



## INTERNAL AUDIT DIVISION

# REPORT 2015/115

---

Audit of the statistics subprogramme and related technical cooperation projects in the Economic Commission for Africa

Overall results relating to effective management of the statistics subprogramme and related technical cooperation projects in ECA were initially assessed as partially satisfactory. Implementation of six important recommendations remains in progress.

**FINAL OVERALL RATING: PARTIALLY SATISFACTORY**

2 October 2015  
Assignment No. AN2014/710/02

# CONTENTS

	<i>Page</i>
I. BACKGROUND	1-2
II. OBJECTIVE AND SCOPE	2
III. AUDIT RESULTS	2-9
Subprogramme management	3-9
IV. ACKNOWLEDGEMENT	9
 ANNEX I	 Status of audit recommendations
 APPENDIX I	 Management response

# AUDIT REPORT

## Audit of the statistics subprogramme and related technical cooperation projects in the Economic Commission for Africa

### I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the statistics subprogramme and related technical cooperation projects in the Economic Commission for Africa (ECA).

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. ECA was established by the Economic and Social Council (ECOSOC) of the United Nations in 1958 as one of the United Nations' five regional commissions. Pursuant to ECOSOC resolution 671 A (XXV), the Commission was set up to promote the economic and social development of its 54 Member States, foster intra-regional integration, and promote international cooperation for Africa's development. ECA fulfilled its mandate within the broad context of the New Partnership for Africa's Development and Agenda 2063, Africa's 50-year transformation agenda, as articulated by the African Union Commission and endorsed by the General Assembly in resolutions 57/2, 57/7, and 57/304.

4. Programme 15 of the United Nations Strategic Framework provided the programme of work for ECA. This programme of work was organized into eight subprogrammes, which were undertaken by seven substantive divisions at the ECA secretariat in Addis Ababa, Ethiopia and five subregional offices located throughout Africa.

5. ECA statistics activities were covered under subprogramme 4 of the ECA programme of work. The subprogramme aimed to strengthen African statistical systems towards developing reliable, harmonized, and comparable statistics. This objective was crucial to measuring Africa's achievement of national goals and internationally agreed goals of United Nations' conferences, particularly the Millennium Development Goals. ECA participated in the United Nations Statistical Commission (UNStat-Com), the subsidiary organ of ECOSOC responsible for promoting harmonization of national statistics and statistical methods globally to improve their comparability. In 2005, ECA established the Statistical Commission for Africa (StatCom-Africa) as the apex intergovernmental subsidiary body responsible for reviewing the ongoing relevance of the ECA statistics subprogramme. In 2006, ECA created the African Centre for Statistics (ACS) as the regional policy centre on statistics for Africa and the substantive division responsible for the ECA statistics subprogramme.

6. The Executive Secretary introduced a new vision for ECA in 2012, which incorporated the transformative goals of the Post 2015 Africa Development Goals and Agenda 2063 for the continent. The new vision centered on ECA being a "credible think-tank of reference for Africa", and elevated statistics as its central pillar. The subregional offices of ECA, due to their proximity to Member States, served as an essential link between ACS and the Member States to carry out the new vision.

7. For biennium 2014-2015, the statistics subprogramme was allocated \$9.6 million in United Nations regular budget funding and an estimated \$6.4 million in extrabudgetary funding (total estimated budget of \$16 million) representing the overall capacity development activities. ACS staffing capacity

comprised 58 staff headed by a Director at the D-1 level. The subregional offices, which had been allocated an amount of \$34.3 million in regular budget funding and an estimated \$7.2 million in extrabudgetary funding (total estimated budget of \$41.5 million) for biennium 2014-2015, also carried out statistical activities and operated the subregional data centres.

8. Comments provided by ECA are incorporated in *italics*.

## II. OBJECTIVE AND SCOPE

9. The audit was conducted to assess the adequacy and effectiveness of ECA governance, risk management, and control processes in providing reasonable assurance regarding the **effective management of the statistics subprogramme and related technical cooperation projects in ECA**.

10. The audit was selected due to the risk that the ECA statistics subprogramme may not have adequate capacity and mechanisms to meet its objective of strengthening the production and use of quality statistics.

11. The key control tested for the audit was subprogramme management. For the purpose of this audit, OIOS defines subprogramme management as controls that provide reasonable assurance that systems exist to: (a) carry out activities to achieve the objective of the statistics subprogramme and related technical cooperation projects; (b) monitor, evaluate, and report on the performance and results of the statistics subprogramme and related technical cooperation projects; and (c) account for the resources used in delivering the ECA statistics subprogramme and related technical cooperation projects.

12. The key control was assessed for the control objectives shown in Table 1.

13. OIOS conducted this audit from June 2014 to April 2015. The audit covered the period from 1 January 2012 to 30 June 2014.

14. OIOS conducted an activity-level risk assessment to identify and assess specific risk exposures, and to confirm the relevance of the selected key control 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. The audit also reviewed the reports of StatCom-Africa and related working groups, resolutions of the UNStat-Com and ECOSOC, minutes of retreats and management meetings of ACS and the subregional offices, and other relevant documentation. In addition, the audit assessed project management controls over the technical cooperation projects under implementation in ACS totaling \$5.2 million as of 31 March 2014.

## III. AUDIT RESULTS

15. The ECA governance, risk management, and control processes examined were assessed as **partially satisfactory**<sup>1</sup> in providing reasonable assurance regarding the **effective management of the statistics subprogramme and related technical cooperation projects in ECA**. OIOS made six recommendations to address issues identified in the audit. The statistics subprogramme complied with programme planning regulations to meet the requirements of the integrated management process. However, there was a need to strengthen risk management processes, internal capacities in ACS and the

---

<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.

subregional offices, and some key business processes to better deliver performance results and achieve the strategic objective of the subprogramme. ECA needed to develop a more structured approach for systematically selecting technical cooperation projects. Appropriate training was needed to transition ACS and the subregional offices to the new management protocols, tools, systems, and operating procedures being rolled out in ECA. There was also a need to consistently utilize the established mechanism to properly capture in-kind contributions for ACS capacity development activities in line with the administrative instruction on the management of technical cooperation trust funds and International Public Sector Accounting Standards (IPSAS).

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

**Table 1: Assessment of key control**

Business objective	Key control	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Effective management of statistics subprogramme and related technical cooperation projects in ECA	Subprogramme management	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory
<b>FINAL OVERALL RATING: PARTIALLY SATISFACTORY</b>					

## Subprogramme management

Statistics subprogramme effectively used the integrated management instruments in planning and implementing its activities

17. The Secretary-General's bulletin on programme planning, budgeting, monitoring, and evaluation (PPBME regulations) stipulated the instruments that reflect the integrated management process for United Nations activities. Accordingly, the statistics subprogramme manager was expected to provide input into the following instruments: (i) United Nations strategic framework; (ii) United Nations programme budget; (iii) Secretary-General's reports on programme performance; and (iv) evaluation reports. The Integrated Monitoring and Documentation Information System (IMDIS) was the repository to record ACS performance against the programmed activities and outputs.

18. The statistics legislative mandates were translated into subprogramme 4 of the United Nations Strategic Framework for ECA (Programme 15) with a main objective of strengthening production and use of quality statistics of its Member States. The subprogramme identified two expected accomplishments, three indicators of achievement, and ten activities and outputs to achieve its objective. Statistical activities and related expected accomplishments were also broken down in the annual Programme Implementation Plans for 2012, 2013, and 2014. The Programme Implementation Plan enabled ACS to adequately plan and programme the main activities and tasks for the statistics subprogramme. The Plans specified the responsibilities of the ACS officials assigned to implement them, along with relevant timeframes and resources. ACS also used the Programme Implementation Plan as the main management tool to monitor

implementation of the planned activities. The ECA 2014-2015 biennial budget proposed a total of \$16 million as resource requirements for the statistics subprogramme. In addition, the subregional offices' budget of \$41.5 million provided the budgetary basis for carrying out statistical activities from within their own resources to directly support the statistics subprogramme. ECA reported the overall 2012-2013 performance results for the statistics subprogramme against the established indicators of achievement in the Secretary-General's programme performance report of the United Nations. ACS performance results for 2014 were expected to be similarly reported at the end of biennium 2014-2015 in compliance with the requirements.

19. The Strategic Planning and Operational Quality Division in ECA centrally monitored implementation of statistical activities in IMDIS. For biennium 2012-2013, ACS recorded 77 outputs in IMDIS out of the programmed activities in the 2012 and 2013 Programme Implementation Plans. Although ACS had programmed the 2014 activities in its annual Programme Implementation Plan, the related outputs were not expected to be recorded in IMDIS until the end of biennium 2014-2015. ECA did not conduct a self-evaluation of the statistics subprogramme for biennium 2012-2013, but had recently instituted an evaluation policy to be implemented in biennium 2014-2015 for all subprogrammes, including statistics.

20. OIOS review of the effectiveness of the mechanisms in place for the statistics subprogramme to ensure ACS compliance with the PPBME regulations concluded that ACS effectively used the integrated management instruments and IMDIS. In addition, the newly established evaluation policy and plan to conduct self-evaluations of the statistics subprogramme were adequate to comply with the PPBME regulations.

#### Strengthened risk management processes were needed to support the statistics function

21. The United Nations adopted a common enterprise risk management and internal control framework and methodology in May 2011 to enable the Secretariat to collect and appraise risk information on multiple levels across the Organization. Accordingly, ACS was required to identify its risks and develop appropriate risk responses to manage and mitigate them to an acceptable level. The 2015 ECA guidelines for preparing annual business plans also required divisions to include risk identification and mitigation measures in their plans.

22. ACS stated that it considered risks informally during its programme planning and implementation processes for the statistics subprogramme. According to meeting minutes, risks were identified during its annual retreat in 2013 and senior management meetings. In addition, the 2015 ACS annual business plan included some external risks with associated mitigation measures. However, there was no comprehensive document that:

- (i) Mapped all the risks (including internal risks) associated with implementing the statistics subprogramme with appropriate risk responses to manage and mitigate them to an acceptable level; or
- (ii) Assigned the risks to risk owners to enable monitoring and reporting on the risks on an ongoing basis.

23. ECA acknowledged these requirements and stated that formal training was needed to properly comply with the risk management requirements. The absence of a comprehensive risk register may hinder ECA from effectively identifying and managing all risks associated with the statistics subprogramme.

**(1) ECA should develop and implement a formal training plan on the risk management process to enable the statistics subprogramme to develop a comprehensive risk register and risk management plan for its activities.**

*ECA accepted recommendation 1 and stated that ACS would work with ECA human resources management to organize a training course on risk management processes and develop a risk management plan for ACS activities. Recommendation 1 remains open pending receipt of the training plan on risk management processes, as well as evidence that the training has been implemented.*

Internal capacity of the statistics subprogramme needed to be strengthened

24. According to the PPBME regulations, ECA was required to indicate the resources needed to design and implement activities and to ensure that those resources were utilized according to legislative intent and in the most effective and economical manner.

25. Adequate staffing resources were essential to support the statistics subprogramme in achieving its objectives. The internal capacity authorized for ACS in the approved ECA programme budget for biennium 2014-2015 for carrying out statistical activities included 58 posts (38 to be funded from regular budget resources and 20 from the extrabudgetary resources). The approved programme budget also authorized 125 posts (105 to be funded from regular budget resources and 20 from the extrabudgetary resources) for the five subregional offices for the same period to support their subregional activities, including those of statistics and the subregional data centres.

26. An analysis of the authorized staffing tables of ACS and the subregional offices as of 30 September 2014 showed significant capacity gaps for the ECA statistics subprogramme arising from:

- a. Vacancies in ACS and the subregional offices within the established posts of the professional categories and above. Fourteen professional posts were vacant in ACS and the subregional offices: three in ACS (including one D-1) and 11 in the subregional offices. In ACS, the vacancies were equivalent to 8 per cent of the established professional posts. In the subregional offices, vacancies in established posts were equivalent to 10 per cent. The Director's post had been vacant since September 2013 and remained vacant as of 30 April 2015. The prolonged vacancy of the Director's post impacted on ACS leadership role in carrying out the core functions in the ECA new vision. Whilst the vacant posts in the subregional offices did not directly support the statistics subprogramme, they strained the capacity of the subregional offices that was used to effectively contribute to core functions of the statistics subprogramme and the subregional data centres; and
- b. Non-establishment of the 33 new extrabudgetary-funded posts proposed in biennium 2014-2015: 19 in ACS and 14 in the subregional offices. As of 30 September 2014, ECA had not established these posts due to lack of funding. The proposed 19 new posts in ACS accounted for 33 per cent of its total posts. Sixteen of these 19 posts were statistician posts directly contributing to the core functions in ACS. Similarly, 14 new posts proposed in the subregional offices were not established as of 30 September 2014 due to lack of funding. One of these posts was proposed for statistical functions which directly contributed to the core functions of ACS. The remaining 13 proposed posts were Economics Affairs Officer posts, which were also expected to support statistical activities. Therefore, ACS and the subregional offices could not strengthen their internal

capacity to carry out their core functions in the new ECA vision due to the unavailability of extrabudgetary funding for the proposed additional posts.

27. Two exercises were conducted to fill the Director's post in 2013 and 2014. However, according to ECA, neither exercise yielded a suitable candidate. ECA explained that they had been unable to attract the right candidate for the post. ECA anticipated that the post would be filled during a new recruitment exercise in 2015. In the meantime, in April 2015, ECA senior management designated the Deputy Executive Secretary on Knowledge Generation and Chief Economist, as the Officer-in-Charge, ACS. The designation was a temporary measure to strengthen current leadership whilst the recruitment process was completed.

28. To establish the 33 newly proposed posts in ACS and the subregional offices, ECA indicated the need to first raise extrabudgetary funding from donors and institutional partners. This had not yet been achieved; although ECA developed a business plan for 2013-2015 that indicated a resource gap. However, the business plan did not include a specific, holistic strategy to mobilize the necessary extrabudgetary resources.

**(2) ECA should develop a holistic targeted resource mobilization plan to seek the necessary resources for establishing extrabudgetary-funded posts.**

*ECA accepted recommendation 2 and stated that the ECA Partnership and Resource Mobilization Section was in the process of developing a targeted resource mobilization plan. Recommendation 2 remains open pending receipt of the holistic targeted resource mobilization plan to establish the extrabudgetary-funded posts in ACS and the subregional offices.*

Key business processes needed to be strengthened to meet the objectives of the statistics subprogramme

29. To harmonize Member States' data at the global and regional levels, the United Nations Statistical Commission listed a total of 94 classifications, concepts and definitions, methodologies and procedures in its inventory of international statistical standards for comparing data. The StatCom-Africa also endorsed these international statistical norms, standards, and classifications. ACS was therefore expected to design monitoring controls such as spot checks and other tests of Member States' statistical data to verify compliance with international standards and to ensure consistency in producing data that could be harmonized for Africa.

30. ECA stated that it assessed Member States' compliance with international standards for some programmes such as the System of National Accounts 2008 and Population and Housing Census. ACS also stated that it developed, in collaboration with its partners, assessment tools for Member States' civil registration and vital statistics systems. However, there was no documentary evidence of the tests performed, their results and feedback to Member States on any discrepancies identified.

31. In response to OIOS surveys and interviews, ACS confirmed that there were no systematic mechanisms to monitor consistent implementation by Member States of the international standards needed to harmonize many statistical programmes. ACS did not prepare or maintain formal records of the results of the spot checks and there was no evidence of the methodology and standards used to perform compliance checks. As a result, there was no assurance that the processes used by ACS were effective to ensure that Member States were fully complying with the endorsed international statistics.

**(3) ECA should develop and implement systematic mechanisms to monitor consistent compliance by Member States with the international statistical standards endorsed by the Statistical Commission for Africa and the United Nations Statistical Commission. These mechanisms**

**should include documentation of the: (i) methodology used to perform spot checks and other compliance tests; and (ii) processes required for preparing, reviewing, and approving formal records of all compliance tests performed.**

*ECA accepted recommendation 3 and stated that ACS would first prepare a concept note detailing the mechanism for monitoring implementation of international and regional statistical standards, which would also include a template for reviewing and monitoring. Thereafter, ACS would implement the mechanism and template in a phased manner, starting with one set of standards, gradually including the others. Recommendation 3 remains open pending receipt of the ACS concept note detailing the mechanism and template for reviewing and monitoring Member States' compliance with all endorsed international statistical standards. The note should include documentation of the methodology and processes required for preparing, reviewing, and approving the formal records of the compliance tests.*

#### Controls over key management processes for capacity development activities needed improvement

32. The strategic objective of the statistics subprogramme required ACS to increase Member States' statistical capacities through capacity development activities, including technical cooperation projects. Accordingly, ECA was required to have adequate processes to coordinate a structured approach to systematically select technical cooperation projects and to mitigate the risk that the projects may not be aligned with the strategic objective of ACS.

33. Technical cooperation projects in ECA were the main vehicle through which ACS and the subregional offices delivered capacity development services for developing the statistical capacities of Member States to comply with international statistical standards. As of 31 March 2014, ACS had nine capacity development projects, totaling \$5.2 million, under implementation in select Member States. ACS stated that these projects represented only a small part of the overall capacity development interventions needed to help strengthen the Member States' national statistical systems in order to achieve the strategic objective of ACS.

34. The projects had mainly been selected on the basis of *ad hoc* requests from Member States and focused on helping countries develop three statistical areas: African national accounts systems, civil registrations, and country profiles. ACS had conducted an assessment of Member States' capacities in 2005 covering about 20 countries, with a focus on statistical capacity-building in Africa. However, this assessment was not systematically updated or renewed.

35. ACS confirmed that there was insufficient coordination with the Capacity Development Division and the Partnership Office, the two units in ECA with responsibilities for capacity development and resource mobilization, to develop a more structured approach for building capacities of the African national statistical systems to produce timely and reliable statistics. As a result, ACS was unable to provide adequate evidence that its coordination processes were effective to systematically select technical cooperation projects in line with its strategic objective.

**(4) ECA should develop, through the Capacity Development Division and the Partnership Office, a structured approach to systematically selecting capacity development projects and to ensure that they are aligned with its strategic objective of strengthening statistical capacities in Member States' national statistical systems.**

*ECA accepted recommendation 4 and stated that, in line with ECA capacity development strategy, ACS and the Capacity Development Division would develop an approach paper for a systematic capacity development programme. Recommendation 4 remains open pending receipt of the*

approach paper detailing the capacity development programme to systematically select ACS capacity development projects.

A comprehensive change plan was needed for transitioning to new management protocols, tools and systems, and operating procedures

36. ECA was expected to provide training as a crucial intervention for building capacities of subprogramme managers and staff to implement organizational business changes in a cost-effective way.

37. As part of the ECA reform, the Strategic Planning and Operational Quality Division introduced new management protocols and tools for planning, monitoring, evaluating, and reporting on the activities of the ECA subprogrammes, including statistics as follows:

- (i) Annual Business Plan and the related Guidelines for guiding planning and monitoring activities;
- (ii) Management Performance Dashboard for analyzing performance; and
- (iii) Operational Quality at ECA Policy & Plan, Evaluation Policy.

38. ACS also introduced new systems and operating procedures to improve operational efficiency and effectiveness of its business processes for the statistics subprogramme. Examples of the new controls and processes included:

- (i) Data Management Protocol for improving statistical data collection, compilation, analyses, validation, and dissemination processes;
- (ii) “FENIX”, a customized statistical database platform, for accessing data through the Internet at the country level with a new data mining software to increase ACS analytical capabilities;
- (iii) Training plan for identifying training courses for staff members in ACS and subregional offices in 2015 and in the future; and
- (iv) ACS standard operating procedures for outlining the underlying data collection, validation, and dissemination workflow processes to be followed by ACS and the subregional offices.

39. The new management protocols were introduced in 2014 for operational use by the ECA subprogrammes, including statistics. A change management plan was provided to ACS users for migrating data to the FENIX information technology platform. However, in interviews and surveys conducted by OIOS, users in ACS and subregional offices stated that appropriate training in the new standard operating procedures and Data Management Protocol requirements was needed to enable proper application and compliance. The 2013-2014 training plan did not provide adequate evidence that training courses had been developed and delivered to build ECA subprogramme users’ competencies in using these new management tools and procedures; nor was there adequate evidence of a mechanism to collect feedback from users in ACS and subregional offices concerning the effectiveness of the new management tools in their operational activities. ECA acknowledged that this impacted consistent application of the data collection processes and approaches, particularly in the subregional offices.

**(5) ECA should provide appropriate training to manage the transition of subprogrammes, including the African Centre for Statistics and the subregional offices, to the new management protocols, tools, systems, and operating procedures that were recently introduced.**

*ECA accepted recommendation 5 and stated that a training plan would be developed and*

*implemented, which would include training on data management protocols and tools and the technical aspects related to various statistical programmes and activities. Recommendation 5 remains open pending receipt of the training plan to manage the transition of the subprogrammes to the new management protocols, tools, systems, and operating procedures.*

There was a need to consistently use the mechanism in place to capture in-kind contributions

40. The administrative instruction on the management of technical cooperation trust funds required programme managers to establish mechanisms to fully account for in-kind contributions. The United Nations policy framework for IPSAS provided guidance on recognition and disclosure of contributions of goods and services in-kind in the United Nations financial statements.

41. OIOS reviewed the relevant project documents and cost plans for four of the nine technical cooperation projects implemented by ACS. The projects totaled \$2,618,975, or 51 per cent of the total \$5,157,204 technical cooperation portfolio. Project costs were supplemented by in-kind contributions from donors in the form of free conference space, supplies, and refreshments. In some cases, in-kind contributions from partners, donors, or other third parties also included sponsoring participants to attend conferences, workshops, and seminars. ECA also developed a template to record and report on in-kind contributions. ACS provided one example of the completed template for the sampled projects. However, templates for the remaining eight projects were not available as ACS had not systematically captured, valued, recorded, and reported on these contributions. As a result, ECA could not fully account for all in-kind contributions received for the projects to enable their complete and accurate reporting in the underlying United Nations financial records.

**(6) ECA should implement procedures to ensure subprogrammes consistently utilize the existing mechanism to identify, capture, value, record, and report on all in-kind contributions to the technical cooperation projects.**

*ECA accepted recommendation 6 and stated that the existing template would be systematically utilized to identify, capture, and report on all in-kind contributions. Recommendation 6 remains open pending receipt of established procedures requiring the subprogrammes to systematically record all in-kind contributions in the existing template.*

#### IV. ACKNOWLEDGEMENT

42. OIOS wishes to express its appreciation to the Management and staff of ECA 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 the statistics subprogramme and related technical cooperation projects in the Economic Commission for Africa

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	ECA should develop and implement a formal training plan on the risk management process to enable the statistics subprogramme to develop a comprehensive risk register and risk management plan for its activities.	Important	O	Receipt of the training plan on risk management processes as well as evidence that the training plan was implemented.	31 December 2016
2	ECA should develop a holistic targeted resource mobilization plan to seek the necessary extrabudgetary resources for establishing extrabudgetary-funded posts.	Important	O	Receipt of the holistic targeted resource mobilization plan to establish the extrabudgetary-funded posts in ACS and the subregional offices.	30 September 2016
3	ECA should develop and implement systematic mechanisms to monitor consistent compliance by Member States with the international statistical standards endorsed by the Statistical Commission for Africa and the United Nations Statistical Commission. These mechanisms should include documentation of the: (i) methodology used to perform spot checks and other compliance tests; and (ii) processes required for preparing, reviewing, and approving formal records of all compliance tests performed.	Important	O	Receipt of the ACS concept note detailing the mechanism and template for reviewing and monitoring Member States' compliance with all endorsed international statistical standards. The note should include documentation of the methodology and processes required for preparing, reviewing, and approving the formal records of the compliance tests.	31 October 2016
4	ECA should develop, through the Capacity Development Division and the Partnership Office, a structured approach to systematically selecting capacity development projects and to ensure that they are aligned with its strategic objective of strengthening statistical capacities in Member States' national statistical systems.	Important	O	Receipt of the "approach" paper detailing the capacity development programme to systematically select ACS capacity development projects.	31 October 2016

<sup>2</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>3</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.

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

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

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of the statistics subprogramme and related technical cooperation projects in the Economic Commission for Africa

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>
5	ECA should provide appropriate training to manage the transition of subprogrammes, including the African Centre for Statistics and the subregional offices, to the recent business changes, including the new management protocols, tools, and systems that were recently introduced.	Important	O	Receipt of the training plan to manage the transition of the subprogrammes to the new management protocols, tools, systems, and operating procedures.	31 December 2016
6	ECA should consistently utilize its existing mechanism to identify, capture, value, record, and report on all in-kind contributions to the technical cooperation projects.	Important	O	Receipt of established procedures requiring the subprogrammes to systematically record all in-kind contributions in the existing template.	30 June 2016

# **APPENDIX I**

## **Management Response**

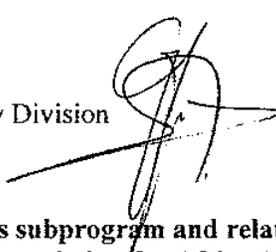


United Nations  
Economic Commission for Africa

INTEROFFICE MEMORANDUM — MEMORANDUM INTERIEUR

To: Ms. Muriette Lawrence-Hume, Chief  
New York Audit Service, Internal Audit Division  
OIOS

Date: 25 September 2015  
Ref: SPOQD/15/09/0221/EN *W*

From: Ingrid Cyimana, Director  
Strategic Planning and Operational Quality Division  
(SPOQD) 

Subject: **Draft report on an audit of the statistics subprogram and related technical cooperation project in the Economic Commission for Africa (Assignment No. AN20141/7101/02)**

Reference is made to OIOS interoffice memorandum dated 9 September 2015 on the above subject matter.

Please find attached ECA's comments including an action plan with target dates and titles of individuals responsible for implementing the resource.

Thank you.

## Management Response

## Draft report on an audit of the statistics subprogramme and related technical cooperation projects in the Economic Commission for Africa

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	ECA should develop a formal training plan on the risk management process to enable the statistics subprogramme to develop a comprehensive risk register and risk management plan for its activities.	Important	Yes	Raj Gautam Mitra, Chief, Demographic and Social Statistics Section (DSSS)	31 December 2016	ECA's African Center for Statistics (ACS) will work with HR to organize a training on risk management process by and then develop a risk management plan for its activities
2	ECA should develop a holistic targeted resource mobilization plan to seek the necessary extrabudgetary resources for establishing extrabudgetary posts.	Important	Yes	Marlon Lezama, Chief Partnership and Resource Mobilisation Section	30 September 2016	ECA's Partnership and Resource Mobilization Section (PRMS) is in the process of developing a targeted resource mobilization plan.
3	ECA should develop and implement systematic mechanisms to monitor consistent compliance by Member States with the international statistical standards endorsed by the Statistical Commission for Africa and the United Nations Statistical Commission. These mechanisms should include: (i) documentation of the methodology used to perform spot checks and other compliance tests; and (ii) preparation, review, and approval of formal records of all compliance tests performed.	Important	Yes	Xiaoning Gong, Chief, Economic Statistics and National Accounts Section (ESNAS)	31 October 2016	ACS will first prepare a concept note detailing out the mechanism for monitoring of implementation of international and regional statistical standards. This will include a template for reviewing and monitoring. Thereafter it will be implemented in a phased manner starting with one set of standards and then gradually including the others.

<sup>1</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>2</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.

## Management Response

## Draft report on an audit of the statistics subprogramme and related technical cooperation projects in the Economic Commission for Africa

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
4	ECA should develop, through the Capacity Development Division and the Partnership Office, a structured approach to select capacity development projects and to ensure that they are aligned with its strategic objective of strengthening statistical capacities in Member States' national statistical systems.	Important	Yes	Joseph Tinfissi Ilboudo, Chief, Statistical Division Section (SDS)	31 October 2016	In line with ECA's Capacity Development strategy, the ACS with the support of the Capacity Development Division will develop an approach paper for a systematic capacity development programme
5	ECA should provide appropriate training to manage the transition of subprogrammes, including the African Centre for Statistics and the subregional offices, to the recent business changes, including the new management protocols, tools, and systems that were recently introduced.	Important	Yes	Chukwudozie Ezigbalike, Chief, Data Technology Section (DTS) and OIC of the Division	31 December 2016	A training plan will be developed and implemented. The training plan will include not only data management protocol and tools but also include the technical aspects related to various statistical programmes and activities
6	ECA should consistently utilize its existing mechanism to identify, capture, value, record, and report on all in-kind contributions to the technical cooperation projects.	Important	Yes	Chukwudozie Ezigbalike, Chief, Data Technology Section (DTS) and OIC of the Division	30 <sup>th</sup> June 2016	The existing template will be systematically utilized to identify, capture and report on all in kind contributions