



Executive Board of the United Nations
Human Settlements Programme
First session of 2025
Nairobi, 25–27 March 2025
Item 4 of the provisional agenda*

Financial, budgetary and administrative matters

Status of the implementation of the recommendations of the report of the Board of Auditors

Report of the Executive Director

I. Introduction

1. The United Nations Board of Auditors was established by the General Assembly in 1946 to provide an independent audit of the accounts and management of the United Nations and its funds and programmes. The Board reports annually on its audit of UN-Habitat.
2. The present report contains an updated status of the implementation of the recommendations of the Board relating to the recent 2023 Report of the Board of Auditors and prior periods that were considered by the Board not to have been fully implemented.

II. Progress in the implementation of the recommendations

3. **Table 1** provides an overview of the status of implementation of the Board recommendations. The overall implementation rate of the outstanding recommendations not yet officially closed by the Board stands at 44%. In 2024, staffing gaps within the Oversight and Internal Controls Unit of the Management Advisory and Compliance Service (MACS) have hindered progress in implementing audit recommendations. However, UN-Habitat has taken proactive steps to address these gaps by enhancing its staffing, including the recruitment of one P-3 and one G-6 positions, as well as the return from secondment of a P-4 with expertise in audit and risk management. These additions are expected to significantly improve the unit's capacity to implement audit recommendations effectively.

Table 1
Overview of the status of implementation of BOA audit recommendations as at 31 January 2025

Year	2017	2018	2019	2020	2021	2022	2023	Total
Number of recommendations	1	4	5	5	8	15	20	58
Implemented	1	2	0	5	2	5	11	26
Under Implementation	0	2	5	0	6	10	9	32
Rate of Implementation (%) as at 31st January 2025	100%	50%	0%	100%	25%	33%	55%	44%

* HSP/EB.2025/1.

4. **Annex I** contains the detailed list of the audit recommendations and the related responses from management.

III. Proposed decision

5. In fulfilling its mandate of strengthening the accountability, transparency, efficiency and effectiveness of UN-Habitat, as well as overseeing compliance with recommendations in the reports of oversight bodies, the Executive Board may wish to take note of the present report and recommend actions to further improve the implementation of the recommendations of the Board of Auditors.

Annex I

Status of UN Board of Auditors audit recommendations as at 31 January 2025

Audit recommendation	Management's Response
1. "The Board recommended that UN-Habitat: (a) ensure that funds are released to implementing partners on time so that the planned activities can be completed within the scheduled period; and (b) establish a risk-based fast-track payment process for emergency and high-priority countries, as proposed by the country office in the Syrian Arab Republic." <i>Reference: (2017) A/73/5/Add.9 Chap II para. 32</i>	Implemented. The Grantor module of Umoja (ERP) has improved the management of payment to Implementing Partners. The revised policy on Implementing Partner Management has also established timeline requirement on issuance of payment to IP projects.
2. "The Board recommended that UN-Habitat evaluate the application of impairment provisions to advances accounts." <i>Reference (2018) A/74/5/Add.9 Chap II para 22</i>	Under implementation. UN-Habitat, in coordination with UNON, is establishing a procedure to evaluate impairment provision to long outstanding advances to Implementing Partners. <i>Implementation Date: 30 April 2025.</i>
3. The Board recommended that UN-Habitat enhance project supervision and internal control in the UN-Habitat policy for implementing partners to prevent grants under which no accounting transactions have been made for an extended period from remaining in force. (2018, A/74/5/Add.9 Chap II para 23)	Under implementation. The Implementing Partner Policy is being updated, and it will include policy guidance on preventing inactive grants. <i>Implementation Date: 30 April 2025.</i>
4. The Board recommended that UN-Habitat establish a framework and methodology for full cost recovery in accordance with General Assembly resolution 67/226 applicable in all units of the entity and inform its hubs and offices of its application. (2018, A/74/5/Add.9 Chap II para 42)	Implemented. UN-Habitat, as part of the UN Secretariat, will apply the most recent UNHQ Cost Recovery Policy and Guidelines.
5. The Board recommended that UN-Habitat perform periodic and timely reviews of the leave system to identify absences and, if relevant, apply charges on the monthly salary of the staff. 2018 A/74/5/Add.9 Chap II para 128	Implemented. UNHABITAT has now established a network of Time Administrators for each Unit who have undergone training and are responsible for, among other things, serving as focal points for staff time management matters.
6. The Board recommended that UN-Habitat update the information contained in the Umoja report on equipment in accordance with the SC119 Umoja property management overview course, assigning for each item the location and/or user responsible. 2019, A/75/5/Add.9 Chap II para 195)	In progress. The process of enriching the asset master data of UN Habitat is ongoing. So far, all property locations have been updated and now we are updating the user responsible. The target completion date is first quarter of 2025.
7. The Board recommended that the assigned staff member responsible for the operational equipment be a staff member of UN-Habitat. (2019, A/75/5/Add.9 Chap II para 196)	Under implementation. The process of enriching the asset master data of UN Habitat is ongoing. Standard practice at UN Habitat is to assign all operational equipment to UN staff members. <i>Implementation Date: 30 April 2025.</i>
8. The Board recommended that UN-Habitat headquarters take measures to monitor the proper registration of the capitalization and disposal of property, plant and equipment items, from the time when the assets are received by the entity and according to the information indicated in the corresponding delivery note or when the disposal is approved. 2019 A/75/5/Add.9 Chap II para 207	Under implementation. The first asset management training was conducted in the third quarter of 2023 by UNON. The next refresher training involving the HQ and all regional focal points is set to be conducted in the second quarter of 2025. In addition, OICU unit has taken up the role of property management and will, in collaboration with UNON, ensure assets are registered in time and this will in turn ensure proper determination of the beginning of the depreciation period which follows IPSAS principles. <i>Implementation Date: 30 April 2025.</i>
9. The Board recommended that UN-Habitat consider the depreciation of its assets when they are available for use, pursuant to the delivery principle of the United Nations corporate guidance for IPSAS on the delivery principle and paragraph 71 of IPSAS 17. 2019 A/75/5/Add.9 Chap II para 208	
10. The Board recommended that UN-Habitat hold the ICT Committee meetings periodically in order to achieve the objectives and purposes established in Secretary-General's bulletin ST/SGB/2003/17 and the Committee's terms of reference. 2019 A/75/5/Add.9 Chap II para 292	Under implementation. UN-Habitat ICT Committee met once last year and plan to hold 3 meetings for 2025. <i>Implementation Date: 30 June 2025.</i>
11. The Board reiterates the former recommendation that UN-Habitat avoid the ex-post facto situation prior to the signing of new contracts. 2020 A/76/5/Add.9 Chap II para 101	Implemented. A standard operating procedure has been implemented to transmit Contract expiry reminder to Project Managers on a quarterly basis with effect from quarter Oct - Dec 2024.
12. The Board recommended that UN-Habitat perform its duties on contract management to ensure that comprehensive evaluations of vendor performance are conducted before processing any extension to existing contracts. 2020 A/76/5/Add.9 Chap II para 107	Implemented. Payments to Contractors/Suppliers are processed only after Contractor Performance Report (CPR) is completed by Project Manager.

Audit recommendation	Management's Response
13. The Board recommended that UN-Habitat, in collaboration with UNOPS, amend the individual contractor agreement by further specifying the scope of entitlement in compliance with the Administrative Instruction. 2020 A/76/5/Add.9 Chap II para 132	Implemented. UN Habitat has no authority to influence and amend UNOPS individual contractor instruments and entitlement. Furthermore, due to its dependence on field operation UN Habitat business model relies on UNOPS HR services. Since this implementation is not under the control of UN Habitat, we are requesting BoA to close the recommendation without implementation.
14. The Board recommended that UN-Habitat generate barcodes for all assets under control to keep all assets traceable and fill in the acquisition dates which represent the beginning of the useful life of the assets. 2020 A/76/5/Add.9 Chap II para 172	Implemented. All UN Habitat assets without bar codes have been tracked and coded.
15. The Board recommended that UN-Habitat strengthen its travel planning process to ensure the booking and purchase of tickets be finalized 16 calendar days in advance of the commencement of official travel. 2020 A/76/5/Add.9 Chap II para 181	Implemented. UN-Habitat is monitoring compliance with the rule.
16. The Board recommends that UN-Habitat regularly communicate with donors about the possibility of recollecting voluntary contributions receivable, especially for grants with closing status, and start the write-off or write-down process in time when eligible. 2021 A/77/5/Add.9 chap II para 45	Implemented. This recommendation has been overtaken by the event. UN-Habitat is in the process to apply for the new IPSAS 47 which will address the issue from 1st Jan 2026.
17. The Board also recommends that UN-Habitat review the post distribution and human resources regularly to further analyze the employment priority and resources distribution, in order to facilitate selection process whenever the necessary funding is in place. 2021 A/77/5/Add.9 chap II para 66	Implemented. UN-Habitat has since undertaken a review of its resource distribution, including post distribution. With the support of the Executive Office of Secretary-General, UN-Habitat analyzed its employment priorities and resource distribution which were reflected in subsequent work programmes and budgets. Further UN-Habitat adopted an internal measure of scalability model that will inform scaling up and down of employment priorities.
18. The Board recommends that UN-Habitat establish a mechanism that gathers and cross-checks the data and hiring records of non-staff personnel in compliance with further clarified UN Secretariat requirements, giving due consideration of best value for money. 2021 A/77/5/Add.9 chap II para 109	Under implementation. UN Habitat is in the process of establishing a mechanism that gathers and cross-checks the data and hiring records of non-staff personnel- This process is still Ongoing. The unit has resolved issues on staffing and task has been assigned for implementation. <i>Implementation Date: 30 September 2025</i>
19. The Board recommends that UN-Habitat review its IP Policy and SOP for IP Selection to ensure that IP selection is compliant with general principles of fairness, integrity, transparency and effective competitiveness set by UNFRR; any necessary waiver shall together provide, among others, programmatic and financial justifications and detail the exceptional circumstances. 2021 A/77/5/Add.9 chap II para 153	Under implementation. The revision of the implementing partners policy is underway. The updated policy is developed to address gaps and risks identified by oversight bodies: internal audit (OIOS), external auditors (BOA) and other UN oversight bodies (i.e., United Nations Joint Inspection Unit). It also provides clarity to grey areas identified internally by UN-Habitat. It aims to continue to sustain a strategic and risk-based approach to implementing partner management, aligned to UN-Habitat's strategic framework, taking into consideration recommendations from the oversight bodies and best practices employed by other UN entities. <i>Implementation Date: 30 April 2025.</i>
20. The Board recommends that UN-Habitat take necessary actions, including but not limited to review its IP Policy and SOP for IP Selection, to avoid the possibility of splitting contracts. 2021 A/77/5/Add.9 chap II para `154	
21. The Board recommends that UN-Habitat build up and maintain a database of properly screened IPs for the entire UN-Habitat to facilitate the IP selection process and link it to Umoja IPM module to strengthen IP data sharing. 2021 A/77/5/Add.9 chap II para 162	
22. The Board recommends that UN-Habitat improve its SOP for IP Selection by setting up the guidance for selecting prospective IPs and the threshold for accepting recommended IPs. 2021 A/77/5/Add.9 chap II para 170	Under implementation. UN Habitat is currently comparing the number of staff versus the number of operational laptops. Thereafter, a memo will be issued reiterating the guidelines for issuing laptops. <i>Implementation Date: 30 April 2025.</i>
23. The Board recommends that UN-Habitat further clarify the laptops/computers allocation rules and standards to optimize laptops/computers procurement and allocation and reduce related operational costs. 2021 A/77/5/Add.9 chap II para 221	
24. The Board recommends that UN-Habitat strengthen the review of the budget for ICT Strategy by submitting the ICT Budget to OICT for further consideration. 2022 A/78/5/Add.9 chap II para 31	Implemented. UN-Habitat ICT Committee will be convening in Feb 2025 to review the updated ICT Strategy and related budget for 2025
25. The Board recommends that UN-Habitat develop guidance on unearmarked grants to ensure the efficient and effective management of funds. 2022 A/78/5/Add.9 chap II para 48	Under implementation. UN-Habitat will develop guidance on unearmarked grants to ensure the efficient and effective management of funds. <i>Implementation Date: 30 June 2025</i>
26. The Board recommends that UN-Habitat comply with the regulation of Cash Management Policy, set repayment plan for overdue loans, and ensure internal loans are repaid in a timely manner. 2022 A/78/5/Add.9 chap II para 49	Implemented. UN-Habitat and UNON have a joint ongoing and regular monitoring process in place by reviewing overdue loans and taking necessary actions.

Audit recommendation	Management's Response
27. The Board recommends that UN-Habitat develop a policy and establish a mechanism to ensure that programme support cost rates are in line with the United Nations policy and that exceptions to standard rates are carefully reviewed and approved. 2022 A/78/5/Add.9 chap II para 57	Implemented. UNHQ Comptroller is in the process of finalizing a revised PSC policy which will guide all UN Secretariat entities, including UN-Habitat. The first draft is under circulation for review and comments.
28. The Board recommends that UN-Habitat take actions to strengthen the control of grants, including cleaning up deficit balances in grants account and settling the liability of closing grants, to ensure that the projects are operationally and financially closed in a timely manner. 2022 A/78/5/Add.9 chap II para 65	Under Implementation. UN-Habitat is designing a mechanism to regularly follow up and correct grants with deficit balances. <i>Implementation Date: 30 April 2025.</i>
29. The Board recommends that UN-Habitat clarify the roles of various offices related to Implementing Partners management and designate a unit/office for the overall coordination, oversight, and management of Implementing Partners, with the role of supervising the use of Implementing Partners Module. 2022 A/78/5/Add.9 chap II para 104	Under implementation. The revision of the implementing partners policy is underway. The updated policy is developed to address gaps and risks identified by oversight bodies: internal audit (OIOS), external auditors (BOA) and other UN oversight bodies (i.e., United Nations Joint Inspection Unit). It also provides clarity to grey areas identified internally by UN-Habitat. It aims to continue to sustain a strategic and risk-based approach to implementing partner management, aligned to UN-Habitat's strategic framework, taking into consideration recommendations from the oversight bodies and best practices employed by other UN entities. <i>Implementation Date: 30 April 2025.</i>
30. The Board recommends that UN-Habitat strengthen uploading of documents related to selection of implementing partners with the Implementing Partners Selection Committee review documents included and improve the maintenance of Payment Schedule and Report Schedule functions in the Implementing Partner Module of Umoja. 2022 A/78/5/Add.9 chap II para 105	
31. The Board recommends that UN-Habitat appoint its Implementing Partners Selection Committee members through official documents signed by the designated person according to the Terms of Reference of the Committee. 2022 A/78/5/Add.9 chap II para 115	
32. The Board recommends that UN-Habitat review various options to solve the issue of not meeting quorum and ensure that only the appointed members/designated alternate can participate in the discussion. 2022 A/78/5/Add.9 chap II para 116	
33. The Board recommends that each member of the Implementing Partners Selection Committee sign a Non-Conflict of Interest Statement at every meeting before the review of proposals on a case-by-case basis. 2022 A/78/5/Add.9 chap II para 117	
34. The Board recommends that UN-Habitat ensure that requirements on ICT from all divisions and offices are effectively coordinated and consolidated in the development of applications. 2022 A/78/5/Add.9 chap II para 127	Implemented. UN-Habitat ICT Committee will be considering the establishment of an entity-wide ICT network of focal points from HQ, Divisions, Regions, and Country levels which will be tasked to support the coordination and consolidation of development of ICT initiative Entity-wide.
35. The Board recommends that UN-Habitat continue to develop a clear strategy regarding the total number of core operational staff who are under UNDP and UNOPS contracts, implement the "Lift & Shift" project and accelerate the progress of moving core operational staff who are under UNDP and UNOPS contracts to United Nations Secretariat contracts. 2022 A/78/5/Add.9 chap II para 162	Under implementation. UN-Habitat has transitioned all UNOPS fixed-term staff to UN Secretariat contracts and is in the process of the conversion of UNDP contracts as part of the UN Secretariat "Lift & Shift" project. UNOPS confirms a declining trend in fixed-term staff contracts since 2021, with the final ongoing contract ending in April 2025. <i>Implementation Date: 30 September 2025</i>
36. The Board recommends that UN-Habitat strengthen its management of consultants and individual contractors by further clearly defining their roles, responsibilities, authorization levels within the organization's hierarchy to ensure that they do not exceed their delegation of authority. 2022 A/78/5/Add.9 chap II para 167.	Under implementation. DoA has recently been taken up by the Risk and Compliance Unit and will henceforth be managed by the team. Regular reviews will be undertaken. <i>Implementation Date: 30 April 2025.</i>
37. The Board recommends that UN-Habitat strictly follow break-in-service regulations and develop mechanisms to ensure that reappointing staff fully meet the break in service requirements. 2022 A/78/5/Add.9 chap II para 172	Under implementation. UN-Habitat, in collaboration with UNON, will strengthen its compliance with break-in-service policy. The Human Resource & Training Unit (HRTU) will closely monitor staff members on temporary appointments to ensure compliance with the mandatory break-in-service in accordance with ST.AL2010.4 Rev.1. Three months before the appointment reaches the maximum 729-day duration, HRTU will notify the recommending officers, reminding them of the requirement to separate the staff member upon contract expiration. The staff members will also be informed accordingly. <i>Implementation Date: 31 December 2025</i>
38. The Board recommends that UN-Habitat track the evaluation recommendations in time and complete implementation of recommendations according to established timelines. 2022 A/78/5/Add.9 chap II para 180	Implemented. UN-Habitat consistently tracks and evaluates recommendations to ensure full compliance and implementation of recommendations.

Audit recommendation	Management's Response
39. The Board recommends that UN-Habitat obtain the consent or official evidence of consultation from the donor before transferring balances of earmarked voluntary contributions to the unearmarked grant and clearly specify the utilization of the balances in the project financial reports or grant agreements in the future. 2023 A/79/5/Add.9 chap II para 25	Implemented. UN-Habitat, in consultation with UNON, has now established a mechanism ensuring consultation with donors on the use of any remaining balances from earmarked voluntary contributions.
40. The Board recommends that UN-Habitat regularly review the status and cash balances of grants, and address cash balances in accordance with donor agreements before grants are closed, thereby enhancing the efficient utilization of funds. 2023 A/79/5/Add.9 chap II para 31	Implemented. Cash balances can be monitored using the BFMS power BI dashboard. At the end of September, there were 569 active grants with 341 grants in award status and 221 in closing status. (active = award +closing)
41. The Board recommends that UN-Habitat obtain and review IP reports to monitor project progress and the utilization of advances in a timely manner, effectively measure advances and expenses, and appropriately disclose accrued expenses. 2023 A/79/5/Add.9 chap II para 40	Under implementation. The revision of the implementing partners policy is underway. The updated policy is developed to address gaps and risks identified by oversight bodies: internal auditors (OIOS), external auditors (BOA) and other UN oversight bodies (i.e. United Nations Joint Inspection Unit). It also provides clarity to grey areas identified internally by UN-Habitat. It aims to continue to sustain a strategic and risk-based approach to implementing partner management, aligned to UN-Habitat's strategic framework taking into consideration recommendations from the oversight bodies and best practices employed by other UN entities. Implementation Date: 30 April 2025.
42. The Board recommends that UN-Habitat allocate adequate fund resources for evaluation in project budget and conduct evaluations of projects in line with the evaluation policies, to ensure that evaluation activities are carried out effectively and evaluation reports are publicly available. 2023 A/79/5/Add.9 chap II para 50	Implemented. This recommendation is taken over by AOM BPM 3-1 of 2024 BoA interim audit which updated, comprehensively reviewed UN Habitat evaluation practices, and issued new recommendations (being finalized) on straightening the funding and compliance with UN Habitat evaluation policy.
43. The Board recommends that UN-Habitat disclose information on extrabudgetary posts more transparently and strengthen the monitoring of long-term positions, to ensure that the extrabudgetary resource estimates presented in the budget fascicles are as complete and accurate as possible. 2023 A/79/5/Add.9 chap II para 60	Implemented. 1) UN-Habitat complies with the UN Secretariat instructions on disclosure of positions. UN-Habitat cannot deviate since the instructions are strictly enforced by the Comptroller. 2) UN-Habitat has strengthened the monitoring of positions as a result any position not encumbered for more than 24 months are abolished and cleaned up from the system.
44. The Board recommends that UN-Habitat switch on implementation of mainstreaming indicator, improve the quantity and quality of national reports, and strengthen data analysis on Global Urban Monitoring Framework to improve data availability for more robust monitoring and reporting on the New Urban Agenda. 2023 A/79/5/Add.9 chap II para 76	Implemented. UN-Habitat has taken steps to strengthen the capacity of member states to produce data-informed and timely reports with improved quality. Such steps include the following: 1. Roadmap to NEW URBAN AGENDA REINVIGORATING THE 2026 MOMENTUM finalized 2. 4 NUA related sessions and 1 training held in WUF 12 3. Advocacy on NUA and the National Reporting done in EB 4. NUA Task team meetings held before WUF 5. E-learning on NUA reporting launched 6. Webinar on NUA reporting being developed 7. NUA Platform being renovated 8. NUA AP Regional platform being developed (ESKID supporting ROAP/Malaysia)"
45. The Board recommend that UN-Habitat enhance its capacities in monitoring and reporting on the implementation of SDG 11 and produce a progress report on SDG 1.4.1 and SDG 1.4.2 demonstrating horizontal collaboration and coordination as a custodian agency for these targets and indicators. 2023 A/79/5/Add.9 chap II para 86	Under implementation. UN-Habitat is still working towards strengthening SDG 11 capacities. We are on track to replace the P4 Statistician position that is key for SDG 11 reporting. We are also awaiting the financing of the scalability model where key positions have been earmarked to strengthen the data and SDG 11 and 1.4.1 and 1.4.2 monitoring roles. In 2023, UN-Habitat produced the SDG 11 synthesis report which documented progress on all SDG 11 targets and indicators. For 2024 we were not able to produce the relevant reports for SDG 1.4 target (Indicators 1.4.1 and 1.4.2) due to limited funding and austerity measures. These two indicators still lack the volume of required data to produce the global and regional reports. UN-Habitat is hopeful that in future, once we get more staff on board and finances then we will be able to build up the relevant capacities in countries to produce the relevant data and also produce the relevant progress reports. <i>Implementation Date: 31 December 2025.</i>
46. The Board also recommends that UN-Habitat strengthen monitoring SDG progress at the project level by ensuring every approved project make correct SDG indicators linkage and draw clear conclusions on project sustainability in the evaluation report. 2023 A/79/5/Add.9 chap II para 87	Implemented. Project compliance with SDG tagging on target level in IPMR has been addressed in Q4 monitoring report and will be monitored and followed up henceforth to further increase compliance.

Audit recommendation	Management's Response
47. The Board recommends that UN-Habitat optimize Cities Investment Portal and exploit City Investment Facility's potential as the accelerator of SDG Cities' flagship initiative in terms of fundraising. 2023 A/79/5/Add.9 chap II para 94	Implemented. 1. Only proposals that meet the required criteria are uploaded to the portal. Therefore, at the time of the audit, only 15 proposals were assessed and met the criteria hence uploaded in the portal. There is no plan and no need to upload 99 proposals to the portal. 2. UN Habitat has adopted a new vision under the new Executive Director. A new fundraising approach with the International Finance Institutions (IFIs) has been established. Negotiations with various IFIs are currently ongoing.
48. The Board recommends that UN-Habitat strengthen the background and risk assessment in projects planning stage and improve the accuracy of budget preparation, to ensure projects are completed within the planned timeframe and budget. 2023 A/79/5/Add.9 chap II para 109	Implemented. Improving accuracy of budget and completion of project with given budget is ensured by PRC membership of MACS, who review budgets. Risks frameworks are entered into IPMR and will be followed accordingly through the quarterly IPMR monitoring reports (Q1 2025 report and henceforth). PRC has established a quarterly monitoring process identifying projects at risks and sharing information with project managers for actions. The Risk and Compliance Unit is also now added to the PRC to ensure quality assessment of project risks at the planning stage.
49. The Board recommends that UN-Habitat strengthen expenditure control to ensure consistency with budget through conducting a regular review of substantive project work and consolidating it with financial information in ECC and regularly submit high-quality financial and progress reports to the donor, to enhance the donor's confidence in UN-Habitat. 2023 A/79/5/Add.9 chap II para 110	Under implementation. UN-Habitat will establish a monitoring mechanism of project expenditure and budget performance. <i>Implementation Date: 30 June 2025.</i>
50. The Board also recommends that UN-Habitat timely update the information of projects in IPMR, to ensure consistency with actual status. 2023 A/79/5/Add.9 chap II para 111	Implemented. We issue quarterly monitoring reports to ensure indicators are updated on a regular basis. Non-compliance is followed up and escalated for actions. RBM training also now includes a session on IPMR. The updated PRC guidelines also contain guidance for IPMR to improve compliance and reduce errors or prevent differing ways to enter information in IPRM by project teams.
51. The Board recommends that UN-Habitat comply with the PRC guideline and the IPMR deployment policy to ensure that the projects are approved firstly in IPMR and update the PRC guideline to clarify the role of IPMR in programme and project approval. 2023 A/79/5/Add.9 chap II para 118.	Implemented. UN Habitat has issued a guideline that no project should spend money before IPMR process is complete. In addition, UN Habitat is starting a process of identifying unapproved projects in IPMR for correction.
52. The Board recommends that UN-Habitat strengthen compliance oversight of Community Agreement signing, review the existing payment terms of Community Agreement considering the on-the-ground reality in the related country office, and establish appropriate payment terms to control financial risks. 2023 A/79/5/Add.9 chap II para 126	Under implementation. The revision of the implementing partners policy is underway. The updated policy is developed to address gaps and risks identified by oversight bodies: internal audit (OIOS), external auditors (BOA) and other UN oversight bodies (i.e., United Nations Joint Inspection Unit). It also provides clarity to grey areas identified internally by UN-Habitat. It aims to continue to sustain a strategic and risk-based approach to implementing partner management, aligned to UN-Habitat's strategic framework, taking into consideration recommendations from the oversight bodies and best practices employed by other UN entities. <i>Implementation Date: 30 April 2025.</i>
53. The Board recommends that UN-Habitat integrate regulations of CA management into the IP policy, include the standardized completion report at the organization level, and review the existing CA template to ensure accordance with the updated IP policy. 2023 A/79/5/Add.9 chap II para 132	
54. The Board recommends that UN-Habitat enhance the overall oversight of UN-UN agreement payment, clearly present prerequisites and payment ratios, and upload all required prerequisite documents to the Umoja grantor management module to facilitate payment verification. 2023 A/79/5/Add.9 chap II para 140	
55. The Board recommends that UN-Habitat standardize the due diligences criteria for IPs and strictly adhere to them to ensure quality and effectiveness. 2023 A/79/5/Add.9 chap II para 151	
56. The Board also recommends that UN-Habitat expand the indicators for assessing IP performance to ensure a comprehensive and objective evaluation, link the indicators to the overall performance rate and share the evaluation result of all IPs within the organization. 2023 A/79/5/Add.9 chap II para 152	
57. The Board recommends that UN-Habitat strictly adhere to the IP policy regarding the selection of IP auditors, the allocation of budgets for IP audits, and the provisions for IP payments; conduct comprehensive audits on IPs covering all required audit services as per TOR; and establish a knowledge base for audit findings and recommendations to identify key control risks for future collaborations. 2023 A/79/5/Add.9 chap II para 159	

Audit recommendation	Management's Response
58. The Board recommends that UN-Habitat not split requirements for the same or related requirement to bypass the bidding process. 2023 A/79/5/Add.9 chap II para 165	Implemented. Afghanistan country office has already aligned all its procurements in line with country requirement and already planned to make procurements of less than USD 50,000 within Afghanistan and beyond that by ROAS and or UNON office. Note: ROAS has a delegation of authority for USD 300,000.