflected the Organization's acknowledgment that donors were subject to their relevant regulatory framework (ibid., para. 136). In furtherance to the related recommendation made by the Board in paragraph 138 of its report, the Administration issued updated guidance on the acceptance of voluntary contributions in July 2022 (A/77/322, para. 43). Upon enquiry, the Committee was informed that, pursuant to the guidance, entities should consult, as needed, with the Office of Legal Affairs and the Office of Programme Planning, Finance and Budget. **The Advisory Committee trusts that the heads of entities with the delegated authority to sign grant agreements will ensure that they are in full compliance with the legal framework of the United Nations, including the Charter and the Financial Regulations and Rules. The Committee also trusts that the updated guidance issued by the Administration will provide the advice and tools necessary to ensure that the privileges and immunities and the financial and operational interest of the Organization are duly protected when signing and implementing grant agreements.**

8. Asset management

41. In its report on the operations of the United Nations (A/77/5 (Vol. I)), the Board noted significant amounts of ICT equipment and vehicles, including assets purchased in 2021 that had remained idle (ibid., paras. 221–224). The Secretary-General

indicates in his report that, while the majority of sampled ICT and vehicles were being used, they were incorrectly designated as idle in the system and that most records had been subsequently rectified. On the basis of an extensive data review and instructions to the entities to update asset records and reassess purchase plans, the Administration requested closure of the related Board's recommendation to analyse the root causes for those idle assets, update delinquent equipment records, actively use idle assets and make reasonable purchase plans to ensure better utilization of resources in the future (A/77/322, paras. 68–69). **The Advisory Committee trusts that the Secretary-General will provide updated information on the current use of the assets that were designated as idle to the General Assembly at the time of its consideration of the present report.**

42. The Board noted that Mine Action Service project assets procured by UNOPS through Mine Action Service funding, with a net book value of $19.5 million, had not been capitalized and reported in the statement of financial position, either by the Secretariat or by UNOPS. According to the Board, this was the result of UNOPS and the Secretariat holding different views on the ownership of those assets (A/77/5/Add.11, paras. 130–140). Upon enquiry, the Advisory Committee was informed that asset management was being discussed in the context of the forthcoming memorandum of understanding between the United Nations Secretariat and UNOPS (see para. 26 above). **The Advisory Committee trusts that the ownership of the Mine Action Service project assets will be clarified promptly and that an update thereon be provided in the next report of the Secretary-General.**

43. With respect to UNRWA, the Board noted deficiencies in food disposal and in the storage and distribution of food inventory. For example, at the end of April 2022, there were two batches of expired food inventory noted in the enterprise resource planning system, representing $44,464 worth of food losses. UNRWA disagreed with the Board's recommendation to enhance internal control procedures, owing mainly to the immateriality of the disposed amounts and considering that the damage was due to a third party, outside of UNRWA control. The Agency had nevertheless taken steps, including work on a new and updated warehousing management manual, to improve stock management operations (A/77/5/Add.4, paras. 24–35). The Board also noted that 69,703 medicines were dispensed to 1,170 patients after their expiry dates (ibid., paras. 62–75). Upon enquiry, the Advisory Committee was informed that UNRWA had subsequently found that the issue related only to recording and reporting and a lack of understanding of the procedures and was confident that no expired medicines had been physically dispensed. The Agency was nevertheless undertaking systematic approaches to improve processes, structures and the monitoring of pharmaceutical services. **The Advisory Committee encourages ongoing efforts by UNRWA to implement more adequately the recommendations of the Board of Auditors and strengthen internal controls and procedures related to the management of food and medicines.**

44. **The Advisory Committee concurs with the recommendations of the Board of Auditors on asset management and trusts that the Administration will intensify its efforts to enhance asset management to avoid waste, obsolescence, additional costs and inaccurate financial records (see also A/76/554, para. 37).**

B. Human resources management

1. Use of general temporary assistance

Lack of clarity in the definition of general temporary assistance

45. Noting that general temporary assistance had evolved in the past two decades from providing for the replacement of staff during maternity and sick leave or additional staffing during peak workload periods, to being used to fund temporary staff on various types of appointments, the Board recommended that the Administration develop overarching guidance on the definition and use of general temporary assistance (A/77/5 (Vol. I), paras. 264–268). The General Assembly, in its resolution 75/293, endorsed the Advisory Committee's recommendation requesting the Secretary-General to develop, for the consideration of the Assembly, standards that clarify better the long-term needs for general temporary assistance, taking into account their specific nature (see also A/75/849, para. 16). Upon enquiry, the Committee was informed by the Administration that the Secretariat was conducting a study on the appropriateness and criteria for long-term positions funded under general temporary assistance, which would include definitions, conditions for different types of positions, how to incorporate the use of positions within workforce planning and reporting requirements. **The Advisory Committee trusts that the study on the appropriateness and criteria for long-term positions funded under general temporary assistance will be presented as soon as possible for the consideration of the General Assembly (see para. 48 below).**

Lack of budgetary transparency

46. In its report on the operations of the United Nations (A/77/5 (Vol. I)), the Board noted that, as at 31 December 2021, there were 1,098 encumbered general temporary assistance and temporary assistance for meetings positions (excluding those in special political missions), representing 11.73 per cent of the total staff under the regular budget (ibid., para. 263). Upon enquiry, the Advisory Committee was informed by the Administration that the number reported by the Board was inflated, given that it would also include general temporary assistance replacement positions. The Board also noted that general temporary assistance finite positions had not been disclosed in full, nor were they duly justified in the budget proposals, and that general temporary assistance replacement positions of a duration of more than one year had not been disclosed or proposed. The Board therefore recommended that the Administration fully disclose and justify all general temporary assistance positions in the proposed programme budget, especially those exceeding one year. The Administration accepted the recommendation, while noting that it already provided details of new or continuing general temporary positions, with a duration greater than one year, in the supplementary information to the regular budget fascicles (ibid., paras. 100–106 and 274). **The Advisory Committee shares the views of the Board of Auditors regarding the insufficient disclosure of general temporary assistance positions and recommends that the General Assembly request the Secretary-General to adequately reflect in Umoja and disclose in the relevant sections of all future budget submissions all the general temporary assistance positions, with detailed information by grade, level, function, date of incumbency and duration, along with full justification (see also A/77/7, para. 62; see para. 48 below).**

Duration of general temporary assistance positions

47. The Board reported that 894 of 1,457 general temporary assistance replacement positions under all sources of funding in the operations of the United Nations as reported in volume I had been encumbered for more than one year, including 266

positions for more than five years. Furthermore, some positions funded through extrabudgetary funds could last for decades, including some that had been established for more than 20 years. The Board noted that, in accordance with the applicable legal framework, replacement positions were normally established for less than one year and extrabudgetary general temporary assistance positions exceeding one year should be limited and exceptional in nature, given that the purpose of general temporary assistance was for temporary staffing requirements as defined in the administrative instruction on temporary staff and individual contractors (ST/AI/295). The Board recommended that the Administration strengthen monitoring to ensure that all general temporary assistance positions were used in full compliance with the related policies and regulations (A/77/5 (Vol. I), paras. 270–272).

48. **The Advisory Committee concurs with the recommendations of the Board of Auditors on the duration of general temporary assistance and recommends that the General Assembly request the Secretary-General to ensure greater clarity, transparency and consistency in the presentation of resources, as well as full compliance with the relevant rules and regulations (see also A/77/7, para. 62).**

2. Use of personnel recruited through the United Nations Development Programme, the United Nations Office for Project Services and third-party service providers

49. The Board noted that several entities, including the operations of the United Nations as reported in volume I, ITC, UN-Habitat and UNEP, had been increasingly employing personnel on the basis of financial agreements with UNOPS, service-level agreements with UNDP and contractual services with third-party service providers. These personnel had become a significant part of the workforce. For example, as at the end of 2021, entities of the United Nations as reported in volume I had employed 1,035 personnel under financial agreements with UNOPS, 698 of whom had been working for the Secretariat for more than 2 years and 383 for more than 5 years, including 82 for more than 10 years (A/77/5 (Vol. I), paras. 289–292). At UN-Habitat, an entity where non-staff personnel made up approximately 85 per cent of its workforce, personnel hired through agreements with UNDP and UNOPS represented approximately 50 per cent of its non-staff personnel (A/77/5/Add.9, paras. 73 and 95–102).

50. Upon enquiry, the Advisory Committee was informed that, according to the Board, the root cause for resorting to UNDP, UNOPS and third-party service providers for the provision of personnel included: (a) a lack of comprehensive workforce planning; (b) more flexibility in personnel contract management, coupled with reduced workload for the administration of these personnel; and (c) the possibility of circumventing the existing human resources management regulations and rules. The Committee was also informed that, while the Board did not oppose, in principle, the employment of personnel through UNDP, UNOPS and third-party contractors, it was concerned about the lack of clarity regarding the identities of those personnel and had indeed noted instances in which that recruiting method was used to circumvent relevant General Assembly resolutions and other rules and regulations, in particular relating to recruitment and selection, benefits and entitlements, and break in service.

51. In its reports, the Board identified key issues, including the following:

(a) With respect to the operations of the United Nations as reported in volume I, personnel employed through these arrangements (i.e., employment of personnel through UNDP, UNOPS and third-party contractors) were performing core functions that should be carried out by regular staff members or had been employed for a long period of time, which might be indicative of them performing core functions and carry an expectation of long-term appointments. For example, more than 100 personnel employed with the Office of Information and Communications Technology under financial agreements with UNOPS were performing core functions, including cybersecurity, and 102 Office of Information and Communications Technology personnel contracted by third-party service providers had been working with the Secretariat for more than 5 years, including 47 for more than 10 years (A/77/5 (Vol. I), paras. 292–299 and 307). The Advisory Committee will revert on matters related to Office of Information and Communications Technology personnel in its report on the ICT strategy;

(b) In various entities, including UNEP and UN-Habitat, UNEP and the United Nations Office at Nairobi, the Board found service periods exceeding the limits set in the administrative instruction governing the use of individual contractors by the Secretariat (ST/AI/2013/4) (A/77/5/Add.9, paras. 95–102; see also A/77/5/Add.7, paras. 171–179, and para. 54 below);

(c) Personnel recruited through UNDP and UNOPS might receive benefits and entitlements, such as social security, various types of leave, overtime and danger allowance. The Board noted that the practice was not in line with the Secretariat's provisions on individual contractors (A/77/5 (Vol. I), para. 307). UNOPS considered that the limitations contained in ST/AI/2013/4 were not applicable to its projects, including projects for the Secretariat, and disagreed with the recommendation of the Board to review the human resources services that it provided to United Nations partners and try its best to align its services involving individual contractors with partners' applicable rules on the management of individual contractors (A/77/5/Add.11, paras. 112–118). However, it was subsequently indicated in the report of the Secretary-General on the implementation of the recommendations of the Board that the recommendation was under implementation, with a target date of second quarter of 2023, and that UNOPS would review where better alignment with Secretariat policies could be considered, to the extent practical (A/77/322/Add.1, paras. 1041–1043). Upon enquiry, the Advisory Committee was informed by the Administration that the use of UNOPS for the provision of human resources services was beyond the scope of the current and forthcoming memorandum of understanding between the Secretariat that UNOPS expected to be finalized in 2022 (see para. 26 above). Specific guidance had also been issued to clarify that programme managers should not request UNOPS to recruit staff members on behalf of the Secretariat, unless with the prior approval of the Assistant Secretary-General for Human Resources and the Controller in the rare and exceptional cases in which an entity is unable to obtain the required personnel through the available Secretariat contractual modalities. The Department of Operational Support was also providing support services for entities to ensure that current arrangements with UNOPS could be regularized under Secretariat policies;

(d) Entities making use of personnel hired through UNDP and UNOPS were required to pay management fees, commonly set at 8 per cent of the contract value, in addition to the cost of personnel, including benefits and entitlements (A/77/5 (Vol. I), para. 307);

(e) The related costs were budgeted under the class of contractual services, rather than as staff or non-staff costs, or consultants and individual contractors, which was not conducive to improving budget discipline and might negatively affect budget scrutiny (ibid., para. 308). **To improve budgetary transparency, the Advisory Committee recommends that the General Assembly request the Secretary-General to disaggregate the number and amounts, at the budget section level, pertaining to personnel employed through arrangements with UNDP, UNOPS and third-party service providers in the context of future proposed budgets.**

52. Upon enquiry, the Advisory Committee was informed that the Board considered that a comprehensive review of personnel hired through UNDP, UNOPS and third-party arrangements, as well as the related legal framework, would be needed and be important, in conjunction with a comprehensive workforce planning and cost-benefit analysis. The Board would also see merit in an updated overarching policy on outsourcing. The Committee was also informed that the Joint Inspection Unit had scheduled, for 2022, a system-wide review of the use of non-staff personnel and related contractual modalities in the United Nations system.

53. **In concurring with the recommendations of the Board of Auditors, the Advisory Committee stresses the need for greater clarity, compliance with the relevant rules and regulations, as well as budgetary transparency for outsourcing the recruitment of personnel to UNDP, UNOPS and third parties. The Committee also sees merit in a comprehensive review of personnel hired through these modalities, in conjunction with a workforce planning and cost-benefit analysis (see also para. 57 below and para. 8 above).**

3. Consultants and individual contractors

54. In A/77/5 (Vol. I), the Board noted that 107 consultant contracts exceeded 24 months within a 36-month period, and 227 individual contractor contracts exceeded 9 months within a 12-month period (paras. 311–313). In addition, on a sample basis, the Board noted four cases in the United Nations Assistance Mission for Iraq of non-compliance with the guidance on the selection of consultants (ibid., paras. 319–321). The Board further noted a trend of overexpenditure for consultants amounting to $1.02 million in 2019, $9.5 million in 2020 and $8.38 million in 2021. In 2021, the overexpenditure rate was 44 per cent (ibid., paras. 107–114).

55. With respect to UNOPS, the Board noted that, as at 31 December 2021, of 5,362 personnel, 720 (or 13 per cent) were staff members and 4,642 (or 87 per cent) were individual contractor agreement holders. Individual contractors also held key roles at UNOPS, representing 58 per cent of personnel above the P-4 level and 94 per cent of procurement officials and encumbering 40 per cent of the positions marked as "business-critical roles". Furthermore, incumbents of the same positions could be either staff members or non-staff personnel, with no indication as to whether those positions entailed "inherently United Nations activities". The Board recommended that UNOPS list clearly in its rules the positions that entailed "inherently United Nations activities" and must be filled by staff members (A/77/5/Add.11, paras. 199–206). Upon enquiry, the Advisory Committee was informed by the Administration that UNOPS had agreed with the need to strengthen reliance on staff and had already determined some of the positions that would be established as staff, with a review of all contract positions equivalent to P-4 and P-5 to be completed by the end of 2022. **The Advisory Committee trusts that the UNOPS review of its personnel, to determine the positions that should be filled by staff members, will be completed expeditiously and an update will be provided in the next report of the Secretary-General.**

56. In its report on UNITAR, the Board noted that the number of consultants and contractors had increased by 77 per cent over a period of four years, and that, in 2021, there were 688 consultants and contractors compared with 96 staff members. The Board also noted issues in the fee formulations, including cases in which the determination of the fee was part of internal conversations, with no written records, and recommended that UNITAR generate formal records and implement formal controls on fee determination (A/77/5/Add.5, paras. 60–70).

57. **The Advisory Committee shares the concerns of the Board of Auditors and concurs with its recommendations on consultants and contractors. Taking into account the overreliance on this category of personnel, operational exposure due**

to non-staff personnel holding key positions and performing core functions, implications on accountability, trends of overexpenditure and recurring deficiencies in their management, including non-compliance with the relevant legal framework, the Committee sees merit in a comprehensive thematic analysis by the Board on the use of consultants and contractors across the audited entities, including those employed under arrangements with UNDP, UNOPS and third-party service providers (see also paras. 8 and 53 above).

4. Geographical representation and gender balance

58. In its previous report on the operations of the United Nations (A/76/5 (Vol. I)), the Board recommended that the Administration issue guidance to entities to improve their focus on geographical representation (ibid., para. 424). In its 2021 report, the Board noted that, as at 31 December 2021, the number of underrepresented countries had decreased by 1, from 37 to 36, while the number of overrepresented countries had increased by 3, from 27 to 30, compared with 2020. Furthermore, for the second consecutive year, appointments of staff from unrepresented and underrepresented countries against geographical posts was 20 per cent, at the same level as in 2020, against a target of 50 per cent. In addition, only 2 of 28 entities had achieved the key performance indicator on geographical appointments stipulated in their senior management compacts (A/77/5 (Vol. I), paras. 336–337 and 381; see also para. 61 below). With regard to the geographical distribution of roster members, which numbered 33,291, as at 31 December 2021 Western Europe and Other States was the most represented regional group, at 39.56 per cent (A/77/5 (Vol. I), para. 324 and table II.19). The Board recommended that the Administration continue to monitor the performance of heads of entities for achieving the key performance indicator on geographical representation, issue guidance to entities and work out more proactive measures to improve geographical representation (ibid., para. 338). The Advisory Committee noted that the Administration had requested the closure of the recommendation, on the basis of the continuing monitoring of the performance of head of entities and meetings held at various levels in which the importance of the equitable geographical representation was emphasized and related plans, scenarios and steps for accelerating the process and available tools were discussed (A/77/322, para. 109). Although the Board did not focus on a cross-cutting review of gender representation, it noted that the performance against the gender parity key performance indicator did not meet the expected target. In addition, 12,892 roster members, or 38.73 per cent, were women (A/77/5 (Vol. I), paras. 324 and 381). **The Advisory Committee concurs with the recommendations of the Board of Auditors and emphasizes the need for continuous and intensified efforts to achieve equitable geographical representation, with a special focus on unrepresented or underrepresented Member States among the staff, in line with Article 101, paragraph 3, of the Charter of the United Nations, as well as on gender balance, where the targeted levels have not been met (see also A/77/7, paras. 55–56).**

5. Concurrence of the Advisory Committee on Administrative and Budgetary Questions for positions funded through extrabudgetary resources at the D-1 level and above

59. The Board noted that the concurrence of the Advisory Committee had not been sought for five senior humanitarian coordinator positions (1 Assistant Secretary-General, 3 D-2 and 1 D-1) in the Office for the Coordination of Humanitarian Affairs, under the purview of the Inter-Agency Standing Committee, which had been established for more than one year (A/77/5 (Vol. I), paras. 280–283). Upon enquiry, the Committee received information regarding the positions concerned, summarized in table 2, and was informed by the Administration that the positions of deputy and

regional humanitarian coordinators did not hold any Secretariat functions and had no delegation of authority.

Table 2
Office for the Coordination of Humanitarian Affairs positions for which the concurrence of the Advisory Committee on Administrative and Budgetary Questions was not sought

Title	*Appointment type*	*Title*	*Assignment end date*	*Remarks*
Assistant Secretary-General	Fixed-term	Regional Humanitarian Coordinator	31 December 2022	Position established in April 2012
				Position filled for 15 months (from 1 April 2012 to 1 July 2013)
				Position filled for 12 months (from 1 August 2013 to 1 August 2014)
				Position filled 2 years and 5 months (from 7 January 2015 to 23 June 2017)
				Position filled for 2 years and 3 months (from 15 September 2017 to 14 December 2019)
				Position filled for 9 months (from 4 January 2020 to 31 October 2020)
				Current incumbent since 1 December 2020
D-2	Temporary	Deputy Humanitarian Coordinator	31 December 2021	Established in April 2015
				Position filled for 17 months (from 20 April to 30 September 2016)
				Position filled for 15 months (from 3 October to 10 January 2018)
				Position filled for 2 years and 3 months (from 15 March 2018 to 17 June 2020)
				Position filled for 17 months (31 July 2020 to 31 December 2021)
				Position discontinued on 31 December 2021
D-2	Fixed-term	Deputy Humanitarian Coordinator	27 July 2023	Position established 10 January 2018
				Position filled for 24 months (From 10 January 2018 to 9 January 2020)
				Position filled for 16 months (from 21 January 2020 to 16 June 2021)
				Current incumbent since 27 July 2021
D-2	Temporary	Deputy Humanitarian Coordinator	27 December 2022	Position established in May 2019
				Position filled for 20 months (from 8 May 2019 to 11 January 2021)
				Current incumbent since 1 March 2021

Title	*Appointment type*	*Title*	*Assignment end date*	*Remarks*
D-1	Temporary	Deputy Humanitarian Coordinator	10 April 2022	Established in March 2019 for 3 months (from 23 March 2019 to 3 June 2019), then discontinued Re-established on 6 May 2021 Position filled for less than 2 months (from 21 May 2021 to 3 July 2021) Position filled for 6 months (from 10 October 2021 to 10 April 2022) Position discontinued on 10 April 2022

60. In accordance with section II, paragraph 2, of General Assembly resolution 35/217, the Advisory Committee reviews proposals for all new posts at the D-1 level and above that are funded through extrabudgetary sources and not otherwise subject to scrutiny by an intergovernmental body. **The Advisory Committee expresses serious concern that the concurrence of the Committee pursuant to General Assembly resolution 35/217 was not sought prior to the establishment of a number of high-level positions funded through extrabudgetary sources. The Committee recommends that the Assembly request the Secretary-General take all the measures necessary to avoid the repetition of a similar situation and to ensure full respect of the provisions of Assembly resolutions.**

C. Internal controls, delegation of authority, accountability and oversight

61. With respect to the operations of the United Nations as reported in volume I, the Board identified deficiencies related to the delegation of authority and the accountability framework, including, as follows:

(a) Notwithstanding the enhancement of 12 of the existing 16 key performance indicators and the establishment of 2 new performance indicators, on procurement and property management, the Board recommended that major and recurring deficiencies identified by the oversight bodies, such as idle assets, invalid commitments, overuse of the low-value acquisition method and the use of consultants and temporary appointments, should be considered for inclusion in the expanded key performance indicators of delegation of authority, where applicable. The Administration accepted the recommendation but stressed that some issues would be better addressed through other approaches, for example, clarifying operational guidance or updating policy, rather than through additional key performance indicators (ibid., paras. 379–380). Upon enquiry, the Advisory Committee was informed that the Board had considered that additional guidance alone would not be sufficient without strengthened oversight and accountability in cases of underperformance;

(b) Performance against eight key performance indicators, namely, equitable geographical representation, gender parity, recruitment process, mandatory training for all, timely reporting of human resources exceptions, timely payments to service providers, compliance with the 16-day advance purchase rule and prevention of loss of property, did not meet the expected targets in 2021 and, in some cases, there was no improvement or the results were worse compared with 2020. The Board also noted the lack of a robust mechanism to request the entities to take remedial action to improve their performance in a timely manner. The Board therefore recommended that the Administration make further efforts to strengthen the accountability framework for the delegation of authority, by enhancing the analytical approach to identifying systemic issues and by making concrete recommendations to the relevant entities on ways to improve the Secretariat's performance against the key performance indicators (ibid., paras. 381–384);

(c) The performance evaluation of senior managers should be improved, and the Board recommended that the Administration pilot practices for considering compliance issues identified by oversight bodies and the results available in the Umoja strategic planning, budgeting and performance management solution when assessing senior managers' performance (ibid., paras. 398–410).

62. **Emphasizing that increased delegated authority must be matched by enhanced transparency and accountability, the Advisory Committee concurs with the recommendations of the Board of Auditors and stresses the importance of timely and proactive action, in particular by the Department of Management Strategy, Policy and Compliance, to expand key performance indicators to ensure full coverage of key risks; provide operational guidance to support the exercise of delegated authority; monitor more closely the performance of entities, with special attention given to recurring deficiencies raised by the oversight bodies; and ensure accountability and timely remedial action to address underperformance.**

63. Upon enquiry, the Advisory Committee was informed that, according to the Board, the need for more effective oversight and accountability mechanisms, greater compliance with regulations and rules, and enhanced mandate delivery applied beyond the operations of the United Nations as reported in volume I. For example, with respect to UNHCR, the Board recommended the completion of a comprehensive accountability framework to support the entity's decentralization and regionalization reform (A/77/5/Add.6, paras. 30–38). In this context, the Committee was informed that UNHCR had scheduled an evaluation of the reform for 2023. Similarly, the Board recommended that UNDP update its accountability system and the corporate accountability framework, given the highly decentralized structure of that entity and the ongoing clustering of services (A/77/5/Add.1, paras. 86–98). Furthermore, considering several internal control and project management weaknesses in a $7 million UNOPS project with a non-profit organization, We Are the Oceans and, subsequently, a renamed entity, Ocean Generation, the Board recommended that UNOPS conduct a comprehensive, in-depth and adequate evaluation or review of the decision-making, management and internal controls of the project and establish a compliance and accountability mechanism to avoid the recurrence of internal controls issues (A/77/5/Add.11, paras. 52–72). **The Advisory Committee concurs with the recommendations of the Board of Auditors and highlights the need for more effective oversight and accountability mechanisms, and greater compliance with regulations and rules to support enhanced mandate delivery across the audited entities.**

D. Implementing partners

64. In 2021, the Board selected for review eight entities that were the most recurrent users of implementing partners (United Nations operations as reported in volume I (Office for the Coordination of Humanitarian Affairs), UN-Women, UNDP, UNEP, UNFPA, UNHCR, UNICEF and UNOPS). A cross-cutting analysis of the management of implementing partners is contained in section VI of the concise summary and specific recommendations are included in the reports of the selected entities. The Board also recalled that, in 2021, the Joint Inspection Unit, in its report on the review of the management of implementing partners (JIU/REP/2021/4), had recommended that the executive heads of United Nations system organizations incorporate implementing partner risks into their organization's risk management frameworks by

the end of 2023 and develop, by the end of 2024, key performance indicators for the management of implementing partners and establish systems to collect, monitor and report the performance data (A/77/240, para. 244).

Assurance activities

65. The Board noted that only $4 billion of the $8 billion total transferred to implementing partners by the entities in 2021 was subject to assurance activities. UNOPS and the Office for the Coordination of Humanitarian Affairs had planned 44 and 6 per cent, respectively, of the total amount allocated to implementing partners in 2021 as subject to assurance activities. In addition, approximately 77 per cent of the total executed assurance activities were carried out by third parties and not directly by the entities (ibid., paras. 233–235). Upon enquiry, the Advisory Committee was informed by the Administration that assurance activities were undertaken in addition to regular substantive and financial monitoring of the partners' performance and were commensurate with the partner and project risk profile. According to the Administration, the execution of assurance activities by third parties, which carry out their monitoring in accordance with their agreements with the United Nations, did not translate into lesser oversight by the United Nations entities; rather, it enabled oversight in specific cases, such as where the entity's access would be limited. At UNHCR, for example, approximately 80 per cent of implementing partners' expenditure is audited by reputable external audit firms. **The Advisory Committee trusts that the Board of Auditors will review the level of assurance activities of implementing partners, in particular in the Office for the Coordination of Humanitarian Affairs and UNOPS, and that an update will be provided in the next report.**

Fraud

66. Implementing partners had been identified by the Secretary-General as one of the critical risks related to fraud and corruption and as one of the most common sources of fraud and corruption by the Office of Internal Oversight Services (ibid., para. 220). For example, of the 66 cases of substantiated fraud reported by UNHCR during 2021, 21 were committed by implementing partners (ibid., para. 241). Upon enquiry, the Advisory Committee was informed that UNICEF had co-led a collaboration of six other United Nations agencies to develop online training on fraud awareness, addressed to implementing partners in nine languages, and conducted in-country fraud training, jointly with other agencies (see also para. 79 below).

Collaboration among entities and system-wide efforts

67. Upon enquiry, the Advisory Committee was informed by the Administration that, in 2021, the United Nations issued a policy on implementing partners, which provided an Organization-wide harmonized approach for the engagement of implementing partners or grantees and applied to all United Nations personnel involved in the partnership process. In addition, the United Nations Partner Portal, which was also launched in 2021, enabled a standardized due diligence screening of potential partners against a standard set of minimum criteria. Several entities, including the Secretariat, UN-Women, UNFPA, UNHCR and UNICEF, joined the Partner Portal, while others, such as UNDP and UNOPS, were exploring the possibility of joining in the future. Anticipated improvements in the Partner Portal included integration with Umoja and additional functionalities to enable the sharing of risk and capacity information, as well as the operationalization of the United Nations protocol on allegations of sexual exploitation and abuse involving implementing partners. It was also expected that, in the future, all international and national non-governmental organizations wishing to be considered for partnership opportunities with the Secretariat would need to register and create a profile on the Partner Portal.

68. **In view of the widespread, continuing and high-risk issues related to implementing partners, the Advisory Committee concurs with the recommendations of the Board of Auditors and stresses the pressing need to strengthen the management, monitoring and oversight of implementing partners, including through further system-wide efforts (see also A/76/554, para. 46).**

E. Status of implementation of the recommendations of the Board of Auditors

69. The Advisory Committee notes that the overall rate of implementation of extant recommendations from the previous period continued to increase during the past four years, from 39 per cent in 2018, to 41 per cent in 2019, 48 per cent in 2020 and 53 per cent in 2021. The individual implementation rate, however, was lower than the previous year for six entities (UNDP, UNHCR, UNITAR, UNODC, UNU and the United Nations Joint Staff Pension Fund) and four entities (United Nations operations as reported in volume I, ITC, International Residual Mechanism for Criminal Tribunals and UN-Habitat) had an implementation rate below 50 per cent over the past three years. The United Nations operations as reported in volume I had an implementation rate of 35 per cent (A/77/240, para. 216, and tables 9 and 10; see also A/76/173, tables 9 and 10). **The Advisory Committee acknowledges that the overall implementation rate has sustainably increased during the past few years. However, considering the significant risks and internal control weaknesses underpinning most of the recommendations of the Board of Auditors, sustained efforts are necessary to improve the implementation rates further. The Committee recalls that the General Assembly, in its resolution 76/235, again reiterated its request to the Secretary-General and the executive heads of the funds and programmes of the United Nations to ensure full implementation of the recommendations of the Board and the related recommendations of the Committee in a prompt and timely manner, to continue to hold programme managers accountable for the non-implementation of recommendations and to effectively address the root causes of the problems highlighted by the Board (see also A/76/554, para. 48).**

70. The Board reported that, as at 31 December 2021, there were a total of 426 outstanding recommendations (407 under implementation and 19 not implemented), including 235 (or 55 per cent) that had been issued two years earlier or more. The United Nations operations as reported in volume I and UN-Habitat had more than 35 recommendations that had not been fully implemented for two years or more (A/77/240, para. 215). Challenges to improved implementation rates and timelines included: (a) the length of the compliance deadlines imposed by the entities; (b) multiple elements within the same recommendation, which might require more than one audit period to be fully implemented; and (c) the process of migration to a new enterprise resource planning system, which had postponed the implementation of the associated recommendations for several entities in 2021 (ibid., paras. 217–219; see also para. 76 below). **The Advisory Committee recalls the repeated request of the General Assembly that the Secretary-General provide full explanations of the delays in the implementation of the recommendations of the Board of Auditors, in particular for those that had not been fully implemented for two years or more (General Assembly resolution 76/235, para. 9).**

71. The Advisory Committee notes, from the information received by the Board, that 7 recommendations resulting from the 2021 audits were not accepted by the Administration, down from 11 compared with the previous year, and pertained to three entities: UNOPS (4), UNRWA (2) and UNU (1). The Committee also notes that the Administration has requested closure for a number of recommendations of the

Board, including on idle assets and geographical representation (see paras. 41 and 58 above). **The Advisory Committee reiterates its recommendation that the General Assembly request the entities concerned to fully cooperate to the satisfaction of the Board of Auditors for the implementation of the recommendations that have been partially or not accepted, or for which the Administration has requested closure (see also A/76/554, para. 50).**

IV. Other matters

1. Reforms and business transformation processes

72. In 2021, the Board of Auditors reviewed several reforms and significant business transformation processes in various entities, including the management reform, the reform of the peace and security pillar, the development reform and the UNHCR decentralization and regionalization process. Upon enquiry, the Advisory Committee was informed that the Board had noted a difficulty for the entities to set a clear end-state vision and implementation plan, supported by robust governance, with clear targets, benefits and timelines. From its observations, the Board identified general steps that could strengthen reforms in the Secretariat and other entities: (a) further efforts to foster the culture of result-based-management and the development of concrete and detailed implementation plans; (b) compilation of lessons learned and actions taken to address recurring deficiencies in reforms and business transformation processes; (c) monitoring and oversight of implementation of programmes; and (d) timely and duly conducted evaluations of programme performance. **With a view to ensuring that the expected benefits of business transformation projects and reforms may be fully reaped, the Advisory Committee recommends that the Administration build on lessons learned from processes undertaken and set a clear end-state vision, supported by a feasible implementation plan, robust governance, adequate risk management, and sound benefit and performance monitoring mechanisms (see also para. 74 below).**

2. Efficiency agenda of the United Nations development system

73. The Board found deficiencies in the implementation and reporting of the efficiency agenda for the United Nations development system, with a targeted dollar value equivalent of $310 million. As at 31 December 2021: (a) only 2 countries (1.5 per cent) had been approved for the establishment of common back offices and 18 (13.7 per cent) were at the roll-out phase, suggesting that the targeted establishment of common back offices for all 130 United Nations country teams by 2022 would be hard to achieve; and (b) only 26 per cent of the common premises were established, against the expected 50 per cent target by 2021 (A/77/5 (Vol. I), paras. 441–444). In addition, while the efficiency gains for 2021 were estimated at $194 million, the Board noted that they were not duly captured and reported and that there was a lack of detailed supporting documentation (ibid., para. 445). The Board recommended that the Administration call upon the relevant governing bodies to ensure the approval of a revised efficiency road map, an accountability system, a tracking mechanism and full reporting of all efficiency gains achieved from bilateral and inter-agency initiatives (ibid., paras. 447–449). Upon enquiry, the Advisory Committee was informed by the Administration that the revised road map had been approved in August 2022. **The Advisory Committee stresses the importance of full, transparent and accurate reporting of the impact of the efficiency agenda for the United Nations development system, including regarding costs savings (see also A/77/7, para. I.32, and also A/76/554, para. 69).**

3. Peace and security reform

74. The Board had previously noted that the vision of the United Nations for the end state of the peace and security reform was unclear and therefore recommended the identification of a mechanism for reporting continuous improvement and benefits arising from the reform (A/76/5 (Vol. I), paras. 573–577). In its 2021 report, the Board noted that such a mechanism had yet to be finalized and recommended that its completion be expedited. The Board also recommended the development of an action plan to promote adaptation and integration, on the basis of the slow progress made in the completion of the business re-engineering process and in the fostering of a new organizational culture (A/77/5 (Vol. I), paras. 453–463). **The Advisory Committee concurs with the recommendations of the Board of Auditors and trusts that an update will be provided in the context of the next overview report on the financing of the United Nations peacekeeping operations (see also A/76/554, para. 72).**

4. Matters related to information and communications technology and enterprise resource planning systems

Deficiencies in information and communications technology governance

75. The Board followed up on repeated concerns raised by the Advisory Committee regarding ICT (see, for example, A/77/7, paras. VIII.72–VIII.78, and A/75/564) and noted, among others:

(a) Deficiencies in the governance framework, including a lack of clarity on the roles and duties of the Chief Information Technology Officer and the absence of governance bodies responsible for cross-cutting issues, such as ICT asset management, global sourcing and cybersecurity (A/77/5 (Vol. I), paras. 549–550);

(b) A lack of an independent monitoring and accountability mechanism to enforce ICT governance, leading to such situations as the persistent non-compliance of entities to submit their ICT budget proposal to the Office of Information and Communications Technology for its review, notwithstanding repeated requests to do so from governing bodies (ibid., paras. 559–560);

(c) Incomplete review and revision of ICT policies, for example, the 2014 disaster recovery planning technical procedure had not been updated to reflect the significant changes in critical ICT services, applications and equipment (ibid., 554–557).

The Board also noted that there was no overarching policy for data centre management to define roles, responsibilities and coordination mechanisms for key stakeholders, nor were there guidelines to regulate desired outputs from uninterruptible power systems, precision cooling or other non-computing infrastructure components, and that the disaster planning technical procedure had not been updated since 2014 and there was no disaster recovery plan for critical ICT services located in the United Nations Headquarters data centre. Such deficiencies were underscored through the power outage incident at the data centre on 19 February 2022, which resulted in the United Nations main website, along with other critical department sites, remaining offline for three days. **The Advisory Committee concurs with the recommendations of the Board of Auditors on ICT and makes further comments and observations in the context of its reports on the ICT strategy and capital investment planning.**

Increased costs for enterprise resource planning systems

76. The Board noted, among others, the delayed development and implementation of the enterprise resource planning system used by UNDP and seven other agencies (UN-Women, UNFPA, UNITAR, UNU, the United Nations Capital Development Fund, the United Nations System Staff College and United Nations Volunteers). Upon enquiry, the Advisory Committee was informed by the Administration that the system was live in part and that its full launch was expected early in 2023. The Board reported that deferral of the go-live resulted in an additional cost of $3.66 million to the total estimated costs of $36.8 million, as of April 2022, and would delay the implementation of key recommendations, such as those related to the implementation of automated controls (A/77/5/Add.1, paras. 9–10, 295–299 and 310). With respect to the new cloud-based information technology services at UNHCR, the Board noted that the maximum ceiling amount of a 2014 frame agreement, which UNHCR applied for new cloud-based information technology services in 2021, had increased from $3.7 million to $46.6 million over that time period, through several amendments for additional services. In February 2021, UNHCR ordered cloud services for an amount of $17.8 million and increased the provision to $18.5 million in July 2021, by adding a new service called "integrations". The Board noted that the frame agreement and contract negotiations could have benefited from a more detailed update of specific services covered and the terms and conditions for ordering cloud services (A/77/5/Add.6, paras. 171–173). **The Advisory Committee trusts that the Board of Auditors will continue to review and provide further analysis on the investments in enterprise resource planning and cloud solutions across the audited entities, with a view to having the Administration identify synergies and opportunities for efficiency gains, including through minimizing duplication and strengthened interoperability.**

5. Sustainable procurement

77. The Board reviewed how UNDP integrated sustainability into the organization's procurement policy and strategy and how it organized the procurement function towards sustainability and the integration of sustainability into the procurement process. The Board made several recommendations, including that UNDP, in line with established good practices and international standards, continue to integrate sustainability into the organization's procurement policy and strategy and to develop and implement a sustainable procurement action plan (A/77/5/Add.1, paras. 127–222). **The Advisory Committee recalls that the General Assembly has not decided on the concept of environmentally friendly and sustainable procurement and has requested the Secretary-General to prepare a comprehensive report thereon (see General Assembly resolutions 65/261 and 62/269, para. 33, and A/76/722, para. 67). The Committee trusts that the Administration will provide further information to the Assembly at the time of the consideration of the present report.**

6. System-wide vetting mechanisms covering misconduct

78. With a view to preventing the re-employment within the United Nations system of individuals who have been involved in misconduct or disciplinary issues and given the limited scope of current vetting tools, such as Clear Check (for allegations of sexual harassment or sexual exploitation and sexual abuse) and the Case Management Tracking System records (for uniformed personnel), the Board recommended the establishment of a system-wide vetting platform covering all types of misconduct under the leadership of the High-level Committee on Management (A/77/5 (Vol. I), paras. 331–333). The Advisory Committee discusses matters related to misconduct

and vetting in its reports on disciplinary matters (A/76/724) and on special measures for protection from sexual exploitation and abuse (A/76/774).

7. Fraud and presumptive fraud

79. In its concise summary, the Board provided an overview of the cases of fraud or presumptive fraud. According to the information received from the entities, the total number of cases decreased from 793 in 2019 to 668 in 2021, with increases in four entities (United Nations peacekeeping operations, UN-Women, UNICEF and UNODC) compared with the previous year. In addition, 196 cases of fraud or presumptive fraud pertaining to eight entities had been pending for more than two years, with more than half relating to the United Nations operations as reported in volume I and UNFPA (A/77/240, table 8 and paras. 55–56). Upon enquiry, the Advisory Committee was informed that the level of information supplied by the entities continued to differ considerably, including on the reporting of cases and the financial impact of fraud. For example, seven entities disclosed that, during 2021, they were not aware of cases of fraud or presumptive fraud. Reported cases in UN-Women included conflict of interest and irregular bidding practices in procurement, falsification of financial documents and irregularities in attendance records. The estimated financial loss due to cases of fraud and presumptive fraud during 2021 included $11.31 million in 24 cases in the operations of the United Nations as reported in volume I and $1.3 million for the total loss on cases substantiated by the Office of Internal Oversight Services in UNICEF. **The Advisory Committee stresses the importance of preventing, monitoring and addressing instances of fraud and presumptive fraud, including through accountability measures, where appropriate. The Committee notes the persistent lack of consistency in the reporting of fraud-related matters and recalls that the General Assembly, in endorsing the Committee's recommendation, requested the Secretary-General to ensure that all cases of fraud and presumptive fraud are reported in a transparent and consistent manner, including through the issuance of comprehensive guidance and reporting mechanisms (see also A/76/554, para. 74).**

Annex

Financial reports, audited financial statements and reports of the Board of Auditors for the financial period ended 31 December 2021 and related reports considered by the Advisory Committee on Administrative and Budgetary Questions

Reports of the Board of Auditors

1. Concise summary of the principal findings and conclusions contained in the reports of the Board of Auditors for the annual financial period 2021 (A/77/240)
2. United Nations (A/77/5 (Vol. I))
3. International Trade Centre (A/77/5 (Vol. III))
4. United Nations University (A/77/5 (Vol. IV))
5. United Nations Development Programme (A/77/5/Add.1)
6. United Nations Capital Development Fund (A/77/5/Add.2)
7. United Nations Children's Fund (A/77/5/Add.3)
8. United Nations Relief and Works Agency for Palestine Refugees in the Near East (A/77/5/Add.4)
9. United Nations Institute for Training and Research (A/77/5/Add.5)
10. Voluntary funds administered by the United Nations High Commissioner for Refugees (A/77/5/Add.6)
11. Fund of the United Nations Environment Programme (A/77/5/Add.7)
12. United Nations Population Fund (A/77/5/Add.8)
13. United Nations Human Settlements Programme (A/77/5/Add.9)
14. United Nations Office on Drugs and Crime (A/77/5/Add.10)
15. United Nations Office for Project Services (A/77/5/Add.11)
16. United Nations Entity for Gender Equality and the Empowerment of Women (A/77/5/Add.12)
17. International Residual Mechanism for Criminal Tribunals (A/77/5/Add.15)
18. United Nations Joint Staff Pension Fund (A/77/5/Add.16)

Related reports

19. Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its report for the year ended 31 December 2021 on the United Nations (A/77/322)
20. Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its reports on the United Nations funds and programmes for the year ended 31 December 2021 (A/77/322/Add.1)