

Management Response

Audit of the management of trust funds at the Economic Commission for Europe

Rec. no.	Recommendation	Critical1/ Important2	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	ECE should review its resource mobilization strategy and multi-year plan and take appropriate steps such as: (i) incorporating measurable and quantifiable performance indicators in the strategy; (ii) instituting a process to track the progress achieved; and (iii) including the impact of resource mobilization activities in its annual report to the Executive Committee.	Important	Yes	OES	30/06/2019	ECE will initiate a review of the effectiveness of the current strategy, given that there are no dedicated resources for a centralized approach. This will determine the extent to which the proposed recommendation will be articulated as presented.
2	ECE should strengthen its due diligence process by incorporating procedures for engagement with NGOs and other entities as donors and partners.	Important	Yes	Executive Officer (OES)	30/06/2019	ECE will identify gaps in due diligence measures as suggested, while remaining cognizant of the level of risk and corresponding investment of resources.
3	ECE should take appropriate steps to update its policies and procedures relating to management of extrabudgetary resources with the requirement to mainstream SDGs in their activities.	Important	Yes	Chief, Programme Management Unit (PMU)	31/03/2019	ECE is presently reviewing policies and procedures accordingly, as part of the Executive Secretary's efforts for strengthening the alignment of the ECE work programme to the 2030 Agenda.
4	ECE should: (i) establish a mechanism to consult available National Voluntary Reviews (NVR) of the country where projects are planned to be implemented; and (ii) encourage more Member States to participate in the NVR process to enhance project effectiveness.	Important	Yes	Chief, Programme Management Unit (PMU)	30/06/2019	ECE will consider the means for connecting the results of NVRs to ECE operational activities at the country level.

¹ Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

² Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

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5	ECE should include in the terms of reference for evaluations the need for evaluations to comply with the United Nations Evaluation Group's revised gender-related norms and standards.	Important	Yes	Chief, Programme Management Unit (PMU)	30/09/2018	ECE has revised the template accordingly.
6	ECE should: (i) develop a catalogue of technical cooperation services based on available technical expertise; and (ii) institute a project intake process to ensure that projects fall within the available expertise to further enhance the effectiveness of its technical cooperation activities.	Important	Yes	Chief, Programme Management Unit (PMU)	30/06/2019	ECE will review and undertake an assessment of the in-house expertise and anticipated future needs from member States for supporting the achievement of the SDGs in the 17 programme countries in the region.
7	ECE should: (i) take appropriate steps to ensure that indicators of achievement in project proposals are focused on outcomes; (ii) use appropriate tools to track the progress of outcomes; and (iii) include them in the annual report on technical cooperation activities to the Executive Committee.	Important	Yes	Chief, Programme Management Unit (PMU)	30/06/2019	ECE will further build on recent efforts in line with the Executive Secretary's vision to measure and report on the impact of ECE's work, including in the area of technical cooperation.
8	ECE should: (i) resume lessons learned exercises based on the evaluations conducted; (ii) convey the results of the lessons learned exercise to the concerned divisions for making necessary adjustments in future project proposals; and (iii) include the lessons learned from evaluations in its annual report to the Executive Committee.	Important	Yes	Chief, Programme Management Unit (PMU)	31/03/2019	ECE confirms that the recent full recruitment of staff in the PMU (2 August 2018) will enable the resumption of lessons learned exercises based on evaluations conducted. The results of these exercises is included in a chapter of the Annual Report on Evaluation to the Executive Committee (the first issued for 2017).
9	ECE should review the trust funds with low contributions and/or no activity and determine whether they can be closed and merged with the technical cooperation trust fund to improve trust fund management.	Important	Yes	Executive Officer (OES)	30/06/2019	ECE will conduct the review and take the necessary action to close or merge inactive trust funds as proposed.
10	ECE should: (i) review the use of consultants and ensure that they are only hired to perform tasks that require specialized skills; and (ii) include a knowledge transfer clause in the consultants' terms of reference, where applicable, to facilitate upgrading the technical skills of its staff.	Important	Yes	Executive Officer (OES)	31/12/2018	ECE will include additional requirements for project managers for self-reporting in the process for engaging consultants in ECE. This will include a clause on knowledge transfer as proposed by OIOS.

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11	ECE should: (i) ensure that consultants and contractors provide a statement of good health for self-certification and complete a beneficiary form; and (ii) monitor and address delays in processing of payments to consultants.	Important	Yes	Executive Officer (OES)	31/12/2018	ECE will review and identify measures in the Consultants and Individual Contractor Tool (CIC) to address both elements of OIOS proposal.
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