OIOS

Office of Internal Oversight Services

INTERNAL AUDIT DIVISION

REPORT 2021/029

Audit of the organization of the twenty-fifth Conference of the Parties by the United Nations Framework Convention on Climate Change

There is need to strengthen project management practices in the organization of the Conference of the Parties and improve the lessons learned and feedback mechanisms

30 June 2021
Assignment No. AE2020-241-01

Audit of the organization of the twenty-fifth Conference of the Parties by the United Nations Framework Convention on Climate Change

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of the organization of the twenty-fifth Conference of the Parties (COP 25) by the United Nations Framework Convention on Climate Change (UNFCCC). The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes in ensuring the effective provision of operational and administrative support to the organization of COP 25. The audit covered the period from 1 January 2019 to 31 December 2020 and included a review of risk areas relating to: (a) project management; (b) the regulatory framework; and (c) feedback and lessons learned mechanisms.

The last-minute change in the COP 25 venue from Santiago, Chile to Madrid, Spain was adequately managed. However, there is need to strengthen project management practices in the organization of the COP and improve the lessons learned and feedback mechanisms.

OIOS made six recommendations. To address issues identified in the audit, UNFCCC needed to:

- Strengthen the planning and management of the sessions of the COP by: (a) formalizing risk management practices; (b) emphasizing the need for the host country to designate information technology experts in a timely manner; and (c) ensuring that the project management tool and approach are fit for purpose;

- Engage with State Parties to highlight the logistical and financial risks associated with delays in selecting a host country, and the need for the secretariat to conduct fact finding missions to the host country in a timely manner;

- Strengthen mitigating measures relating to unauthorized demonstrations based on lessons learned from the security incident during COP 25;

- Strengthen the arrangements for procurement of accommodation in the organization of large conferences by: (a) ensuring early involvement of procurement officers in acquisition planning; and (b) establishing checklists to ensure that all required approvals are obtained in a timely manner, vendors are registered at the right level, and evidence of procurement actions such as market research are documented;

- Ensure that key performance indicators are consistently established for contracts, and performance evaluations are done in a timely manner; and,

- Formalize the arrangements and oversight roles and responsibilities for: (a) conducting post-COP lessons learned exercises and feedback surveys for all key areas; and (b) monitoring and ensuring that issues and recommendations arising from the surveys are effectively addressed.

UNFCCC accepted the recommendations and has initiated action to implement them.

CONTENTS

Audit of the organization of the twenty-fifth Conference of the Parties by the United Nations Framework Convention on Climate Change

I.   BACKGROUND

1.   The Office of Internal Oversight Services (OIOS) conducted an audit of the organization of the twenty-fifth Conference of the Parties (COP) by the United Nations Framework Convention on Climate Change (UNFCCC).

2.   UNFCCC was established as an overall framework for intergovernmental process to combat climate change. The convention was ratified by 197 Parties and came into force on 24 March 1994. The COP is the supreme decision-making body of the Convention. All States that are Parties to the Convention are represented at the COP, at which they review the implementation of the Convention and any other legal instruments that the COP adopts and take decisions necessary to promote the effective implementation of the Convention, including institutional and administrative arrangements.

3.   The COP meets every year unless the Parties decide otherwise and is organized by the secretariat of UNFCCC and the host country. The COP meets in Bonn, the seat of the secretariat, unless a Party offers to host the session. Just as the COP presidency rotates among the five recognized United Nations regions (Africa, Asia, Latin America and the Caribbean, Central and Eastern Europe, and Western Europe and Others), the venue of the COP is designed to shift among these groups.

4.   The twenty-fifth session of the COP (COP 25) took place under the Presidency of the Government of Chile and was planned to be held in Santiago, Chile. However, on 30 October 2019, the Government of Chile announced that it was no longer able to host COP 25 due to the circumstances in the country. In agreement with the Government of Chile, the Government of Spain offered to host the conference in Madrid. This was accepted by the COP Bureau on 1 November 2019.

5.   COP 25 took place from 2 to 15 December 2019 at IFEMA – Feria de Madrid, the largest exhibition and convention centre in Spain. The pre-sessional period was from 25 November to 1 December 2019. COP 25 was designed to take the next crucial steps in the United Nations climate change process. Following agreement on the implementation guidelines of the Paris Agreement at COP 24 in Poland in 2018, a key objective was to complete several matters with respect to the full operationalization of the Paris Climate Change Agreement.

6.   The total number of participants at COP 25 was 27,867 and the total expenditure for UNFCCC was $12.2 million. A significant part of the expenditure related to accommodation ($4.4 million) and travel ($4.7 million). This does not include expenses incurred by the host countries.

7.   Comments provided by UNFCCC are incorporated in italics.

II.   AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

8.   The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes in ensuring the effective provision of operational and administrative support to the organization of COP 25.

9.   This audit was included in the 2020 risk-based work plan of OIOS due to the risks associated with organizing a large conference such as COP 25.

10.   OIOS conducted this audit from January to April 2021. The audit covered the period from 1 January 2019 to 31 December 2020. Based on an activity-level risk assessment, the audit covered risk areas relating to: (a) project management; (b) the regulatory framework; and (c) feedback and lessons learned mechanisms.

11.   The audit methodology included: (a) interviews with key personnel and stakeholders; (b) review of relevant documentation; (c) analytical review of data; and (d) sample testing.

12.   The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

III.   AUDIT RESULTS

A.   Project management

<u>The last-minute change in venue was adequately managed</u>

13.   The last-minute change in venue from Santiago, Chile to Madrid, Spain meant that the logistical arrangements to host the COP in Madrid had to be done in about one month, including signing the host country agreement, making the logistical arrangements, and finalizing the venue. Review of the COP Bureau minutes and interviews with staff showed that the coordination between the secretariat, COP Bureau and the two host countries worked well. The overall quality of conference services was rated as "very good" or "good" by 89 per cent of respondents. The change in venue had a cost impact of approximately $2 million for UNFCCC, comprising of $1.6 million in advance payments for accommodation in Chile that were not recoverable and $0.4 million for travel tickets that had been paid for before the change in venue and were not refundable. These additional costs were reported and covered by the successful fundraising undertaken by UNFCCC. The accommodation and travel costs are discussed in more detail later in the report.

<u>Need to strengthen planning and risk management practices</u>

14.   Prior to the change in venue, the organization of the COP followed the usual procedures, and some aspects of the framework and arrangements done for Chile (for example on document management) were useful and transferrable to Spain. The COP 25 Project Board (the Board) was established with documented terms of reference (TOR) and met regularly to review the progress made in organizing COP 25. The Director of Conference Affairs was the Project Coordinator; the Board established six sub-committees which reported on progress made in their respective areas at the Board meetings. Various teams went on technical missions to the host country to consult with counterparts, and the results of their missions were reported to the Board. However, some aspects of planning and risk management practices needed to be improved as discussed below.

a)   <u>Risk management was informal, leading to gaps in identification and management of some high risks</u>

15.   The responsibilities of the Board according to its TOR included, amongst others, identification of risks and interdependencies on operational and logistical aspects and making decisions on mitigation options. Security risks were formally assessed by the United Nations Department of Safety and Security (DSS) and a security plan developed.   However, a threat risk assessment for information and communications technology (ICT) related risks was not done for COP 25 as required, and risks in other areas were not formally assessed and documented. They were managed informally in the context of the progress updates to the Board which included discussions on challenges and delays. For COP 25, the high-

risk areas that could have benefited from being formally assessed at the Board level include funding risks, ICT risks and the communication/website related risks. For instance, if the website risks had been well managed, the incident on the last day of the COP – when secretariat staff were unable to upload documents to the UNFCCC public website at a critical moment – may have been avoided or its impact minimized through better contingency planning.

b) Need to ensure that the project management tool and related practices were fit for purpose

16.   The role of the Project Coordinator included, among others, developing and maintaining planning documents with clear deliverables, milestones, and schedules, paying particular attention to cross-programme coordination issues. A new project management tool (Jira) was introduced in 2019 to track all activities required to be completed for COP 25, and the related milestones. Initially, the various teams regularly updated Jira to reflect the progress made in their tasks. However, they stopped the updates when their workload increased around midway into the process. In the lessons learned review done after the COP, it was noted that the tool was useful but was too process-oriented and labour-intensive.

17.   To address the concerns raised regarding Jira, in 2021, the Project Coordinator made a decision that the Conference Affairs Division would be responsible for posting the updates in Jira based on input provided in meetings with the various teams. Some of the staff interviewed by OIOS appeared unaware of the new arrangements and were uncertain as to whether Jira would still be used for COP 26. Further, as also suggested by some staff, it would be useful to have an overarching planning document or checklist that outlines all key activities and milestones to enable the Project Coordinator to monitor timelines and cross-programme coordination issues.

c) Delays in engaging ICT counterparts affected the planning and management of ICT risks

18.   UNFCCC's ICT staff participated in the Project Review Board as required and gave regular updates. Deployment timelines were prepared which showed that ICT deployment kicked off on 30 September 2019, the same time the Staging/Proof of Concept mission to Paris commenced. However, no comprehensive plan and threat risk assessment were prepared, as required by the host country agreement. This was attributed to delays in identifying appropriate host country counterparts. Although the host country had identified the ICT counterparts during the technical mission in May 2019, the counterparts were officials who did not have core ICT responsibilities. The Staging/Proof of Concept mission in Paris was for four weeks but the host country representative participated only in the third week. The host country was not officially represented during the other weeks, including the first week when project planning issues were covered.

19.   Risk assessment was not covered during the Proof of Concept exercise on 30 September 2019 because the cybersecurity vendor had not been engaged at the time. The host country counterpart stated that the delay in getting ICT experts had a ripple effect because it also led to delays in initiating the process for approving the engagement of a cybersecurity vendor. Additional delays in engaging a cybersecurity vendor occurred due to cashflow and funding constraints as a result of delays in receipt of the required funding from the host country and donors. The cybersecurity vendor was engaged on 14 November 2019, less than a month before COP 25. ICT staff stated that ideally a cybersecurity vendor should have been on board earlier, and the services should have been delivered in a staggered schedule. A cybersecurity status report as of 1 December 2019, the day before COP 25 started, showed that the vendor was still working on resolving about 40 per cent of the issues (with medium to lower criticality) identified in the security risk assessment. While there were no cybersecurity incidents during COP 25, the shortcomings need to be avoided in future to minimize cybersecurity risks.

> **(1)** **UNFCCC should strengthen the planning and management of the sessions of the Conference of the Parties by: (a) formalizing risk management practices; (b) emphasizing the need for the host country to designate information technology experts in a timely manner; and (c) ensuring that the project management tool and approach are fit for purpose.**
>
> *UNFCCC accepted recommendation 1.* Recommendation 1 remains open pending receipt of evidence that: (a) risk management practices have been formalized; (b) the need for the host country to designate ICT experts has been reflected in the COP planning procedures; and (c) a plan of action has been developed for improving the project management tool and approach in organizing future sessions of the COP.

Need to mitigate the risks associated with delays in selection of the host country

20.   Representatives from previous host countries have emphasized the importance of early planning and, in retrospect, wished that they had started planning sooner and made better use of the time available. According to timelines indicated in the "How to COP" document (page 6), the fact-finding mission by the secretariat to assess the proposed host city and possible venues should ideally be done at least 18 months ahead of the COP. For COP 25, the first mission to the host country by the secretariat was in April 2019 (8 months before the COP). The mission could not be done earlier because of delays in the selection of the host country due to factors beyond the control of UNFCCC. Chile's offer to host the COP was made and approved in COP 24 (December 2018).

21.   Even though the COP was eventually not held in Chile, the experience in organizing the COP prior to the change in venue showed that the late selection of the host country and related delays in conducting the fact-finding missions increased logistical challenges, risks and costs. This included challenges and risks in aspects such as identification of suitable dates and venues, given that there were other events already planned in the country; construction of new facilities within a short span of time; identifying suitable and reasonably priced accommodation; and soliciting funding and partners internally and externally within a short time span to help finance the high cost of hosting a COP (which UNFCCC estimates can be up to $100 million if the attendance is over 20,000 as has been the case in recent years).

22.   UNFCCC addresses the issue of future venues for the COP in its reports to the Subsidiary Body for Implementation (SBI) under the agenda item on intergovernmental meetings. The report requests the SBI to encourage state parties to submit offers but there are no deadlines for submission of offers. For COP 25, the decision that the presidency would come from Latin America and Caribbean States (in keeping with the principle of rotation among regional groups) had been noted three years earlier at COP 22. UNFCCC requested the SBI to encourage Parties to submit offers at the forty-sixth session of the SBI held in May 2017 (2.5 years before COP 25) and a follow up request was made at the forty-eight-session held in May 2018. In both cases, the SBI adopted decisions inviting State Parties to submit offers. Despite the early request, the first offer to host (which was subsequently withdrawn) was received in October 2018, and the final selection of the host country was made in December 2018 (one year before COP 25).

23.   For most countries, one year would not be sufficient to effectively organize a COP with over 20,000 participants, particularly if a new venue had to be constructed, and funding solicited internally and externally. It is also equally important that the UNFCCC fact-finding mission is done in a timely manner because it triggers the start of the planning process. The fact-finding mission helps the host country develop a better understanding of the enormity of the task of organizing the COP, the costs and logistical needs, to enable the host country to make more informed decisions regarding venue and dates. While OIOS recognizes that the selection of a large-scale event like the COP is determined by political factors outside

the control of UNFCCC, it would be useful for UNFCCC to engage further with State Parties and highlight the risks and potential solutions.

> **(2)** **UNFCCC should engage with State Parties to highlight the logistical and financial risks associated with delays in selecting a host country, and the need for the secretariat to conduct fact finding missions to the host country in a timely manner.**
>
> *UNFCCC accepted recommendation 2.* Recommendation 2 remains open pending receipt of evidence that UNFCCC has engaged with State Parties to highlight the logistical and financial risks associated with delays in selecting a host country, and the need for the secretariat to conduct fact finding missions in a timely manner.

Need to incorporate lessons learned from a security incident at COP 25

24. The COP brings together tens of thousands of participants, from Heads of State and high-level officials, to leaders from United Nations and other intergovernmental organizations, civil society, business and academia, and a wide range of international celebrities involved in climate change activities. Ensuring the safety and security of participants is of paramount importance.

25.

26. In the COP Bureau meeting that discussed the incident, two Bureau members suggested the need to further develop guidelines on handling of such incidents in future. The post-COP 25 lessons learned reviews done by UNFCCC also noted the need to revise DSS workflows and interactions, as well as the need to review the code of conduct and enhance communication to observers and pavilion organizers.

> **(3)** **UNFCCC should strengthen mitigating measures relating to unauthorized demonstrations based on lessons learned from the security incident during COP 25.**
>
> *UNFCCC accepted recommendation 3.* Recommendation 3 remains open pending receipt of details of action taken to strengthen mitigation measures relating to unauthorized demonstrations based on lessons learned from COP 25.

B. Regulatory framework

Need to strengthen arrangements for procurement of accommodation

27. The total procurement costs for COP 25 were $5.3 million (excluding refunds) of which $4.4 million (83 per cent) was for accommodation. The accommodation costs included $2.8 million for accommodation costs of staff in Madrid and $1.6 million non-recoverable advance payments for accommodation in Chile. By 30 October 2019, when the change in venue was announced, UNFCCC had booked and paid $2,703,751 for accommodation. According to the terms of the contract, UNFCCC was

only entitled to a refund of five per cent ($135,188) but with the assistance from the host country, a higher refund of $1,064,777 was agreed upon, leaving an unrecoverable balance of $1,638,974. The refund was received in instalments and as of March 2021, there was an outstanding refund of $118,370 which, according to a payment plan agreed on in October 2020, was expected to be fully settled by August 2021.

28. UNFCCC indicated that the preferred and recommended modality for provision of accommodation to UNFCCC staff is for the host government to book and pay for the hotel rooms and provide UNFCCC only with the funds for reduced Daily Subsistence Allowance (DSA) for its staff. However, for COP 25, at the request of the host countries, it was agreed during the host country negotiations that the host government would appoint a travel agency through which UNFCCC would make hotel bookings. For both Chile and Madrid, time constraints associated with the country's late selection as hosts would not have allowed competitive procurement through formal solicitation methods, particularly given the high demand for hotel rooms due to the large size of the COP. UNFCCC explained that it was beneficial to consolidate its relatively small contingent of rooms (587 rooms) with the overall requirement of several thousand rooms tendered for by the government, thus avoiding competing tenders and achieving economies of scale. Nonetheless, the due diligence requirements and approvals recommended in the Procurement Manual still needed to be complied with because these are essential for maintaining the integrity of the vendor selection process. OIOS observed the following exceptions and areas for improvement:

a) Approval of waiver for competitive selection was ex post facto

29. The waiver for competitive selection under Financial Rule 105.16 was approved by the Acting Assistant Secretary-General, Office of Supply Chain Management (ASG-OSCM). However, as also pointed out by the UNFCCC Committee on Contract (COC) when it was reviewing the Chile accommodation case, as well as the ASG-OSCM, approval for not undertaking a competitive process should be sought in advance, before the commencement of the procurement action. In the Chile case, the host country's request to UNFCCC to directly purchase and pay for the hotel rooms through the government-appointed travel agency was made during the fact-finding mission in the week of 22 April 2019 and communicated in writing on 7 May 2019. However, the waiver request was approved by the UNFCCC Deputy Executive Secretary on 15 May 2019, and the waiver request to ASG-OSCM was sent on 16 May 2019 and approved on 23 May 2019. The first purchase order was issued on 20 May 2019, three days prior to the approval by ASG-OSCM, which made the waiver an ex post facto case.

b) Hotel agencies were not registered at the correct level for contracts above $500,000

30. For contracts above $500,000 the Procurement Manual require vendors to be registered in the United Nations Global Market Place (UNGM) at level 2 which has a higher threshold of requirements than the basic level of registration. For level 2, vendors need to have been in business for at least three years and are required to submit, inter alia, certificates of incorporation, names of owners, reference letters and audited financial statements. The additional requirements are commensurate to the level of risk associated with large contracts. However, the hotel agents in Chile and Madrid were only registered at basic level, meaning they were not fully vetted as required. The Procurement Unit indicated that the registration process for level 2 required action by the vendors as well as UNGM teams which may not have been completed before issuance of the purchase orders. The Procurement Unit also indicated that they did market research and established that the vendors were well established companies prior to issuing the purchase orders. While market research may be useful, it does not fully address the due diligence requirements built into the vendor registration process. There was no documented evidence of the market research that was supposedly performed by the Procurement Unit.

c) The procurement cases had not been submitted to the Headquarters Committee on Contracts

31.   In approving the waiver for competitive bidding, the ASG-OSCM noted that UNFCCC would present the cases to the UNFCCC COC and Headquarters Committee on Contract (HCC) on a post facto basis, but expeditiously in line with the delegation of authority framework. In practice, however, the cases were presented to the UNFCCC COC in July 2019 but at the time of the audit in April 2021, almost two years later, the cases had not been presented to the HCC as required. The Procurement Unit stated that this was an error, and that it would submit the case to HCC.

d) Early engagement of procurement officials is necessary

32.   As stated in the Procurement Manual, the responsibilities of a Procurement Official in a procurement process includes, among others, defining solicitation strategies in collaboration with the Requisitioner. Upon appointment of the designated accommodation agency by the host country, the Conference Affairs Division staff together with the host country and agency representatives were involved in inspecting accommodation facilities identified by the designated accommodation agency. The Conference Affairs Division stated that the standard criteria it used to evaluate accommodation options included: proximity to the conference venue; public transportation connections to and from the Conference venue; WIFI/Internet access; capacity and room availability; value for money assessment; services provided; security, safety and sanitation standards and accessibility for people with reduced mobility.

33.   However, the Procurement Unit's involvement only began after the host country formally informed UNFCCC of the government appointed agencies. Analysis showed that prices obtained in Chile and Madrid were generally above the approved daily subsistence allowance, i.e., above the usual average rates of hotel rooms. UNFCCC attributed this to the normal sharp increase in cost of hotel rooms when there is a large event. UNFCCC largely relied on the host country without insight of how the host country selected the agents, and whether the selection was competitive. It would be beneficial for UNFCCC procurement officers to be involved earlier in the process and where necessary engage with host country counterparts, as appropriate. Early engagement would allow them to provide input on the procurement arrangements in line with their role, and to get insights that may be useful when reviewing, evaluating, and negotiating offers. Such engagements could even be done remotely without incurring travel costs.

> **(4)   UNFCCC should strengthen the arrangements for procurement of accommodation in the organization of large conferences by: (a) ensuring early involvement of procurement officers in acquisition planning; and (b) establishing checklists to ensure that all required approvals are obtained in a timely manner, vendors are registered at the right level, and evidence of procurement actions such as market research are documented.**
>
> *UNFCCC accepted recommendation 4.* Recommendation 4 remains open pending receipt of evidence that arrangements for procurement of accommodation in the organization of large conferences have been strengthened and documented as recommended.

Need to ensure that performance evaluations are done based on clearly determined performance indicators

34.   UNFCCC had established system contracts for the recurring needs at COPs such as cybersecurity, webcast, design services and firewall services which is an efficient and effective way of procuring recurring needs. In addition to purchase orders for accommodation, there were 25 other purchase orders for COP 25, of which 10 with a total value of $0.7 million were against already established system contracts and the rest (approximately $200,000) were direct procurement. No significant weaknesses were noted in the review of the direct procurement cases. However, except for two system contracts which had sections dealing with performance indicators; the other contracts did not have clearly specified performance indicators. This

included two large contracts for webcast and design services which would benefit from well-defined performance indicators to facilitate evaluation of the vendors' performance. Performance evaluations were also not prepared in 2020 as required. Performance evaluations need to be done in a timely manner so that any performance issues can be addressed before the subsequent COP.

> **(5)** **UNFCCC should ensure that key performance indicators are consistently established for contracts and performance evaluations are done in a timely manner for all system contracts.**
>
> *UNFCCC accepted recommendation 5.* Recommendation 5 remains open pending receipt of evidence that: (a) the need for key performance indicators is reflected in procurement planning documents such as source selection plans; and (b) the required performance evaluations have been conducted for all system contracts (cybersecurity, webcast, and design services).

C. Feedback and lessons learned mechanisms

Need to strengthen feedback and lessons learned mechanisms

35. As indicated earlier in the present report, lessons learned exercises were done after COP 25 and the results were documented. Follow up actions in the lessons learned summary report were well defined. However, the officials responsible for the actions were not identified, and timelines were not established. This did not enable monitoring to ensure that the proposed actions were taken in a timely manner. UNFCCC indicated that several actions had been taken, such as with regard to cybersecurity. However, in the absence of clear tracking, it was not clear what actions were outstanding, and whether the issues had been adequately addressed. Further, important aspects such as fundraising, partnership, budget, document management, legal, procurement and travel were not incorporated in the lessons learned.

36. The survey conducted by UNFCCC after COP 25 provided useful insights on how well the COP was organized, and what areas needed improvement. However, the survey was prepared by the Conference Affairs Division and focused on issues under the Division's control. Feedback on other areas such as ICT and security only came as additional comments provided by the survey participants. Also, a plan of action was documented showing the offices that should take the lead for each action, but timelines for addressing the action points were not determined to facilitate follow up.

37. Further, there is a need to solicit feedback from other stakeholders who are significantly involved in organizing and servicing the COP, such as host country counterparts, DSS (for security issues), and the United Nations Office at Geneva (UNOG) for conference servicing issues. OIOS' consultations with these stakeholders showed that while they were satisfied with the quality of support and coordination, they also had suggestions based on their own lessons learned (positive and negative) that would be beneficial for UNFCCC to take into account. For instance, one of the counterparts indicated that a clearer overview and checklist of all the key actions and milestones and briefing on the role of the event organizing company, would have helped them plan better. UNOG also gave suggestions on the need to improve some aspects of coordination arrangements during the conference.

38. UNFCCC needs to address the gaps noted above in order to strengthen the lessons learned and feedback mechanisms which are an important element in the COP organization cycle.

> **(6) UNFCCC should formalize the arrangements and oversight roles and responsibilities for: (a) conducting post Conference of Parties lessons learned exercises and feedback surveys for all key areas; and (b) monitoring and ensuring that issues and recommendations arising from the surveys are effectively addressed.**
>
> *UNFCCC accepted recommendation 6.* Recommendation 6 remains open pending receipt of evidence that UNFCCC has formalized the arrangements and oversight roles and responsibilities for: (a) conducting lessons learned exercises and feedback surveys for all key areas; and (b) monitoring and ensuring that issues arising from the surveys are effectively addressed.

IV.   ACKNOWLEDGEMENT

39.   OIOS wishes to express its appreciation to the management and staff of UNFCCC for the assistance and cooperation extended to the auditors during this assignment.

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(*Signed*) Eleanor T. Burns
Director, Internal Audit Division
Office of Internal Oversight Services

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STATUS OF AUDIT RECOMMENDATIONS

Audit of the organization of the twenty-fifth Conference of the Parties by the United Nations Framework Convention on Climate Change

Rec. no.	Recommendation	Critical[1]/ Important[2]	C/ O[3]	Actions needed to close recommendation	Implementation date[4]
1	UNFCCC should strengthen the planning and management of the sessions of the Conference of the Parties by: (a) formalizing risk management practices; (b) emphasizing the need for the host country to designate information technology experts in a timely manner; and (c) ensuring that the project management tool and approach are fit for purpose.	Important	O	Receipt of evidence that: (a) risk management practices have been formalized; (b) the need for the host country to designate ICT experts has been reflected in the COP planning procedures; and (c) a plan of action has been developed for improving the project management tool and approach in organizing future sessions of the COP.	31 December 2022
2	UNFCCC should engage with State Parties to highlight the logistical and financial risks associated with delays in selecting a host country, and the need for the secretariat to conduct fact finding missions to the host country in a timely manner.	Important	O	Receipt of evidence that UNFCCC has engaged with State Parties to highlight the logistical and financial risks associated with delays in selecting a host country, and the need for the secretariat to conduct fact finding missions in a timely manner.	31 December 2022
3	UNFCCC should strengthen mitigating measures relating to unauthorized demonstrations based on lessons learned from the security incident during COP 25.	Important	O	Receipt of details of action taken to strengthen mitigation measures relating to unauthorized demonstrations based on lessons learned from COP 25.	30 June 2022
4	UNFCCC should strengthen the arrangements for procurement of accommodation in the organization of large conferences by: (a) ensuring early involvement of procurement officers in acquisition planning; and (b) establishing checklists to ensure that all required approvals are obtained in a timely manner, vendors are registered at the right level, and evidence of procurement actions such as market research are documented.	Important	O	Receipt of evidence that arrangements for procurement of accommodation in the organization of large conferences have been strengthened and documented as recommended.	31 December 2022
5	UNFCCC should ensure that key performance indicators are consistently established for contracts and performance evaluations are done in a timely manner for all system contracts.	Important	O	Receipt of evidence that: (a) the need for key performance indicators is reflected in procurement planning documents such as source selection plans; and (b) the required performance evaluations have been conducted for all system contracts (cybersecurity, webcast, and design services).	31 December 2021

STATUS OF AUDIT RECOMMENDATIONS

**Audit of the organization of the twenty-fifth Conference of the Parties by the
United Nations Framework Convention on Climate Change**

6	UNFCCC should formalize the arrangements and oversight roles and responsibilities for: (a) conducting post Conference of Parties lessons learned exercises and feedback surveys for all key areas; and (b) monitoring and ensuring that issues and recommendations arising from the surveys are effectively addressed.	Important	O	Receipt of evidence that UNFCCC has formalized the arrangements and oversight roles and responsibilities for: (a) conducting lessons learned exercises and feedback surveys for all key areas; and (b) monitoring and ensuring that issues arising from the surveys are effectively addressed.	30 June 2022

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[1] Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.
[2] Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.
[3] Please note the value C denotes closed recommendations whereas O refers to open recommendations.
[4] Date provided by UNFCCC in response to recommendations.

APPENDIX I

Management Response

Management Response

Audit of the organization of the twenty-fifth Conference of the Parties by the United Nations Framework Convention on Climate Change

1Rec. no.	Recommendation	Critical[1]/ Important[2]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNFCCC should strengthen the planning and management of the sessions of the Conference of the Parties by: (a) formalizing risk management practices; (b) emphasizing the need for the host country to designate information technology experts in a timely manner; and (c) ensuring that the project management tool and approach are fit for purpose.	Important	Yes	Actions to address the recommendation will be led by: • Point (a) Senior Director (D-2), Operations department. • Point (b) Manager (P-5), Information and Communication Technology subdivision of the Administrative Services, Human Resources, and Information and Communication Technology division. • Point (c) Senior Director (D-2), Operations department	Implementation date for 1(a): 31 December 2022 1(b): 31 December 2022 1(c): 31 December 2022	
2	UNFCCC should engage with State Parties to highlight the logistical and financial risks associated with delays in selecting a host country, and the need for the secretariat to conduct fact finding missions to the host country in a timely manner.	Important	Yes	Action to address the recommendation will be led by: Director (D-1), Intergovernmental Support and Collective Progress division.	31 December 2022	
3	UNFCCC should strengthen mitigating measures relating to unauthorized demonstrations based on lessons learned from the security incident during COP 25.	Important	Yes	Action to address the recommendation will be led by: Director (D-1), Communication and Engagement division.	30 June 2022	
4	UNFCCC should strengthen the arrangements for procurement of	Important	Yes	Action to address the recommendation will be led by:	31 December 2022	

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[1] Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

[2] Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

Management Response

Audit of the organization of the twenty-fifth Conference of the Parties by the United Nations Framework Convention on Climate Change

1Rec. no.	Recommendation	Critical[1]/ Important[2]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	accommodation in the organization of large conferences by: (a) ensuring early involvement of procurement officers in acquisition planning; and (b) establishing checklists to ensure that all required approvals are obtained in a timely manner, vendors are registered at the right level, and evidence of procurement actions such as market research are documented.			Team Lead, Procurement, Travel and General Services unit (P-4), Administrative Services subdivision of the Administrative Services, Human Resources, and Information and Communication Technology division.		
5	UNFCCC should ensure that key performance indicators are consistently established for contracts and performance evaluations are done in a timely manner for all system contracts.	Important	Yes	Action to address the recommendation will be led by: Team Lead, Procurement, Travel and General Services unit (P-4), Administrative Services subdivision of the Administrative Services, Human Resources, and Information and Communication Technology division	31 December 2021	
6	UNFCCC should formalize the arrangements and oversight roles and responsibilities for: (a) conducting post Conference of Parties lessons learned exercises and feedback surveys for all key areas; and (b) monitoring and ensuring that issues and recommendations arising from the surveys are effectively addressed.	Important	Yes	Action to address the recommendation will be led by: Director (D-1), Conference Affairs division under the overall guidance of the Senior Director (D-2), Operations department.	30 June 2022	