



INTERNAL AUDIT DIVISION

REPORT 2017/069

Audit of the sustainable development and human settlement subprogramme in the Economic Commission for Latin America and the Caribbean

While the subprogramme initiated action to support implementation of sustainable development goals and adequately managed technical cooperation activities, it needed to strengthen controls over work planning

17 July 2017

Assignment No. AN2017/730/01

Audit of the sustainable development and human settlement subprogramme in the Economic Commission for Latin America and the Caribbean

EXECUTIVE SUMMARY

The objective of the audit was to determine whether the Economic Commission for Latin America and the Caribbean (ECLAC) has established controls to effectively manage the sustainable development and human settlements subprogramme and related technical cooperation projects. The audit covered the period from January 2014 to December 2016 and it included: coordination of mainstreaming of sustainable development goals, management of the subprogramme and related technical cooperation activities.

While the subprogramme initiated action to support the implementation of sustainable development goals and adequately managed technical cooperation activities, it needed to develop and implement an action plan to collaborate with Supreme Audit Institutions in implementing the 2030 Agenda for Sustainable Development and strengthen controls over work planning.

OIOS made three recommendations. To address issues identified in the audit, ECLAC needed to:

- Develop and implement an action plan on how it would collaborate with Supreme Audit Institutions in the region to support Member States in implementing the 2030 Agenda for Sustainable Development;
- Use Voluntary National Reviews as a source of programming capacity building activities to support Member States; and
- Require the Sustainable Development and Human Settlement Division to prepare annual work plans comprising planned activities to be undertaken during the year and revise them periodically to reflect changing priorities and funding availability.

ECLAC accepted the recommendations and has initiated actions to implement them.

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Audit of the sustainable development and human settlement subprogramme in the Economic Commission for Latin America and the Caribbean

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the sustainable development and human settlement subprogramme in the Economic Commission for Latin America and the Caribbean (ECLAC).

2. ECLAC is one of the United Nations' five regional commissions and it is headquartered in Santiago, Chile. Its mandate derives from Economic and Social Council resolution 106 (VI) of 25 February 1948. Its objective is to collaborate with Member States to analyze development processes in the context of the design, monitoring and evaluation of public policies and to provide operational services in the fields of specialized information, advisory services, training, and support for regional and international cooperation. ECLAC serves as the technical secretariat of the Commission and its subsidiary bodies.

3. The ECLAC programme of work is embodied in programme 18 of the United Nations 2016-2017 strategic framework. The corresponding budgetary resources are contained in programme budget Section 21 of the United Nations regular budget. The overall strategy of ECLAC for achieving the objectives of the programme is structured around 14 interdependent and complementary subprogrammes.

4. Subprogramme 8, the focus of this audit, relates to sustainable development and human settlements. The subprogramme is responsible for supporting the Executive Secretary in mainstreaming the environmental dimension of the sustainable development goals (SDGs) in ECLAC's programme of work. The subprogramme's proposed programme budget for the 2016-2017 biennium included \$4.3 million of regular budget and \$2.9 million of extrabudgetary resources. For the 2014-2015 biennium, the budget included \$5.1 million of regular budget and \$3.4 million of extrabudgetary resources. The Sustainable Development and Human Settlements Division (SDHSD) is responsible for implementing the subprogramme. The Division is headed by a Director at the D-1 level and has 19 posts (17 from regular and 2 from extrabudgetary sources).

5. The Programme Planning and Operations Division (PPOD) and the Division of Administration support ECLAC's programme of work. The Project Management Unit of PPOD oversees technical cooperation activities funded from extrabudgetary resources under programme budget Section 21, while the Programme Planning and Evaluation Unit (PPEU) of the same Division, oversees activities funded from the regular programme for technical cooperation (RPTC-Section 23) and Development Account (Section 35).

6. Comments provided by ECLAC are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

7. The objective of the audit was to determine whether ECLAC has established controls to effectively manage the sustainable development and human settlements subprogramme and related technical cooperation projects.

8. The audit was included in the 2017 risk-based work plan of OIOS due to the risk that ECLAC may not have established adequate controls for managing Subprogramme 8 and related technical cooperation activities, including mainstreaming SDGs in intergovernmental processes and its subprogrammes.

9. OIOS conducted this audit in March and April 2017. The audit covered the period from January 2014 to December 2016. Based on an activity-level risk assessment, the audit covered higher and medium risks in the subprogramme, which included: (i) coordination of mainstreaming SDGs; (ii) planning and implementation of activities related to subprogramme 8; and (iii) management of technical cooperation projects.

10. The audit methodology included: (a) interviews of key personnel, (b) reviews of relevant documentation, and (c) testing of pertinent transactions.

III. OVERALL CONCLUSION

11. SDHSD effectively supported the Executive Secretary in initiating the coordination of mainstreaming of SDGs in ECLAC's programme of work. It also implemented a proper system to select and manage technical cooperation projects. However, ECLAC needed to: (a) develop an action plan to collaborate with Supreme Audit Institutions (SAIs) in the region to support Member States in their implementation of the 2030 Agenda for Sustainable Development; (b) use Voluntary National Reviews (VNRs) as a source of programming capacity building activities to support Member States; and (c) require SDHSD to prepare annual work plans and update them periodically as needed.

IV. AUDIT RESULTS

A. Coordination of mainstreaming SDGs

ECLAC initiated adequate steps to mainstream SDGs in its programme of work

12. General Assembly resolution 70/1 defined 17 SDGs and 169 targets, with each goal encapsulating three development dimensions: economic, social and environmental. The United Nations regional commissions are expected to mainstream SDGs in their programme of work to effectively support Member States in implementing SDGs.

13. The Office of the Executive Secretary took the lead in the overall coordination of mainstreaming of the 2030 Agenda of Sustainable Development in ECLAC's programme of work. ECLAC established an inter-divisional working group on the 2015-post development agenda and SDGs. The group met periodically to discuss and elaborate on proposals on how ECLAC could integrate its programme of work with the SDGs and support Member States in implementing them. Significantly, the group mapped the SDGs to individual focal points who were responsible to coordinate with relevant subprogrammes, and analyze the required indicators for monitoring the sustainable development objectives.

14. In May 2016, ECLAC published a document entitled "The 2030 Agenda and the Sustainable Development Goals: An opportunity for Latin America and the Caribbean". The document included four ECLAC priorities in its role to support the implementation and follow-up of the 2030 Agenda in the region, namely: (i) strengthen the regional institutional architecture; (ii) enhance analysis of the means of implementation of the 2030 Agenda at the regional level; (iii) support the integration of the SDGs into national development plans and budgets; and (iv) promote the integration of measurement processes needed to construct SDG indicators in national Strategies for the Development of Statistics. OIOS, therefore, concluded that ECLAC has taken adequate steps to initiate mainstreaming of SDGs in its programme of work.

ECLAC provided support to the Commission to establish a regional forum to follow up and review SDGs at the regional level

15. General Assembly resolution 70/1 encouraged Member States to identify the most suitable regional forum on which to build on the existing follow-up and review mechanisms at the regional level with continued support from United Nations regional commissions.

16. The thirty-sixth session of the Commission, in May 2016, decided to establish the Forum of the Countries of Latin America and the Caribbean on Sustainable Development as a regional mechanism to follow up and review the implementation of the 2030 Agenda for Sustainable Development, including the SDGs and targets. The Forum would issue annual progress reports as a regional contribution to the High-Level Political Forum (HLPF) on Sustainable Development. At the same session, ECLAC presented to Member States the document “Horizons 2030: Equality at the Centre of Sustainable Development”, which provided an analytical complement to the 2030 Agenda with proposals toward achieving equality and environmental sustainability. Subprogramme 8 serviced the intergovernmental processes of the Forum in coordination with other substantive divisions. The first meeting of the regional forum was held in April, 2017.

17. OIOS, therefore, concluded that ECLAC provided adequate support to the Commission in building up follow-up and review mechanisms related to the SDGs.

Promotion of supreme audit institutions’ role in improving the accountability on SDGs

18. General Assembly resolution 70/1 stated that Member States governments have the primary responsibility for implementing SDGs. The Economic and Social Council recognized the essential role that national oversight institutions can play in the implementation of the post-2015 development agenda. In its 2016 Abu Dhabi declaration, the International Organization of Supreme Audit Institution (INTOSAI) committed to make a meaningful independent audit contribution to the 2030 Agenda for Sustainable Development. It further stated that at the global level, INTOSAI had committed to strengthening its long tradition of collaborating with the United Nations. The SDGs provide a significant opportunity to ensure that SAIs contribute a valuable voice at global, regional and sub-regional levels on matters relating to the independent audit contributions SAIs can make to the 2030 Agenda for Sustainable Development.

19. SAIs have the mandate to assess the adequacy and effectiveness of policies, capacity and progress status of Member States in implementing SDGs. In this regard, ECLAC could collaborate with SAIs in the region so that their reviews would include assessments of their governments’ implementation of the 2030 Agenda. This would enhance Member States’ efforts in improving their accountability for meeting SDG goals and targets. Adequate coverage and reporting on SDGs would also help SAIs to share their experiences and best practices within the region and globally for the successful implementation of the 2030 Agenda.

(1) ECLAC should develop and implement an action plan on how it would collaborate with supreme audit institutions in the region to support Member States in implementing the 2030 Agenda for Sustainable Development.

ECLAC accepted recommendation 1 and stated that it would invite the regional organization of INTOSAI to participate in annual sessions of the Forum of the Countries of Latin American and the Caribbean on Sustainable Development, and explore the possibilities of joint collaboration. Recommendation 1 remains open pending notification of action taken to implement it.

ECLAC needed to access VNRs and their review results

20. General Assembly resolution A/70/1 encouraged Member States to "conduct regular and inclusive reviews of progress at the national and sub-national levels, which are country-led and country-driven". VNRs serve as the basis for the HLPF to review progress on the implementation of SDGs and facilitate the sharing of experiences, successes, challenges and lessons learned, with the objective of accelerating the implementation of the 2030 Agenda.

21. Eleven countries from the ECLAC region submitted their VNRs to HLPF through the Department of Economic and Social Affairs (DESA) for review. The large number of countries that came forward to submit such reports from the region reflected the commitment of these countries in implementing SDGs. The review results of these reports could provide best practices and lessons that could be learned from them, which could be used as a source of programming capacity building activities. The results could also provide a platform for Member States in knowledge sharing and coordination.

(2) ECLAC should use Voluntary National Reviews as a source of programming capacity building activities to support Member States.

ECLAC accepted recommendation 2 and stated that the Office of the Executive Secretary would conduct an in-depth analysis of all VNRs presented by countries of Latin America and the Caribbean at the HLPF. This analysis would result in a publication detailing the process of VNRs as well as lessons learned and recommendations that could be useful to guide the work of ECLAC in assisting member countries in their own processes to achieve the SDGs. This publication would also be used as a basis for analysis for the preparation of the 2020-2021 programme of work of ECLAC as well as to orient annual implementation plans of substantive divisions during 2018 and 2019, especially in the area of technical assistance and capacity building. Recommendation 2 remain open pending submission of evidence of use of VNRs to programme capacity building activities.

B. Management of subprogramme

Annual work planning needed improvement

22. Heads of departments and offices are required to monitor expected accomplishments, as measured by the delivery of outputs scheduled in the approved programme budget.

23. The work plan for subprogramme 8 was prepared at the biennial level for the 2014-2015 and 2016-2017 biennia. The subprogramme had no system in place to revise its biennial work plans, neither did it update them periodically based on additional resources available or challenges faced. SDHSD explained that the work plans were reviewed every six months while updating performance in the Integrated Management Document Information System without revising the work plan document. However, without this revision, required changes were not documented to guide upcoming activities and facilitate monitoring against the updated plan.

(3) ECLAC should require the Sustainable Development and Human Settlements Division to prepare annual work plans comprising planned activities to be undertaken during the year, and revise them periodically to reflect changing priorities and funding availability.

ECLAC accepted recommendation 3 and stated that PPOD would work together with SDHSD to ensure that annual work plans comprising planned activities are undertaken and periodically updated to reflect changing priorities during the implementation of the programme of work.

Recommendation 3 remains open pending submission of evidence that annual work plans are prepared and updated periodically.

ECLAC needed to prepare a fundraising action plan and monitor achievement

24. ECLAC's 2015 resource mobilization strategy recognizes the need for ECLAC to mobilize resources to foster regional cooperation.

25. Subprogramme 8 estimated extrabudgetary resources of \$3.4 million for 2014-2015 and \$2.9 million for 2016-2017 in the proposed programme budgets that were prepared two years in advance. However, the subprogramme had no fundraising action plan showing how it planned to achieve the target.

26. Actual extrabudgetary funding for subprogramme 8 decreased from \$3.5 million in the 2012-2013 biennium to \$2.9 million in 2014-2015 biennium. Given that the 2030 Agenda for Sustainable Development has created new challenges to support the achievement of 17 goals and 169 targets without leaving anyone behind, ECLAC needed to prepare a formal fundraising action plan for raising additional funding through extrabudgetary sources. In this regard, ECLAC clarified that it had developed a resource mobilization plan for the regional commission as a whole. In the case of subprogramme 8, the present level of extrabudgetary resources assigned to the division was in line with its implementation capacity. With this holistic approach, ECLAC ensured that resources allocated to subprogrammes were aligned with the needs and demands in specific thematic areas. In light of the clarification provided by ECLAC, OIOS is not making a recommendation in this area.

Need for conducting periodic discretionary self-evaluation of the subprogramme

27. The Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (ST/SGB/2016/6) require programme managers to conduct self-evaluations of the effectiveness and impact of subprogrammes. ECLAC Guidelines on Preparing and Conducting Evaluations also state that self-evaluations are to be undertaken every two biennia at the discretion of subprogramme managers. PPEU in PPOD is responsible for assisting subprogramme managers in undertaking these evaluations.

28. Although ECLAC conducted assessments of two Development Account projects in 2015, it did not conduct a self-evaluation of subprogramme 8 during the 2014-2015 biennium nor was one planned for the 2016-2017 biennium. Also, PPEU had not conducted any selective evaluations of the subprogramme as required by the ECLAC Guidelines. ECLAC explained that the practice of conducting such evaluations had been discontinued since 2014. PPOD explained that PPEU had only two staff members who were fully occupied with preparing policies and guidelines and supervising project evaluations by independent consultants. The subprogramme had therefore not benefitted from a self-evaluation to assess its effectiveness and impact.

29. In its report on the evaluation of ECLAC in March 2015, the Inspection and Evaluation Division of OIOS recommended that ECLAC should strengthen its evaluation function by establishing a separate evaluation unit, undertaking risk-based evaluations and following up on the implementation of any recommendations. ECLAC clarified that it made all necessary efforts to implement the recommendation but had not been successful in obtaining additional resources. In light of this, OIOS did not make an additional recommendation on this matter.

C. Management of technical cooperation activities

Identification and selection of extrabudgetary and Development Account funded projects was satisfactory

30. ECLAC project management policies and procedures defined the roles and responsibilities of substantive divisions, the Project Management Unit in PPOD, the Division of Administration and the Division of Publications.

31. SDHSD implemented 19 projects funded from extrabudgetary resources and the Development Account during the period 2014-2016. For extrabudgetary funded projects, PPOD submitted proposals to the Project Review Committee (PRC) that is chaired by the Executive Secretary and composed of the PPOD Director and other heads of substantive divisions. The PRC reviewed the proposals and provided necessary guidance. Detailed project documents were prepared for approved projects and funding from donors was negotiated. PPOD reviewed the detailed project proposals and also participated in the negotiations. All memoranda of understanding (MOUs) with donors were signed by the Executive Secretary after pre-clearance by PPOD and administration and legal functions.

32. For Development Account projects, DESA, as programme manager, oversaw the process for selection and approval of projects. Based on instructions circulated by DESA to regional commissions ECLAC requested its substantive divisions to submit proposals (concept paper) for the Development Account projects. PPOD reviewed the proposals and prepared evaluation matrices to facilitate the selection process. The projects selected by the PRC were sent to DESA for review and pre-approval. Then, ECLAC prepared a detailed project document for each project and submitted them to DESA for final approval. In the biennium 2014-2015, ECLAC submitted eight Development Account project proposals to DESA, five of which were approved.

33. OIOS concluded that the process of identification and selection of projects was satisfactory.

ECLAC policies and procedures defined processes and responsibilities for implementing, monitoring and reporting on projects

34. During the 2014-2016 period, subprogramme 8 implemented 17 projects totaling \$3,871,459 funded from extrabudgetary resources. A review of six of these projects totaling \$3,200,451 in expenditures showed that: (i) MOUs were signed by the Executive Secretary with each donor contributing to the projects and the subprogramme implemented the projects in compliance with the related donor agreements; and (ii) PPOD monitored the implementation of the projects, reviewed their periodical technical/progress, annual progress and financial reports which were submitted to donors as required. Furthermore, progress reports related to each project had detailed information on the major activities carried out during the period.

35. During the same period, the subprogramme also implemented two Development Account projects totaling \$1,169,500. Project No. 10/11G on “Improving management of resource allocation for environment in Latin America and the Caribbean” was implemented during 2011-2014 with \$553,609 in total expenditures against the budget of \$554,500. The project prepared annual progress reports and the final progress report for 2014 detailing information on major activities undertaken, including 22 publications and two promotion materials. This information was also posted in ECLAC website. An external consultant evaluated the project. The evaluation report dated August 2015 made six recommendations four of which are still under implementation. PPOD has maintained a spreadsheet sheet to track the implementation of these recommendations.

36. The other Project No. 1617Z “Addressing critical socio-environmental challenges in Latin America and the Caribbean” was implemented in 2016 with a total budget of \$615,000. The project incurred \$304,574 in expenditures in 2016 with implementation rate of 49 per cent. The progress report contained the details of activities carried out. It is an ongoing project which is expected to complete earlier than the target date of 2019.

37. Therefore, OIOS assessed controls over the implementation, monitoring and reporting of extrabudgetary and Development Account projects as adequate.

RPTC-funded capacity building activities could be increased

38. The proposed RPTC budget for the biennium 2014-2015 (Section 23) provided an overview of the modalities to implement technical cooperation activities linking them to the logical framework of related subprogrammes within which these activities would be undertaken.

39. The RPTC programme budget for the 2014-2015 biennium allocated \$146,400 to ECLAC subprogramme 8 towards its overall objective. For biennium 2014-2015, SDHSD used only \$42,300 of the allocation. A total of \$87,345 was utilized by ECLAC’s other divisions to support sustainable development activities as per the approval of the Executive Secretary, while about \$17,000 or 12 per cent of the allocated funds were unutilized. SDHSD explained that it implemented most of the capacity building related activities from extrabudgetary resources and Development Account allocations. As a result, the subprogramme did not optimally use the RPTC allocation, which may have led to Member States requests for capacity building activities not being fully addressed. For example, there were limitations on the number of participants at events. SDHSD agreed that they will plan to use RPTC funding more optimally in the future, therefore OIOS did not make a recommendation on this issue.

V. ACKNOWLEDGEMENT

40. OIOS wishes to express its appreciation to the management and staff of [insert audited entity] for the assistance and cooperation extended to the auditors during this assignment.

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

STATUS OF AUDIT RECOMMENDATIONS

**Audit of the sustainable development and human settlement subprogramme in the
Economic Commission for Latin America and the Caribbean**

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	ECLAC should develop and implement an action plan on how it would collaborate with supreme audit institutions in the region to support Member States in implementing the 2030 Agenda for Sustainable Development.	Important	O	Submission of action plan on how ECLAC would collaborate with SAIs.	30 April 2018
2	ECLAC should use Voluntary National Reviews as a source of programming capacity building activities to support Member States.	Important	O	Submission of evidence of use of VNRs to programme capacity building activities.	31 December 2018
3	ECLAC should require the Sustainable Development and Human Settlements Division to prepare annual work plans comprising planned activities to be undertaken during the year, and revise them periodically to reflect changing priorities and funding availability.	Important	O	Submission of evidence that annual work plans are prepared and updated periodically.	31 December 2019

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 ECLAC in response to recommendations.

APPENDIX I

Management Response



UNITED NATIONS



Economic Commission for Latin America and the Caribbean

INTEROFFICE MEMORANDUM

To: Ms. Muriette Lawrence-Hume, Chief, New York Audit Service
Office of Internal Oversight Services (OIOS)

From: Ms. Alicia Bárcena, Executive Secretary 
ECLAC

Subject: Draft report on an audit of sustainable development and human settlements subprogramme in the Economic Commission for Latin America and the Caribbean (Assignment No. AN2017/730/01)

Date: Santiago, July 6th 2017

1. Please find attached Appendix I with the requested action plan with target dates and the titles of the individuals responsible for the implementation of the recommendations issued under this audit.
2. We would also like to note that paragraph 29 was not included in the previous draft of the report that was sent to ECLAC for comments. This paragraph refers to a recommendation issued by an evaluation carried out also by OIOS (E/AC.51/2015/6), and has caught our attention that cross reference is made to recommendations stemming from other audits/evaluations, more so when this issue was not raised during the exit conference or during the meeting for the presentation of the preliminary findings. Regarding the implementation of this recommendation, ECLAC has done all efforts within its purview, although efforts have not been successful in order to obtain additional resources to fully implement the recommendation. We would therefore like to request the elimination of this cross-reference from the current audit report which seems to be out of context.
3. We would also like to draw your attention to paragraph 28 of the report. This paragraph states that ECLAC has not conducted selective evaluations for the subprogramme being audited. However, as stated in ECLAC's comments to the draft report, ECLAC conducted thematic self-evaluations of the sustainable and human settlements subprogramme. Examples of these are the two evaluations of the Development Account projects ROA-145-7 "Improving management of resource allocation for environment in Latin America and the Caribbean (ECLAC)", and ROA-137-6A "Understanding potential economic impacts of climate change in Latin America and the Caribbean (ECLAC)", conducted in 2015.

Please see below online links to these reports for your ease of reference.

http://repositorio.cepal.org/bitstream/handle/11362/39404/4/S1500946_en.pdf

http://repositorio.cepal.org/bitstream/handle/11362/39819/1/S1500947_en.pdf



UNITED NATIONS



Economic Commission for Latin America and the Caribbean

For the biennium 2016-2017 there are no self-evaluation planned for this subprogramme.

4. I would like to take the opportunity to thank you for this report and welcome the recommendations issued.

Management Response

**Audit of the sustainable development and human settlement subprogramme in the
Economic Commission for Latin America and the Caribbean**

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	ECLAC should develop and implement an action plan on how it would collaborate with Supreme Audit Institutions in the region to support Member States in implementing the 2030 Agenda for Sustainable Development.	Important	Yes	<u>Romain Zivy</u> Coordinator Office of the Executive Secretary	April 2018	ECLAC will contact the Regional Organization of INFOSAI, OLACEFS, in order to invite them to participate in the annual sessions of the Forum of the Countries of Latin American and the Caribbean on Sustainable Development, and explore the possibilities of joint collaboration.
2	ECLAC should use Voluntary National Reviews as a source of programming capacity building activities to support Member States	Important	Yes	<u>Romain Zivy</u> <u>and Maria</u> <u>Ortiz</u> Coordinator and Economics Affairs Officer Office of the Executive Secretary <u>Sandra</u> <u>Manuelito</u> Chief Programme and Planning and Evaluation Unit of the	December 2018	The Office of the Executive Secretary will conduct an in-depth analysis of all National Voluntary Reviews presented by countries of Latin America and the Caribbean at the High Level Political Forum. This in-depth analysis will result in a publication detailing the process of the VNRs as well as lessons learned and recommendations that could be useful to guide the work of ECLAC in assisting member countries in their own processes to achieve the SDGs. This publication will then be used as one of the basis for analysis for the preparation of the 2020-2021 programme or work of ECLAC as well as to orient the annual implementation plans of substantive Divisions during 2018 and 2019, especially in the area

⁵ 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.

⁶ Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

Management Response

**Audit of the sustainable development and human settlement subprogramme in the
Economic Commission for Latin America and the Caribbean**

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
				Programme Planning and Operations Division		of technical assistance and capacity building.
3	ECLAC should require the Sustainable Development and Human Settlements Division to prepare annual work plans comprising planned activities to be undertaken during the year, and revise them periodically to reflect changing priorities and funding availability.	Important	Yes	<u>Joseluis Samaniego</u> Director Sustainable Development and Human Settlements Division <u>Sandra Manuelito</u> Chief Programme and Planning and Evaluation Unit of the Programme Planning and Operations Division	December 2019	ECLAC's PPOD will work together with the Sustainable Development and Human Settlement Division in order to ensure that annual work plans comprising planned activities are undertaken and periodically updated reflecting changing priorities during the implementation of the programme of work.