



## INTERNAL AUDIT DIVISION

# REPORT 2015/141

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### Audit of United Nations Office on Drugs and Crime operations in Iran

Overall results relating to the management of operations in Iran were initially assessed as partially satisfactory. Implementation of seven important recommendations remains in progress.

**FINAL OVERALL RATING: PARTIALLY  
SATISFACTORY**

13 November 2015  
Assignment No. AE2015/366/01

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# AUDIT REPORT

## Audit of United Nations Office on Drugs and Crime operations in Iran

### I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of United Nations Office on Drugs and Crime (UNODC) operations in Iran.

2. In accordance with its mandate, OIOS provides assurance and advice on the adequacy and effectiveness of the United Nations internal control system, the primary objectives of which are to ensure: (a) efficient and effective operations; (b) accurate financial and operational reporting; (c) safeguarding of assets; and (d) compliance with mandates, regulations and rules.

3. The UNODC Country Office in Iran (COIRA) was established in Tehran in July 1999. The main objective of the COIRA country programme for the period 2011-2014 was to support the development of national capacities to fight drugs and crime. The 2011-2014 country programme had a project budget of approximately \$15 million and consisted of three interrelated sub-programmes reflecting national priorities, institutional arrangements and UNODC mandate areas:

- Sub-programme 1: Illicit trafficking and borders management
- Sub-programme 2: Drug demand reduction and Human Immuno-deficiency Virus (HIV) control
- Sub-programme 3: Crime, justice and corruption

4. For the period 2013-2014, COIRA had a portfolio of three projects supporting its programme of work and was responsible for implementing five global and four regional project segments. Annual expenditures of all on-going projects were around \$2.74 and \$2.45 million for the years 2013 and 2014 respectively. At the time of the audit, the new country programme for 2015-2019 had been developed and was awaiting final endorsement by the host country. The new country programme had an indicative budget of \$20 million.

5. COIRA was headed by a Country Representative at the P-5 level assisted by nine staff on United Nations Development Programme (UNDP) contracts.

6. Comments provided by UNODC are incorporated in *italics*.

### II. OBJECTIVE AND SCOPE

7. The audit was conducted to assess the adequacy and effectiveness of UNODC governance, risk management and control processes in providing reasonable assurance regarding the **effective management of UNODC operations in Iran**.

8. The audit was included in the 2015 internal audit work plan for UNODC due to the high risks associated with the implementation of the UNODC mandate in Iran.

9. The key controls tested for the audit were: (a) strategic planning and risk assessment; (b) project management; and (c) regulatory framework. For the purpose of this audit, OIOS defined these key controls as follows:

(a) **Strategic planning and risk assessment** - controls that provide reasonable assurance that COIRA had appropriate strategic planning and risk assessment processes in place and were working effectively.

(b) **Project management** - controls that provide reasonable assurance that COIRA projects were effectively managed in accordance with relevant UNODC policies and guidelines.

(c) **Regulatory framework** - controls that provide reasonable assurance that policies and procedures: (i) exist to guide the operations of COIRA; (ii) are implemented consistently; and (iii) ensure the reliability and integrity of financial and operational information.

10. The key controls were assessed for the control objectives shown in Table 1.

11. OIOS conducted the audit from May to August 2015. The audit covered the period from 1 January 2013 to 30 June 2015.

12. OIOS conducted an activity-level risk assessment to identify and assess specific risk exposures, and to confirm the relevance of the selected key controls in mitigating associated risks. Through interviews, analytical reviews and tests of controls, OIOS assessed the existence and adequacy of internal controls and conducted necessary tests to determine their effectiveness.

### III. AUDIT RESULTS

13. The UNODC governance, risk management and control processes examined were assessed as **partially satisfactory**<sup>1</sup> in providing reasonable assurance regarding the **effective management of UNODC operations in Iran**. OIOS made seven recommendations to address issues identified in the audit.

14. COIRA country programmes for 2011-2014 and for 2015-2017 were developed in accordance with established UNODC procedures and appropriately aligned to the UNODC strategic framework. Projects were also planned and managed in accordance with established policies and aligned to the country programme. Further, the country programme and projects for the period 2011-2014 were evaluated in 2013 and COIRA had developed a plan of action to address the evaluation's recommendations.

15. Strategic planning and risk assessment was assessed as partially satisfactory because COIRA needed to define fundraising goals and activities in its annual work plan. COIRA also needed to identify and explain gaps between results targeted and achieved for effective performance monitoring. Project management was assessed as partially satisfactory because COIRA needed to ensure compliance with the guidelines and requirements on gender mainstreaming. Regulatory framework was assessed as partially satisfactory because COIRA needed to ensure that its staff had access to relevant UNDP policies and procedures for effective processing of administrative actions. COIRA also needed to ensure that it complied with the established requirements for procurement planning and for the selection of individual and service contractors, including composition of selection panels and conducting of reference and medical checks.

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<sup>1</sup> A rating of “**partially satisfactory**” means that important (but not critical or pervasive) deficiencies exist 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.

16. The initial overall rating was based on the assessment of key controls presented in Table 1. The final overall rating is **partially satisfactory** as implementation of seven important recommendations remains in progress.

**Table 1: Assessment of key controls**

Business objective	Key controls	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Effective management of UNODC operations in Iran	(a) Strategic planning and risk assessment	Partially satisfactory	Partially satisfactory	Satisfactory	Satisfactory
	(b) Project management	Partially satisfactory	Satisfactory	Satisfactory	Partially satisfactory
	(c) Regulatory framework	Partially satisfactory	Partially satisfactory	Satisfactory	Partially satisfactory
<b>FINAL OVERALL RATING: PARTIALLY SATISFACTORY</b>					

### **A. Strategic planning and risk assessment**

COIRA country programmes were developed in accordance with established procedures and appropriately aligned to the UNODC strategic framework

17. COIRA developed its country programmes for the periods 2011-2014 and 2015-2019 in consultation with relevant headquarters departments as well as national counterparts. The 2011-2014 country programme was approved by the UNODC Programme Review Committee and endorsed by the host country, while the 2015-2019 country programme was in the process of being reviewed by the host country at the time of the audit. Results targeted for each sub-programme were defined and were appropriately aligned to expected accomplishments. The country programme was also aligned to the Iran United Nations Development Assistance Framework. Further, risks to the achievement of objectives were assessed in the draft 2015-2019 country programme and measures to mitigate them had been identified. OIOS therefore concluded that the country programmes were developed in accordance with established procedures and aligned to UNODC strategic priorities.

Need to define fundraising goals and activities in the annual work plans

18. The UNODC fundraising policy requires field offices to undertake and coordinate the local policy dialogue and fundraising initiatives. In 2014, UNODC adopted the “full cost recovery” funding model which required country and regional operations to ensure the financial sustainability of operations, for which fundraising was a key component. As stated in their terms of reference, the Representatives were responsible for exploring opportunities to augment the field office’s programme portfolio. For the 2011-2014 country programme, COIRA raised only 59 per cent of the forecasted funding needs of \$15 million. Despite the shortfall, COIRA developed a more ambitious country programme for 2015-2019 with targeted funding needs of \$20 million. COIRA explained that the \$20 million target was based on the needs agreed with the host country. To improve its potential to achieve the targeted funding, it was essential for COIRA to put in place an effective fundraising plan of action.

19. COIRA had recognized and addressed the risks associated with fundraising in its planning documents. As part of the measures identified in the risk assessment, COIRA, with the support of headquarters Division of Operations, explored the possibility of mobilizing funds from traditional and non-traditional donors, conducted several meetings with local diplomatic community and drafted several concept notes. UNODC indicated that there were plans to continue pursuing efforts to brief permanent missions in the donor meetings planned at UNODC headquarters and to arrange for donors to visit project sites. However, COIRA had not defined fundraising goals and activities in its annual work plan, which are necessary to ensure that opportunities for fundraising are adequately explored and the approach to fundraising is clearly documented. It could also enhance accountability of the office and individual staff in undertaking the fundraising activities planned as well as help ensure continuity of the fundraising initiatives in case of staff turnover.

**(1) The UNODC Country Office in Iran should define fundraising goals and activities in its work plans to help achieve its funding goals for the period 2015-2019.**

*UNODC accepted recommendation 1 and stated that COIRA is including fundraising activities within its work plan for 2016 and will work in coordination with the Co-financing and Partnership Section as well as the Regional Section for Europe, West and Central Asia. Recommendation 1 remains open pending receipt of the 2016 work plan that includes fundraising goals and activities.*

Need to identify and explain gaps between results targeted and achieved

20. The annual progress programme report required offices to assess the overall progress made in implementing planned outputs and outcomes. To effectively assess the progress made, gaps between the targeted and actual outcomes and outputs should be identified and explained. The UNODC annual programme report template had a section for field offices to identify and explain the variances. However, COIRA only made general statements indicating whether the planned outcomes had been fully or partially achieved without explaining aspects of the planned outcomes and outputs that had not been implemented. For the period 2011-2014, COIRA raised \$8.8 million out of the \$15 million funding targeted. Therefore, the performance monitoring reports for 2014 should have identified and explained outcomes or outputs that were planned but not achieved due to the funding gap or other reasons. Further, although COIRA established measurable outputs in its annual work plans, it did not define the level of outputs targeted. COIRA therefore was not able to clearly identify and assess gaps for outputs that had no clear targets. Identifying and explaining the gaps between planned and actual outcomes and outputs is necessary to enhance accountability and enable the identification of lessons learned.

**(2) The UNODC Country Office in Iran should ensure that targets are defined for all planned outputs and utilize the annual programme performance report to identify and explain gaps between targeted and actual outcomes and outputs.**

*UNODC accepted recommendation 2 and stated that the four pillars of the new country partnership programme for COIRA (i.e. projects documents, their outcomes, outputs, and respective performance indicators) will be designed to ensure that the gap analysis and monitoring and evaluation culture are integrated into its implementation arrangements and delivery. This will be implemented in close collaboration with relevant branches at headquarters. Effective first quarter 2016, the COIRA annual programme report will include the gaps between targeted and achieved outcomes and outputs. Recommendation 2 remains open pending receipt of evidence that COIRA has defined targets for all planned outputs and identified and explained gaps between targeted and actual outcomes and outputs.*

## B. Project management

### Projects were planned and evaluated in accordance with established policies and guidelines

21. OIOS reviewed the three on-going projects and noted that they were developed in accordance with established guidelines and templates. The projects were integrated with the country programme and approved by UNODC and endorsed by the host government. COIRA country programme and projects were also evaluated as required. In 2013, UNODC conducted an independent mid-term country programme evaluation which covered the evaluation of individual sub-programmes and projects. The mid-term evaluation identified 13 recommendations and COIRA had developed a plan to address them. OIOS therefore concluded that projects were appropriately planned and that COIRA had complied with the established requirements for project and programme evaluation.

### Need to comply with guidelines and requirements on gender mainstreaming

22. In 2011, UNODC developed guidance notes on gender mainstreaming to ensure integration of gender aspects into each project. The guidelines on gender mainstreaming indicated that applying a gender perspective to UNODC work involves being aware of the gender dimensions for any activity, including the development of country programme/project objectives and indicators. The guidelines provided checklists to be used to help ensure the consistent consideration of gender aspects in project and programme activities. According to the UNODC evaluation manual, assessment of gender implications for implementation of projects shall be part of evaluation exercises.

23. Except the annual progress report for sub-programme 2 (project IRNV04) which included analysis of gender implications, COIRA did not address gender aspects in project and programme documents as required. The three project documents of the COIRA country programme for 2011-2014 did not include preliminary assessment and targets for gender aspects. Gender aspects were also not included in the 2013 comprehensive country programme evaluation exercise. Further, a formal gender mainstreaming analysis was not done for the draft country partnership programme for the period 2015-2019. COIRA explained that gender aspects were considered in all activities even though indicators were difficult to identify and report.

**(3) The UNODC Country Office in Iran should establish a mechanism to ensure that the tools included in the UNODC guidance notes are used to mainstream gender in its projects and programmes and request support from UNODC headquarters whenever necessary.**

*UNODC accepted recommendation 3 and stated that gender mainstreaming has always been in the centre of COIRA work in the country. The guideline “gender mainstreaming in the work of UNODC” will be used to define practical steps within the projects documents (under development) to mainstream gender as well as report on progress and achievements in this regard. COIRA will continue to work on this issue, in close collaboration with UNODC headquarters. Recommendation 3 remains open pending receipt of evidence that COIRA has mainstreamed gender aspects in its projects and programmes in accordance with UNODC guidelines on gender mainstreaming.*

## C. Regulatory framework

### C1: Relationship with administrative service provider

#### Need for staff to have access to relevant administrative policies and procedures

24. COIRA used the services of UNDP for its administrative actions and was therefore required to comply with UNDP policies and procedures. Since COIRA initiated and carried out significant aspects of administrative actions before submitting them to UNDP for approval, it was essential that its staff have access to up-to-date policies and procedures. However, COIRA had difficulties in obtaining policy guidance from UNDP. Its staff did not have access to the UNDP portal which had the “Programme and Operations Policies and Procedures” and no alternative mechanism had been put in place for UNDP to provide COIRA with copies of the relevant policies and procedures. The COIRA human resources and procurement focal points had also not been provided with the UNDP human resources handbook and the latest procurement guidance and updates.

25. As a result, there was a high risk that staff would not be conversant with the UNDP guidelines and procedures. Several deficiencies identified in the audit (such as the failure to use Request for Quotation to procure goods above \$10,000 and failure to carry out reference checks for individual contractors) were attributed to staff not being aware of the established procedures. In OIOS’ view, COIRA needed to follow up with the local UNDP management to ensure that its staff are provided with access to the UNDP portal or copies of the policies and procedures.

**(4) The UNODC Country Office in Iran should follow up with UNDP to ensure that its staff have access to relevant UNDP policies and procedures and refer the issue to UNODC headquarters if necessary.**

*UNODC accepted recommendation 4 and stated that COIRA has requested UNDP Iran to provide UNODC staff whose contracts are administered by UNDP, access to the UNDP Intranet. COIRA is still waiting for UNDP advice and will inform UNODC headquarters and OIOS of the results. Recommendation 4 remains open pending receipt of confirmation that COIRA staff have access to UNDP administrative policies and procedures.*

### C2: Procurement

#### Need for annual procurement plan

26. The UNDP procurement manual required that consolidated and individual project procurement planning be carried out to foresee the needs, plan for resources and ensure timely procurement actions. COIRA had not prepared any procurement plans. Annual procurement planning could make COIRA procurement activities more efficient. For instance, in 2013 COIRA processed 8 contracts for printing services and 22 for conference services for a value of \$74,000 and \$58,000 respectively. In 2014, COIRA processed 16 contracts for printing services worth \$103,000. Since the need was not pre-determined, COIRA carried out separate procurement exercises each time. In addition, in three cases COIRA had not used Requests for Quotation for procurement of goods worth more than \$10,000 which according to the UNDP procurement manual should be used when the value is above \$5,000. These deficiencies could have been avoided with adequate planning because it would have allowed for needs to be consolidated and procurement actions appropriately planned in advance.



**(5) The UNODC Country Office in Iran should develop annual procurement plans and share them with UNDP.**

*UNODC accepted recommendation 5 and stated that as a matter of procedure, COIRA developed procurement plans based on the requirements of the national counterparts and on relevant decisions taken during meetings of the projects' Steering and Technical Committee meetings. Under the new country partnership programme, COIRA will coordinate with the national counterparts so that detailed procurement requirements are documented. As recommended, COIRA will submit the office's annual procurement plan to UNDP and to the Procurement Unit/General Support Section of UNOV/UNODC effective December 2015 (for the 2016 plan). Recommendation 5 remains open pending receipt of evidence that COIRA has shared its annual procurement plan with UNDP.*

**C3: Human resources**

Need to comply with procedures for the selection of individual contractors and service contract holders (service contractors)

27. For the period January 2013 to June 2015, COIRA selected 315 individual contractors and 46 service contractors. OIOS reviewed the selection process for 28 individual contractors and five service contractors to assess compliance with established procedures. In the nine cases where selection of individual contractors was done without competitive selection, appropriate justification was provided in accordance with UNDP Financial Rule 121.05. However, in the 19 cases where there was competitive selection, the substantive units conducted all the selection activities without involving a staff from Procurement Section in the evaluation panel as required by UNDP Programme Office policies and procedures. In addition, reference checks were not performed for any of the individual contractors and for three of the five service contractors reviewed. There was also no evidence that medical certificates were submitted by service contractors after their initial hiring, as required by UNDP policies. These were important requirements to ensure that the recruitment process was transparent and that the candidates selected were competent.

**(6) The UNODC Country Office in Iran should put in place review mechanisms to ensure that it fully complies with the guidelines for the selection of individual and service contractors, including ensuring that: (a) a procurement official participates in the evaluation panel for individual contractors; and (b) reference and medical checks are conducted as required.**

*UNODC accepted recommendation 6 and stated that the selection of the individual contractors and the relevant requirements were received from UNDP Iran on a case by case basis. Going forward, COIRA will complete reference checks of individual contractors prior to concluding new contracts under the new country partnership programme. COIRA will continue to work with UNDP to ensure that procurement of individual contractors follows UNDP rules. With immediate effect, local UNDP and any UNODC reference checks and medical checks will be documented in the respective records. Recommendation 6 remains open pending receipt of evidence that appropriate mechanisms have been put in place to ensure that a procurement official participates in the evaluation panels for individual contractors and that reference and medical checks are conducted as required.*

Training requirements for UNODC staff and personnel in field offices needed to be clarified

28. The "Mandatory Learning Programmes of the United Nations Secretariat" requires that all staff comply with basic and advance security training programme regardless of their contractual status. All

COIRA staff had complied with this requirement. In addition to security training, other mandatory training for UNODC staff were: integrity awareness initiative; prevention of workplace harassment; professional ethics and integrity; HIV/AIDS in workplace; and, information security awareness. First and second reporting officers were also required to complete the training on performance management for managers and supervisors.

29. Of the 20 COIRA staff, only nine, 12, seven and three had completed the training on ethics, harassment, integrity and HIV/AIDS, respectively. None had completed the mandatory training on information security awareness although all the staff were using UNODC networks. UNODC explained that since all local staff and personnel were either staff members serving under UNDP contracts or holding service contracts, they were not required to comply with the mandatory training requirements for staff of the United Nations Secretariat. On the other hand, UNDP did not consider staff and personnel working for COIRA as UNDP staff and therefore did not enforce compliance with UNDP mandatory training requirements. Further, COIRA staff were not granted access to Inspira where some of the mandatory training courses were accessible online. There was a need to clarify the mandatory training that local staff and personnel on UNDP contracts were required to take to ensure full compliance with the applicable policy.

**(7) UNODC should clarify the policy on mandatory training for staff and personnel employed through UNDP and facilitate access to online training platforms where applicable.**

*UNODC accepted recommendation 7 and stated that implementation of the recommendation is in process. In the context of the preparations for Umoja deployment the Human Resources Management Service worked with the Office of Human Resources Management to allow access to Learning Management Service (LMS)/Inspira module to all UNODC field personnel. Since this requires the issuance of United Nations index numbers to each one, the process is being implemented in phases. Access to LMS has already been granted to over 400 field personnel, namely those who have Umoja roles - as the first, urgent step. The process will continue until all field personnel are covered. Appropriate guidelines will also be sent to the field offices in respect of various mandatory training courses. Recommendation 7 remains open pending receipt of evidence that mandatory training requirements for field office staff on UNDP contracts have been clarified.*

**C4: Property management**

**COIRA maintained updated asset inventory**

30. According to UNODC management instruction “Field Office Administration” (MI/8/Rev.1), the UNODC Representative is responsible for the supervision and control of UNODC property and property records. Field offices are required to maintain an up-to-date inventory including information of receiving property (date of receipt, number of order, final destination) and location of all equipment. COIRA undertook a full inventory exercise on 16 October 2014. OIOS physically verified a sample of 20 purchase orders for items purchased in 2013 and 2014. No significant exceptions were noted. OIOS therefore concluded that inventory records were maintained in a satisfactory manner.

#### **IV. ACKNOWLEDGEMENT**

31. OIOS wishes to express its appreciation to the Management and staff of UNODC for the assistance and cooperation extended to the auditors during this assignment.

*(Signed)* David Kanja  
Assistant Secretary-General, Acting Head  
Office of Internal Oversight Services

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of United Nations Office on Drugs and Crime operations in Iran

Recom. no.	Recommendation	Critical <sup>2</sup> / Important <sup>3</sup>	C/ O <sup>4</sup>	Actions needed to close recommendation	Implementation date <sup>5</sup>
1	The UNODC Country Office in Iran should define fundraising goals and activities in its work plans to help achieve its funding goals for the period 2015-2019.	Important	O	Receipt of the 2016 work plan and confirmation that it includes fundraising goals and activities.	31 January 2016
2	The UNODC Country Office in Iran should ensure that targets are defined for all planned outputs and utilize the annual programme performance report to identify and explain gaps between targeted and actual outcomes and outputs.	Important	O	Receipt of evidence that COIRA has defined targets for all outputs and identified and explained gaps between targeted and actual outcomes and outputs.	30 April 2016
3	The UNODC Country Office in Iran should establish a mechanism to ensure that the tools included in the UNODC guidance notes are used to mainstream gender in its projects and programmes and request support from UNODC headquarters whenever necessary.	Important	O	Receipt of evidence that COIRA has mainstreamed gender aspects in its projects and programmes in accordance with UNODC guidelines on gender mainstreaming.	30 April 2016
4	The UNODC Country Office in Iran should follow up with UNDP to ensure that its staff have access to relevant UNDP policies and procedures and refer the issue to UNODC headquarters if necessary.	Important	O	Receipt of confirmation that COIRA staff have access to UNDP administrative policies and procedures.	31 January 2016
5	The UNODC Country Office in Iran should develop annual procurement plans and share them with UNDP.	Important	O	Receipt of evidence that COIRA has shared its annual procurement plan with UNDP.	31 December 2015
6	The UNODC Country Office in Iran should put in place review mechanisms to ensure that it fully complies with the guidelines for the selection of individual and service contractors, including ensuring that (a) a procurement official participates	Important	O	Receipt of evidence that appropriate mechanisms have been put in place to ensure that a procurement official participates in the evaluation panels for individual contractors and that reference and medical checks are conducted	31 January 2016

<sup>2</sup> Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

<sup>3</sup> Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

<sup>4</sup> C = closed, O = open

<sup>5</sup> Date provided by UNODC in response to recommendations.

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of United Nations Office on Drugs and Crime operations in Iran

Recom. no.	Recommendation	Critical <sup>2</sup> / Important <sup>3</sup>	C/ O <sup>4</sup>	Actions needed to close recommendation	Implementation date <sup>5</sup>
	in the evaluation panel for individual contractors and (b) reference and medical checks are conducted as required.			as required.	
7	UNODC should clarify the policy on mandatory training for staff and personnel employed through UNDP and facilitate access to online training platforms where applicable.	Important	O	Receipt of evidence that mandatory training requirements for field office staff on UNDP contracts have been clarified.	29 February 2016

# **APPENDIX I**

## **Management Response**

## Management Response

## Audit of United Nations Office on Drugs and Crime operations in Iran

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments (November 2015)
1	The UNODC Country Office in Iran should define fundraising goals and activities in its work plans to help achieve its funding goals for the period 2015-2019.	Important	Yes	Representative, Country Office in Iran in coordination with the Chief, Co-financing and Partnership Section	January 2016	Implementation is in progress. COIRA is including fund raising activities within its workplan for 2016 and will work in coordination with the Co-financing and Partnership Section (CPS) as well as the Regional Section for Europe, West and Central Asia.
2	The UNODC Country Office in Iran should ensure that targets are defined for all planned outputs and utilize the annual programme performance report to identify and explain gaps between targeted and actual outcomes and outputs.	Important	Yes	Representative, Country Office in Iran in coordination with the Chief of the Regional Section for Europe, West and Central Asia/DO and with the Secretariat of the Programme Review Committee (PRC)	April 2016	<p>The four pillars of the new Country Partnership Programme for COIRA (i.e. projects documents, their outcomes, outputs, and respective performance indicators) will be designed to ensure that the gap analysis and M&amp;E culture are integrated into its implementation arrangements and delivery. This will be implemented in close collaboration with relevant Branches at HQs.</p> <p>Effective first quarter 2016, the COIRA annual programme report will identify and explain any eventual gaps between targeted and actually achieved outcomes and outputs.</p>

<sup>1</sup> 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.

<sup>2</sup> 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.

## Management Response

## Audit of United Nations Office on Drugs and Crime operations in Iran

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments (November 2015)
3	The UNODC Country Office in Iran should establish a mechanism to ensure that the tools included in the UNODC guidance notes are used to mainstream gender in its projects and programmes and request support from UNODC headquarters whenever necessary.	Important	Yes	Representative, Country Office in Iran in coordination with the respective Chiefs of the Regional Section for Europe, West and Central Asia/DO and the Strategic Planning and Interagency Affairs Unit (SPIA/DPA)	April 2016	Gender mainstreaming has always been in the center of COIRA's work in the country. The guideline "gender mainstreaming in the work of UNODC" will be used to define practical steps within the projects documents (under development) to mainstream gender as well as report on progress and achievements in this regard. COIRA will continue to work on this issue, in close collaboration with UNODC HQs.
4	The UNODC Country Office in Iran should follow up with UNDP to ensure that its staff have access to relevant UNDP policies and procedures and refer the issue to UNODC headquarters if necessary.	Important	Yes	Representative, Country Office in Iran	January 2016	Implementation is in progress. COIRA has requested UNDP Iran to provide UNODC staff whose contracts are administered by UNDP, access to the UNDP Intranet. COIRA is still waiting for UNDP's advice and will inform UNODC HQs and OIOS of the results.
5	The UNODC Country Office in Iran should develop annual procurement plans and share them with UNDP	Important	Yes	Representative, Country Office in Iran	December 2015	As a matter of procedure, COIRA developed procurement plans based on the requirements of the national counterparts and on relevant decisions taken during meetings of the projects' Steering and Technical Committee meetings. Under the new Country Partnership Programme, COIRA will coordinate with the



## Management Response

## Audit of United Nations Office on Drugs and Crime operations in Iran

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments (November 2015)
						national counterparts so that detailed procurement requirements are documented. As recommended, COIRA will submit the office's annual procurement plan to UNDP and to the Procurement Unit/General Support Section of UNOV/UNODC effective December 2015 (for the 2016 plan).
6	The UNODC Country Office in Iran should put in place review mechanisms to ensure that it fully complies with the guidelines for the selection of individual and service contractors, including ensuring that (a) a procurement official participates in the evaluation panel for individual contractors and (b) reference and medical checks are conducted as required.	Important	Yes	Representative, Country Office in Iran	January 2016	The selection of the individual contractors (ICs) and the relevant requirements were received from UNDP Iran on a case by case basis. The background check of each individual contractor was based on CVs and working experience of the contractors. Going forward, COIRA will complete reference checks of individual contractors prior to concluding new contracts under the new Country Partnership Programme. COIRA will continue to work with UNDP in order to ensure that procurement of ICs follows UNDP rules. With immediate effect, local UNDP and any UNODC reference checks and medical checks will be documented in the respective records.

## Management Response

## Audit of United Nations Office on Drugs and Crime operations in Iran

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments (November 2015)
7	UNODC should clarify the policy on mandatory training for staff and personnel employed through UNDP and facilitate access to online training platforms where applicable.	Important	Yes	Chief, Human Resources Management Service/DM	February 2016	<p>Implementation is in process. While a list of mandatory training requirements is continually updated on the UNODC intranet site (under HRMS, Staff Development Unit, Mandatory Training) which is available to all UNODC staff and personnel, the website may not always be visible to COIRA personnel, and some training links may not consistently be accessible to colleagues at COIRA. A further challenge has been caused by the changing of web platforms by the Office of Human Resources Management (OHRM) at UNHQ, whereby some of the training are restricted to staff with index numbers from the UN Secretariat and therefore was not available for non-staff personnel (UNDP administered). The resolution of this issue has been initiated by UNODC through OHRM, the process owner. As a result, UNHQ granted access to all UNODC non-staff personnel in the field, to the full range of training resources available in <i>inspira</i>. Therefore, all COIRA personnel are now able to access <i>inspira</i> courses, including the mandatory training courses.</p> <p>The Human Resources Management Service (HRMS) of UNOV/UNODC will provide an updated list of available training resources (with links) to the UNODC Representative in Iran and to the Learning Focal Point for dissemination to COIRA personnel to ensure that they are all clear on required training. Should there be a sufficient need, HRMS will provide COIRA with an overview of all mandatory training courses via webinar, and share a list of staff at the Staff Development Unit (SDU) who can assist with any technical problems in terms of accessibility to training.</p>