



INTERNAL AUDIT DIVISION

REPORT 2015/160

Audit of the Policy and Mediation Division of the Department of Political Affairs

Overall results relating to the effective management of policy and mediation activities of the Policy and Mediation Division of the Department of Political Affairs were initially assessed as partially satisfactory. Implementation of two important recommendations remains in progress

FINAL OVERALL RATING: PARTIALLY
SATISFACTORY

3 December 2015
Assignment No. AP2015/560/01

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AUDIT REPORT

Audit of the Policy and Mediation Division of the Department of Political Affairs

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the Policy and Mediation Division (PMD) of the Department of Political Affairs (DPA).
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. In December 2009, Member States approved the creation of PMD as a new entity in DPA to provide mediation support including preventive diplomacy and formal mediation of disputes in the service of the United Nations as well as regional organizations and other peace-making bodies. A significant aspect of PMD work is in developing tailored guidance and comparative analysis in response to specific requests from the field.
4. The Division consists of the Guidance and Learning Unit (GLU), the Policy Planning Unit (PPU) and the Mediation Support Unit (MSU). MSU includes an eight-member Standby Team of Mediation Experts with expertise in issues including constitution-making, gender, natural resources, power-sharing, process design and security arrangements. Members of the Standby Team can be rapidly deployed to provide technical advice to United Nations officials and others leading mediation and conflict-prevention efforts.
5. PMD is headed by a Director at the D-2 level who reports directly to the Under-Secretary-General of DPA. For the period 1 January 2014 to 31 March 2015, PMD had 35 posts, including 25 professional staff and above, 4 junior professional officers and 6 general service staff. The PMD budget for this period was \$14.2 million funded from the regular budget and extrabudgetary resources.
6. Comments provided by DPA are incorporated in italics.

II. OBJECTIVE AND SCOPE

7. The audit was conducted to assess the adequacy and effectiveness of DPA governance, risk management and control processes in providing reasonable assurance regarding the **effective management of policy and mediation activities of PMD**.
8. The audit was included in the 2015 risk-based work plan of OIOS because of the operational and reputational risks relating to policy and mediation support activities provided by DPA.
9. The key control tested for the audit was regulatory framework. For the purpose of this audit, OIOS defined this key control as the one that provides reasonable assurance that policies and procedures: (a) exist to guide the management of policy and mediation support activities; (b) are implemented consistently; and (c) ensure the reliability and integrity of operational information.

10. The key control was assessed for the control objectives shown in Table 1. Certain control objectives (shown in Table 1 as “Not assessed”) were not relevant to the scope defined for this audit.

11. OIOS conducted this audit from April to October 2015. The audit covered the period from 1 July 2012 to 31 March 2015 and reviewed documentation related to the creation of PMD and the translation of its mandate into work plan objectives and goals. The audit reviewed the results-based budgets, work plans and performance reports, training and guidance, and documentation of experiences and lessons learned from mediation efforts. The work of the Standby Team of Mediation Experts was also reviewed.

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 DPA governance, risk management and control processes examined were initially assessed as **partially satisfactory**¹ in providing reasonable assurance regarding the **effective management of policy and mediation activities of PMD**. OIOS made two recommendations to address the issues identified. PMD established an adequate framework for information gathering, analysis and detecting early warning signs. PMD also: had guidelines for effective mediation; made efforts to increase participation of women in United Nations peace and security efforts; developed Divisional annual plans for learning and evaluation activities; and developed its capacity as gender focal point to promote gender expertise in DPA. To improve the operations of PMD, there was a need to: further develop work plans to specify measurable outputs; and document end-of-year performance appraisals for Standby Team members.

14. The initial overall rating was based on the assessment of the key control presented in Table 1. The final overall rating is **partially satisfactory** as implementation of two 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 policy and mediation activities of PMD	Regulatory framework	Partially satisfactory	Partially satisfactory	Not assessed	Partially satisfactory
FINAL OVERALL RATING: PARTIALLY SATISFACTORY					

¹ 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.

Regulatory Framework

A strategy for information gathering, analysis and early warning signs existed

15. The Secretary-General's Bulletin (ST/SGB/2009/13) on the organization of DPA states that PMD is responsible for maintaining a strategy to enhance the capacity of DPA with regard to its core activities of information collection, analysis and early warning frameworks.

16. A review of documentation and interviews with staff showed that the Division developed a strategy to collect and analyse information and to monitor early warning signs to ensure action was taken in a timely manner. The strategy included the establishment of networks and informal and formal partnerships with various think tanks, non-governmental organizations (NGOs) and regional organizations. Outcomes from this strategy included:

- Developing analytical papers on peace-making, prevention, new global threats and challenges for internal use and for making presentations to external parties;
- Meeting regularly with think tanks/academic institutions and permanent missions as part of the Division's outreach and information-sharing process;
- Providing substantive support and briefings to the Group of Friends of Mediation, which includes over 40 Member States and regional organizations;
- Creating and filling extrabudgetary positions with expertise in constitution-making to support the United Nations System Task Force on Transitional Organized Crime and Drug Trafficking; and
- Conducting lessons learned exercises as well as drafting analytical papers exploring options to, for instance, break political or mediation deadlocks in countries affected by political conflict.

17. The Division's three Units, i.e., MSU, GLU and PPU also facilitated communication and exchange of information by assigning staff to cross-cutting functional and thematic responsibilities. For instance, a staff member assigned as a focal point for support to the DPA Asia Division was also the thematic expert on natural resources. OIOS concluded that PMD implemented adequate controls over the development of its strategy for information gathering, analysis and early warning of new global threats and challenges.

The Policy and Mediation Division implemented adequate procedures to promote women in peace and security considerations across the work of the Department of Political Affairs

18. Security Council resolution 1325 (2000) urged the Secretary-General to expand the role and contribution of women in United Nations field-based operations.

19. A review of documentation on PMD initiatives indicated that from 2012 until 2015 PMD conducted: (a) seven training courses attended by 170 DPA staff members on gender/women, peace and security; and (b) eight high-level seminars attended by 164 senior mediators from the United Nations, regional organizations, Member States and international mediation organizations on gender and inclusive mediation processes. These activities promoted the participation of women in mediation processes. As of the end of 2014, DPA efforts resulted in: (a) senior-ranking women represented in 17 delegations in nine United Nations (co-)led mediation processes; (b) gender-relevant provisions included in 8 out of 16 peace

agreements; and (c) responses to all requests for gender expertise by 67 per cent of United Nations (co-) led mediation processes.

20. PMD published guidance and learning documents for envoys and mediators, which encouraged and highly recommended the inclusion of gender and women in the mediation process. Since 2012, the DPA Standby Team of Mediators comprised over 30 per cent women.

21. OIOS concluded that PMD implemented adequate controls to ensure the promotion of gender/women, peace and security considerations across DPA work.

The Policy and Mediation Division provided mediation support in a structured manner

22. The Secretary-General's Bulletin (ST/SGB/2009/13) on the organization of DPA states that PMD is responsible for providing mediation support to meet the growing demand for professional, cross-cutting support to "good offices" activities, including preventive diplomacy and the formal mediation of disputes.

23. A review of work plans indicated that MSU engaged in 61 mediation efforts during 2013, 90 during 2014 and 84 during 2015. The type of records and reports for these mediation efforts depended on the nature of support provided. For example, a review of documentation relating to five mediation efforts indicated that mediation activities, deliverables and responsibilities were well documented and included terms of references of the activities to be conducted, and end-of-assignment reports of the support deployed. MSU also prepared summary overviews of mediation activities, together with an analysis of next steps and issues to report in the Unit's quarterly update reports.

24. OIOS concluded that MSU implemented adequate controls to ensure that support provided to individual mediation initiatives followed a structured approach.

Outputs in work plans needed to be enhanced

25. The United Nations guide to results-based budgeting requires outputs established for work plans to be specific, measurable, attainable, relevant and time-bound. The Secretary-General's Bulletin on regulations and rules governing programme planning, the programme aspects of the budget, the monitoring of implementation and the methods of evaluation requires that: objectives for Secretariat action be, to the greatest extent possible, concrete and time-limited; and achievement of the objectives should be verifiable, linked either directly or through evaluation to enhance measurement.

26. A review of the PMD 2015 work plan indicated that it was aligned to its mandated activities and the DPA Strategic Plan of November 2013, which set out focus areas for the Department until the end of 2015. However, the work plan provided for 68 expected deliverables of which 42 were listed as ongoing, without target dates for their completion. PMD advised that certain activities were ongoing such as the provision of support to special envoys. However, there were other deliverables such as completion of discussion papers, which could have been time-bound.

27. This happened because the Division had not developed specific instructions to ensure that outputs were clearly defined and appropriate, and that time-bound performance indicators were established for identified objectives. As a result, it was not always possible to determine the accomplishment of tasks against established timelines and if adjustments became necessary during the year to achieve PMD goals and objectives.

(1) The DPA Policy and Mediation Division should develop a mechanism to ensure that work plans include time-bound and measurable outputs that are adequately linked to the identified objectives.

DPA accepted recommendation 1 and stated that it finalized its strategic plan for 2016-2019 which would inform future work plans and that PMD would ensure work plans included time-bound and measurable outputs in the Division's work plans for 2016. Recommendation 1 remains open pending receipt of a copy of the Division's 2016 work plans that include time-bound and measurable outputs.

The Policy and Mediation Division implemented appropriate guidelines to facilitate mediation efforts

28. The proposed programme budget for the biennium 2010-2011, dated 15 April 2009, which provided the mandate of PMD, requires DPA to build mediation capacity, and develop guidelines, operational tools and training opportunities for mediators and their support teams.

29. A review of documents and interviews with staff indicated that PMD issued comprehensive guidance and briefing materials to facilitate mediation support activities. These included: (a) the United Nations Special Envoy Briefing Package (October 2013) that contained key information for special envoys at the beginning of their term; (b) the DPA/United Nations Institute for Training and Research Mediators Manual (2010); and (c) the United Nations Guidance for Effective Mediation (September 2012) that provided background on United Nations mediation theory and multi-topic practical guidance based on lessons learned from a variety of mediation contexts. PMD also issued the Mediation Start-up Guidelines (September 2011) which consolidated the Department's institutional knowledge on strategy development, planning, support and coordination aspects of mediation initiatives for managers, desk officers and DPA field staff.

30. OIOS concluded that DPA implemented adequate procedures and controls to ensure appropriate guidance documents were available to help build mediation capacity. These documents represented detailed and accessible materials to facilitate mediation efforts.

Controls over maintenance of recruitment records of staff and Standby Team members were adequate

31. The Secretary-General's Bulletin on record-keeping and the management of United Nations archives requires DPA to establish and implement procedures to identify and manage their vital records. Additionally, the Memorandum of Understanding between the United Nations and an international NGO, dated August 2007, delegated the recruitment of standby personnel to the NGO. The NGO, in conjunction with PMD, conducted interviews and written tests to assess candidates' mediation acumen, interpersonal skills and intellectual aptitude to join the team. The NGO was required to establish personnel files for each Standby Team member, covering contract documents, leave account and historical documents such as previous performance evaluations.

32. During the period 2012-2015, PMD conducted 45 recruitment exercises for regular and temporary job openings. A review of five recruitments noted compliance with the staff selection system and availability of supporting documentation. For the same period, PMD in conjunction with the NGO conducted 31 recruitment exercises for members of the Standby Team. A review of all recruitment files indicated that PMD and the NGO implemented a thorough recruitment process as stipulated in the Memorandum of Understanding. Upon the conclusion of the process, PMD and the NGO made final recommendations to the Under-Secretary-General for selection of team members.

33. OIOS concluded that adequate controls were implemented in maintaining recruitment records of PMD regular staff and members of the Standby Team.

Performance appraisals of Standby Team members needed improvement

34. The Memorandum of Understanding between the United Nations and an international NGO requires the NGO to establish personnel files for each Standby Team member, including contract and historical documents such as those relating to performance evaluations.

35. PMD did not document formal end-of-year performance appraisals for Standby Team members. Instead, PMD advised that informal feedback was obtained from entities where the experts were deployed, and PMD conducted mid-term reviews of the work being done, which included an overview of recent and forthcoming engagements and also actively managed the Standby Team through regular communication and dedicated exit reviews.

36. The absence of documented performance appraisals meant that previous performance could not always be taken into consideration when a team member was being considered for another engagement. Informal performance evaluations were also reliant on institutional memory, and when this was lost, there was an increased risk that underperforming members could be rehired.

(2) DPA should formalize the end-of-year performance appraisal feedback mechanism for Standby Team members and document and archive records accordingly.

DPA accepted recommendation 2 and stated that the methodology for end-of-year performance appraisal feedback would be piloted with the current Standby Team generation, serving through February 2016, and introduced for the subsequent generation serving from March 2016 through February 2017. Recommendation 2 remains open pending receipt of evidence that an appraisal feedback mechanism has been formalized.

The reporting process by Standby Team mediators was adequate

37. The DPA standard operating procedure on in-briefing and debriefing of senior managers requires an end-of-assignment report to provide an assessment of how the mandate was carried out and to identify recommendations for improving DPA and mission operations.

38. A review of 24 of the 46 end-of-assignment reports prepared during 2012 to 2014 showed that mediators on the Standby Team were preparing adequate reports. PMD also conducted mid-term reviews and follow-up discussions on the work of team members as well as deployments and a mid-term review with all Standby Team members. PMD was also planning to further enhance the reporting process by requesting experts to provide an end-of-term report to draw upon collective experiences and make recommendations, as experts were often involved in a number of assignments throughout their deployment. Such a report benefits the Department's initiative to improve institutional memory by adding to knowledge-sharing tools and lessons learned.

39. OIOS concluded that adequate controls were in place over the reporting process of Standby Team members.

The Guidance and Learning Unit had adequately facilitated establishment of training plans

40. The proposed programme budget for the biennium 2010-2011 (A/64/6, dated April 2009) established the mandate of PMD and required it to develop and maintain a best practices and training system for DPA.

41. A review of available information showed that DPA developed a training strategy for January 2013 to December 2014, which was led by PMD to ensure that the Department's training programmes responded to the needs of all DPA staff. This training strategy outlined eight priority areas including: development and delivery of core training on key substantive issues including mediation support, political analysis and conflict prevention, gender mainstreaming and electoral assistance; training in project management, monitoring and evaluation; strengthening induction; providing training on United Nations core competencies to DPA-led special political missions; management and leadership training; ensuring training opportunities for General Service staff; providing advanced training and training on other substantive issues; and ensuring a basic understanding of United Nations budget regulations and processes. The strategy was rolled over to 2015.

42. A review of the training schedules for 2013 to 2015 confirmed that the DPA training strategy was adequately facilitated through the Guidance and Learning Unit. OIOS concluded that adequate controls had been implemented in developing the training schedules.

IV. ACKNOWLEDGEMENT

43. OIOS wishes to express its appreciation to the Management and staff of DPA 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 Policy and Mediation Division of the Department of Political Affairs

Recom. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
1	The DPA Policy and Mediation Division should develop a mechanism to ensure that work plans include time-bound and measurable outputs that are adequately linked to the identified objectives.	Important	O	Receipt of a copy of the Division's 2016 work plans that include time-bound and measurable outputs.	31 March 2016
2	DPA should formalize the end-of-year performance appraisal feedback mechanism for Standby Team members and document and archive records accordingly.	Important	O	Receipt of evidence that an appraisal feedback mechanism has been formalized.	30 June 2016

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.

³ C = closed, O = open

⁴ Date provided by DPA in response to recommendations.

APPENDIX I

Management Response


United Nations  Nations Unies
INTEROFFICE MEMORANDUM MEMORANDUM INTERIEUR

TO: Ms. Eleanor T. Burns, Director
A: Internal Audit Division, OIOS

DATE: 1 December 2015

REFERENCE:

THROUGH:
S/C DE:

FROM: Jeffrey Feltman, USG 
DE: Department of Political Affairs

SUBJECT: **Report on an audit of the Policy and Mediation Division of the**
OBJET: **Department of Political Affairs**

1. I would like to thank OIOS for the opportunity to review the audit report of the Policy and Mediation Division in my Department and acknowledge the efforts of the audit team in generating these findings.

2. Please refer to the attached document (Appendix I) which reflects my response and comments to the recommendations.

Thank you.

Management Response

Audit of the Policy and Mediation Division of the Department of Political Affairs

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	The DPA Policy and Mediation Division should develop a mechanism to ensure that work plans include time-bound and measurable outputs that are adequately linked to the identified objectives.	Important	Yes.	Director of the Policy and Mediation Division	First Quarter of 2016	<p>This recommendation is feasible.</p> <p>DPA has just finalised its strategic plan for 2016-2019 which will inform the workplans going forward for the different divisions within the department. While taking into account the ongoing nature of much of the support provided by PMD as a cross-cutting service provider, I welcome the recommendation that the division ensure that there are sufficient time-bound and measurable outputs linked to the objectives outlined in DPA's broader strategy.</p> <p>PMD will ensure that these are reflected in its work plan for 2016, with the intention of tracking and monitoring activities on a quarterly basis.</p>
2	DPA should formalize the end-of-year performance appraisal feedback mechanism for Standby Team members and document and archive records accordingly.	Important	Yes.	Director of the Policy and Mediation Division	End of First Quarter to Second Quarter of 2016	<p>We welcome this recommendation. Methodology for end of year performance appraisal feedback will be piloted with the current SBT generation, serving through February 2016, and introduced for the subsequent generation serving from March 2016 through February 2017.</p>

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.