



INTERNAL AUDIT DIVISION

REPORT 2018/122

**Audit of the United Nations Office on
Drugs and Crime operations in
Pakistan**

**Some aspects of strategic planning and
project management needed to be
strengthened**

**6 December 2018
Assignment No. AE2018/366/02**

Audit of the United Nations Office on Drugs and Crime operations in Pakistan

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of the United Nations Office on Drugs and Crime (UNODC) operations in Pakistan. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over the management of operations of the UNODC Country Office in Pakistan (COPAK). The audit covered the period from January 2016 to April 2018 and included a review of risk areas relating to: (a) strategic planning and risk management; (b) programme management; and (c) the regulatory framework.

The audit showed that some aspects of strategic planning and project management needed to be strengthened.

OIOS made seven recommendations. To address issues identified in the audit, UNODC needed to:

- Develop a strategy for mainstreaming and raising awareness of the Sustainable Development Goals in COPAK's areas of work;
- Review and streamline performance reporting and monitoring by defining the purpose and scope of each report, avoiding duplication, and ensuring that the reports are aligned to the activities in the work plan;
- Ensure that major risks in the implementation of substantive areas of work are identified and incorporated in the COPAK risk registers and all key staff and managers participate in the risk management process;
- Establish a formal policy or strategy for planning, organizing and measuring the long-term impact of capacity building activities at COPAK;
- Strengthen efforts towards mainstreaming human rights and gender;
- Develop guidance for programme managers to assess and address the impact of technical cooperation activities on vulnerable beneficiaries; and
- Improve the competitiveness and timeliness of the procurement process by ensuring that procurement actions fully comply with the established requirements and monitoring the timeliness of the procurement processes.

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

CONTENTS

	<i>Page</i>
I. BACKGROUND	1
II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY	1-2
III. AUDIT RESULTS	2-8
A. Strategic planning and risk assessment	2-4
B. Project management	4-7
C. Regulatory framework	7-8
IV. ACKNOWLEDGEMENT	9
ANNEX I Status of audit recommendations	
APPENDIX I Management response	

Audit of the United Nations Office on Drugs and Crime operations in Pakistan

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the United Nations Office on Drugs and Crime (UNODC) operations in Pakistan.
2. The UNODC Country Office in Pakistan (COPAK) was established over three decades ago and is located in Islamabad, Pakistan. The current COPAK Country Programme covering the period 2016 to 2019 has three sub-programmes focusing on three main thematic areas: (a) Illicit trafficking and border management; (b) Criminal justice and legal reform; and (c) Drug demand reduction, protection and treatment. The Country Programme also covers two crosscutting components: e-Learning; and research and analysis.
3. The COPAK project portfolio included country projects and segments of regional and global projects as shown in Table 1.

Table 1: COPAK project portfolio 2016-2017

Year	Country Projects		Segments of Regional Projects		Segments of Global Projects		Total
	Number of projects	Expenditure \$	Number of projects	Expenditure \$	Number of projects	Expenditure \$	Expenditure \$
2016	4	5,554,729	4	820,254	4	691,246	7,066,229
2017	7	6,185,238	4	618,414	5	759,103	7,562,755
Total		11,739,967		1,438,668		1,450,349	14,628,984

4. COPAK was headed by a Country Representative at the P-5 level. It had a total of 95 staff comprising of 13 regular staff, 2 United Nations Volunteers, 50 service contractors, 6 international consultants and 24 local contractors.
5. Comments provided by UNODC are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

6. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes over the management of UNODC operations in Pakistan.
7. This audit was included in the 2018 internal audit work plan due to the risk that potential weaknesses in management of COPAK operations could have an adverse impact in advancing UNODC's mandate.
8. OIOS conducted this audit from June to October 2018. The audit covered the period from January 2016 to April 2018. Based on an activity-level risk assessment, the audit covered risk areas in the management of UNODC operations in Pakistan relating to: (a) strategic planning and risk management; (b) programme management; and (c) the regulatory framework.

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

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

III. AUDIT RESULTS

A. Strategic planning and risk assessment

COPAK had developed the required programme planning documents in consultation with stakeholders

11. The current Country Programme for the period 2016 to 2019 was aligned with the previous Country Programme which covered the period 2010 to 2015 and followed up on the initiatives and results achieved. It included a logical framework with well-established goals and performance measures and there was evidence of analysis of the roles of stakeholders and COPAK's competitive advantage. The project documents of the four ongoing projects showed the alignment of the planned interventions with: the Country Programme; the Sustainable Development Goals (SDGs); the UNODC strategic framework; and the UNODC regional and thematic areas. COPAK involved stakeholders in determining project priorities and to help ensure sustainability of its interventions. Local stakeholders including the host country indicated that they appreciated COPAK's drive for transparency, neutrality and the incremental approach that entailed piloting new initiatives in one area and expanding them to other areas. OIOS therefore concluded that COPAK had developed the required programme planning documents in consultation with stakeholders.

Need for a formal strategy for mainstreaming and raising awareness of SDGs

12. The United Nations Development Group's reference guidance for mainstreaming the 2030 agenda for sustainable development recommends the use of formal plans of action including strategies for building awareness and tailoring the SDGs to the national context. It guides United Nations actors on how to support local authorities in mainstreaming the SDGs in national development plans and in measuring progress by understanding the current situation and what can be done to influence the government's appetite to achieve measurable targets at different stages.

13. UNODC is one of the main focal points for SDG 16 on Peace and Justice and COPAK was the co-leading agency for SDG 16 in Pakistan. In addition, COPAK's projects and activities contributed to achieving six other SDGs (SDG 3 on Good Health; 5 on Gender Equality; 8 on Good Jobs and Economic Growth; 11 on Sustainable Cities and Communities; 15 on Life on Land; and 17 on Partnerships). In tandem with the UNODC headquarters' Strategic Planning and Interagency Affairs Unit, COPAK held a seminar for all staff in 2017 to promote the mainstreaming of SDGs in its activities. This included exercises to map SDGs in the Country Programme. In February 2018, COPAK supported the host country in hosting a workshop on implementation of recommendations of the General Assembly's Special Session on Drugs linked to SDGs 16 and 3.

14. However, COPAK had not developed a formal strategy or plan of action for mainstreaming and enhancing awareness of SDGs as recommended in the United Nations Development Group's guidelines. COPAK, in consultation with the Resident Coordinator's office which acts as the focal point for SDGs in the country, needs to develop a strategy to support the mainstreaming and awareness raising efforts for SDGs relating to its areas of work. The strategy could include introductory workshops, awareness campaigns, regular advertisement during meetings, and initiatives to support the identification of gaps and

indicators. COPAK stated that developing such a strategy requires further guidance from UNODC headquarters.

(1) The UNODC Country Office in Pakistan should liaise with relevant departments at UNODC headquarters to develop a strategy for mainstreaming and raising awareness of SDGs in its areas of work.

UNODC accepted recommendation 1 and stated that it understands the importance of developing a strategy for mainstreaming and raising awareness of SDGs. COPAK will coordinate with relevant offices at UNODC headquarters which are responsible for the development of a strategy for field offices to increase awareness on SDGs. Recommendation 1 remains open pending receipt of evidence that COPAK has developed a strategy for mainstreaming and raising awareness of SDGs in its areas of work.

Need to streamline performance reporting

15. COPAK prepared annual work plans in 2017 and 2018 as required by UNODC guidelines. The work plans included outcomes, indicators and related actions for key areas including management, partnership, strategy, and each of the three sub-programmes in the Country Programme. To monitor its outputs and outcomes, COPAK was using a software providing real-time information on activities, implementation date and ownership (smart sheets). Smart sheets for each outcome could be consulted internally and were used for the regular progress review meetings with COPAK senior management. In addition, in 2014, COPAK published a collection of success stories (the Red Book) to indicate the impact of its activities and was planning to prepare a new publication for the 2010-2015 Country Programme.

16. For reporting progress to UNODC headquarters, in accordance with UNODC instructions, COPAK prepared various programme performance reports including: (a) the Summary of Achievements report, on programme delivery; (b) the Annual Internal Oversight Report on management issues; (c) the Annual Programme Progress Report (APPR) on strategy, resource mobilization and partnership; and (d) reports on programme implementation in ProFi (an internal management information system). The headquarters Division of Operations stated that the various monitoring reports provided sufficient information to assess the performance of field offices. However, there was no clear definition of the purpose and scope of each report and how each of the reports aligned to and, complemented each other and covered the activities in the work plans. This affected the quality of performance reporting. OIOS review of the performance reports noted the following:

(a) Lack of alignment between the work plans and progress reports. The 2017 work plan and APPR templates were not aligned and consequently reconciliation of the activities planned that were outlined under the work plan section “key related actions” with those reported in the APPR was not possible. Further, the 2017 APPR had a column to indicate linkage to SDGs but the work plan template did not. Therefore, COPAK did not include SDGs in its work plans.

(b) The 2017 APPR indicated all outcomes as “fully achieved” but the financial summary in the same document showed gaps between the budgeted costs and actual expenditures. There was no explanation on how the outcomes targeted could have been fully achieved despite gaps in the budget.

(c) In the 2017 APPR, COPAK described activities and outputs achieved rather than outcomes, as required. Further, no annual targets were established in the work plans. The targets included in the 2018 work plan were targets for the three-year cycle while the 2017 work plan only included reference to generic and non-measurable indicators.

17. UNODC needs to review and streamline the work planning and reporting templates to improve the efficiency and effectiveness of performance reporting and monitoring.

(2) UNODC should review and streamline performance reporting and monitoring by defining the purpose and scope of each report, avoiding duplication, and ensuring that the reports are aligned to the activities in the work plan.

UNODC accepted recommendation 2 and stated that it will review existing performance reporting requirements to ensure that these are aligned with work plans and to avoid duplication. Recommendation 2 remains open pending receipt of evidence that the performance reporting framework has been reviewed and streamlined.

Need to strengthen risk assessment

18. Risk management is a key element of programme and project planning and management. COPAK developed two risk registers: the COPAK risk register and the Country Programme risk register. The COPAK risk register which was updated in March 2017 had 10 risks and included risk response plans and focal points for the risks. Four of the risks relating to political climate, operational environment, human rights, and work force management were rated as high risks. The Country Programme risk register had eight risks with details of measures to mitigate them. However, the same eight risks and related mitigation measures were applied in the projects even though they were not always related to the individual projects. None of the 10 risks identified in the COPAK risk register or the 8 risks in the Country Programme risk register were related to the implementation of substantive activities under the three sub-programmes. Things that could go wrong for each outcome were identified in the logical frameworks of each project but these were not reflected in the project risk registers. In addition, some COPAK programme managers had not been involved in developing the risk register and follow-up process. COPAK was also not involved in the risk assessment process for the Regional and Global projects implemented in Pakistan. Participation of key staff would help in identifying all significant risks and enhance ownership of the process.

(3) The UNODC Country Office in Pakistan should improve its risk management process by ensuring that major risks in the implementation of substantive areas of work are identified and incorporated in the risk registers and that all key staff and managers participate in the risk management process.

UNODC accepted recommendation 3 and stated that COPAK will develop a mechanism for ensuring that all substantive and operational risks are included in the risk registers, with the participation of all key managers and staff in the process. Recommendation 3 remains open pending receipt of evidence that appropriate mechanisms have been developed to incorporate substantive risks in the risk registers and involve all key staff in the risk development and management process.

B. Project management

Need to strengthen impact assessment and procedures for organizing capacity building events

19. One of the core component of COPAK assistance to the Host Country and civil societies is capacity building via workshops and training events. In 2016 and 2017, COPAK trained 491 and 911 beneficiaries respectively. In the first six months of 2018, COPAK had already trained 755 beneficiaries. The UNODC Meta-Analysis of Evaluations Reports for 2015-2016, highlighted how capacity-building has progressively gained relevance in the programme delivery of UNODC and recommended that UNODC should, among others, enhance its capacity to measure behavioral change of capacity building activities, and develop multi-

year training strategies. The 2013 mid-term evaluation of COPAK also recommended that COPAK should develop more analytical reports on training using a second, more nuanced tier of understanding training impacts and establish an office wide training strategy/policy that outlines principles for organizing capacity building events.

20. COPAK developed a monitoring methodology for the assessment of enhanced knowledge from training and workshops. The methodology included pre- and post- assessment of the trainees' knowledge through self-administered questionnaires. This was a good practice and COPAK shared results of the assessments among relevant managers and external stakeholders as appropriate. The monitoring tool demonstrated variable range of satisfaction and knowledge increase. However, COPAK had not developed a methodology for assessing the long-term impact of capacity building events as recommended in the UNODC Meta-Analysis of Evaluation and the COPAK mid-term evaluation reports. Donors also expressed interest in receiving impact assessment reports of capacity building activities beyond the monitoring reports.

21. In 2015, COPAK developed a training strategy but it was not operationalized. Instead, COPAK decided to decentralize capacity building at sub-programme level. Each sub-programme developed an informal strategy in order to ensure sustainability and institutionalization of capacity building activities. Approaches included promoting training-of-trainers; retrofitting academic curriculum; frontloading training activities to minimize risks associated with the frequent rotation of law enforcement agencies personnel; and incremental models, among others. COPAK explained that, instead of following a strategy, it adopted an experimental approach at sub-programme level and it was now ready to capitalize on its experience. COPAK needs to use the experience gained to update its training strategy in order to formalize the existing good practices and standardize the procedures for organizing capacity building events such as training needs assessment methodology, quality assurance mechanisms, the selection of participants and the methodology for assessing long term impact of the capacity building initiatives.

(4) The UNODC Country Office in Pakistan should establish a formal policy or strategy for planning, organizing and measuring the long-term impact of capacity building activities.

UNODC accepted recommendation 4 and stated that COPAK in coordination with the Division for Operations and other relevant offices at UNODC headquarters will work on the development of a policy and strategy on measuring impact of capacity building activities. Recommendation 4 remains open pending receipt of evidence that a policy for planning, organizing and measuring the long-term impact of capacity building activities has been developed.

Need to strengthen mainstreaming of human rights and gender

22. The COPAK County Programme and project documents recognized the important role that COPAK needs to play in order to advance human rights and gender equality in different areas of the programme. The Country Programme explains the country legal framework and institutional organization for the promotion of human rights and gender and identifies their weaknesses. In addition, in 2017, COPAK developed a short formal situation analysis on human rights and gender. Further, human rights and gender equality principles were mentioned during interviews with key programme managers. The managers highlighted the ongoing efforts to deal with human rights and gender issues during the implementation of projects. The Resident Coordinator Office also recognized the key role played by COPAK in different human rights and gender mainstreaming exercises as well as the Office's contribution to the Human Rights Task Force.

23. However, COPAK did not fully comply with the UNODC 2011 Guidance on Promotion and Protection of Human Rights. Gender and human rights modules were not yet mainstreamed in the e-learning

center, which represented one of the largest tools for capacity building support provided to law enforcement agencies. COPAK explained that resources were budgeted for the adoption of a human rights module but not for the one on gender. COPAK had also not yet identified measurable indicators for mainstreaming gender and human rights issues within its planning and monitoring cycle. The adoption of measurable indicators requires gap assessment of the work-plan and monitoring matrixes, for which COPAK indicated it required support from UNODC headquarters.

24. In addition, COPAK did not submit the bi-monthly information sheet on human rights violations to the United Nations Country Team (UNCT) as required by the Human Rights Due Diligence Policy Implementation Plan of Action which was developed by the UNCT in October 2014. The Resident Coordinator had discussed the Due Diligence Policy with the Host Country in February 2015. Submitting the bi monthly information would help the UNCT to assess and deal with the local authorities on human rights mainstreaming issues. This is important because the UNCT plays a leading role in developing a constructive human rights advocacy with governments and other stakeholders.

(5) The UNODC Country Office in Pakistan should strengthen its efforts towards mainstreaming human rights and gender by: (a) integrating the human rights and gender modules in the e-learning centres; (b) identifying measurable indicators for human rights and gender issues; and (c) submitting the bi-monthly information sheet on violation of human rights to the United Nations Country Team.

UNODC accepted recommendation 5 and stated that COPAK is recognized for its contribution in mainstreaming gender and human rights at the UNCT level and has also contributed in the development of the strategy for UNCT to address the subject in the country context. An e-learning module on human rights already exists on the global e-learning platform and the one on gender is being planned for development by the fourth quarter of 2019. COPAK will work with relevant UNODC headquarters sections to identify measurable indicators for human rights and gender issues and will start actively sharing human rights situation information with UNCT. Recommendation 5 remains open pending receipt of evidence that: (a) an e-learning module for gender has been developed; (b) measurable indicators for human rights and gender issues have been included in the results framework; and (c) arrangements have been put in place to submit information on violation of human rights to the UNCT.

Need for guidance on vulnerability assessments

25. Protection for vulnerable people should encompass the effort of any intervention in all sectors to ensure that rights of “right-holders” (affected population or beneficiaries) and the obligations of the “duty-bearers” (government and their institutions) under international law are understood, respected, protected and fulfilled without discrimination. The impact of development activities to the general population may vary depending on age, gender and groups with special needs such as marginalized people and minorities at the community level. UNODC had however not established guidelines or a practice for formally assessing vulnerabilities to help identify and ensure protection for vulnerable population who may be affected by new policies and procedures sponsored by UNODC. When COPAK discussed with headquarters how to mainstream vulnerability assessments for specific areas of its work, it received limited ad-hoc guidance and in some occasion used protection manuals developed by other international organizations as a reference tool.

26. COPAK staff showed understanding and commitment to consider impacts of its programme activities to vulnerable segments of the population but the absence of formal guidelines led to uneven results. With some exceptions (for example the Human Trafficking and Smuggling of Migrants project and sub-programme 2), the emphasis of the programme analysis and activities in COPAK appeared to be mostly

on the support of “duty-bearers” such as law enforcement agencies. There was no formal assessment of how vulnerable beneficiaries such as women, children and people with disabilities were affected by the initiatives to strengthen law enforcement agencies. There was also no assessment of what the law enforcement agencies should put in place to ensure that the most vulnerable segments of the population were not affected. In some cases, the rights of the affected population were expected to be considered in a follow-up stage of the programme, when the receiving institutions were more mature but there was no firm commitment. COPAK explained that the funding mechanisms, which emphasizes the intervention to strengthen government institutions, also limited its capacity to assess and address vulnerability issues.

27. UNODC needs to develop guidelines to assist field offices to conduct vulnerability assessments and design initiatives to minimize the impact of vulnerabilities identified. The guidelines should also include guidance to programme managers on how to include the initiatives designed in the regular fund-raising activities. In developing the guidance, UNODC could use toolkits or guidance developed by other United Nations entities. For instance, the Protection Mainstreaming Toolkit of the South Sudan Protection Cluster which identifies four key steps for mainstreaming protection of vulnerable groups: assessment of the population that will be affected by the intervention; risk analysis; mainstreaming plan; and evaluation of results and impacts.

(6) UNODC should develop guidance for programme managers to assess and address the impact of technical cooperation activities on vulnerable beneficiaries.

UNODC accepted recommendation 6 and stated that it will develop guidance for programme managers to assess and address the impact of technical cooperation activities on vulnerable beneficiaries. Recommendation 6 remains open pending receipt of the guidance developed for programme managers to assess and address the impact of technical cooperation activities on vulnerable beneficiaries.

C. Regulatory framework

The management of administrative functions was generally satisfactory

28. COPAK was satisfied with the level of delegation of authority it had and role mapping in the Umoja system. Payments were processed in a timely manner and petty cash was properly managed. COPAK had also established mechanisms to monitor and recover costs relating to the private use of telephone and vehicles from staff; and to verify and reconcile the quarterly United Nations Development Programme (UNDP) charges for the administrative services provided. Further, travel transactions and asset management were done in accordance with established administrative instructions, and fire drills and security assessments were performed as required.

Need to enhance competitiveness of the procurement process

29. In 2016 and 2017 COPAK issued 920 purchase orders with value of around \$4 million. COPAK had delegation for approving procurement contracts up to \$40,000. OIOS reviewed a sample of 27 procurement cases and noted that COPAK complied with most but not all key Procurement Manual requirements. Terms of Reference (TOR) were consistently issued and included the technical specifications that were then used for the evaluation process. Specifications included in the TORs were generic and the evaluations of the bids were properly done. For the procurement done through UNDP, the evaluation process was adequately overseen by UNDP and its Committee on Contracts. However, the following areas of non-compliance were noted which could have affected competitiveness of the procurement process:

- COPAK prepared an annual procurement plan in 2016 and 2018 and submitted it to UNODC headquarters. However, the plans were not shared with UNDP and there was no plan prepared for 2017. Effective procurement planning is essential for procurement actions to be initiated in a timely manner to provide adequate time for identifying vendors and receipt of bids.
- COPAK did not consistently invite the recommended number of vendors to submit bids. In 10 out of the 27 cases reviewed COPAK invited less than five vendors to submit bids. According to COPAK, this was due to the limited number of vendors available in the market and in the case of hotels it was because there were limited number of hotels with security clearance. However, no explanation for the exceptions were documented as required by the Procurement Manual.
- In 16 cases, the requests for quotations were issued for less than 10 days, which is the recommended time according to the Procurement Manual. One was issued for four days and the remaining between six and eight days.
- Of the 27 purchase orders reviewed, 12 did not include description of the purchased items. Though certain information can be found in Umoja for internal purposes, the purchase order printed and forwarded to the vendor forms the basis of the commitment and should include all relevant details.

30. In addition, COPAK did not have a tool to monitor procurement cases and assess timeliness. According to UNDP, the procurement process should take between one and two months depending on complexity of the procurement case. In two out of six cases procured through UNDP the process took six months or more. For procurement managed by COPAK (up to \$40,000) the Procurement Manual recommends that the process should be completed between 21 and 46 days. However, in 6 out of the 27 cases reviewed COPAK needed more than 60 days to complete the selection process. Several reasons of delays were noted. A recurrent explanation was changes in the terms of references of the requirements. Monitoring the timelines would help to identify and address recurring bottlenecks.

(7) The UNODC Country Office in Pakistan should improve the competitiveness and timeliness of the procurement process by: (a) ensuring that procurement actions fully comply with the established requirements; and (b) monitoring the timeliness of the procurement process.

UNODC accepted recommendation 7 and stated that COPAK has started to monitor procurement process timelines to ensure that they are adequate for vendors to submit bids and enhance competitiveness. COPAK always tries to invite the maximum available vendors to ensure a strong competitive process for all of its procurement activities; however, the office has to deal with the challenge of having only a limited number of registered vendors in Umoja. This is largely due to local business practices and the limited market of vendors in the country. COPAK will continue working with the Procurement Unit at UNODC headquarters for guidance on documenting the exceptions where the minimum number of vendors could not be available. Recommendation 7 remains open pending receipt of evidence that measures have been taken to ensure full compliance with the Procurement Manual requirements and to monitor the timeliness of the procurement process.

IV. ACKNOWLEDGEMENT

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

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

STATUS OF AUDIT RECOMMENDATIONS

Audit of the United Nations Office on Drugs and Crime operations in Pakistan

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	The UNODC Country Office in Pakistan should liaise with relevant departments at UNODC headquarters to develop a strategy for mainstreaming and raising awareness of SDGs in its areas of work.	Important	O	Receipt of evidence that COPAK has developed a strategy for mainstreaming and raising awareness of SDGs in its areas of work.	31 December 2019
2	UNODC should review and streamline performance reporting and monitoring by defining the purpose and scope of each report, avoiding duplication, and ensuring that the reports are aligned to the activities in the work plan.	Important	O	Receipt of evidence that the performance reporting framework has been reviewed and streamlined.	31 December 2019
3	The UNODC Country Office in Pakistan should improve its risk management process by ensuring that major risks in the implementation of substantive areas of work are identified and incorporated in the risk registers and that all key staff and managers participate in the risk management process.	Important	O	Receipt of evidence that appropriate mechanisms have been developed to incorporate substantive risks in the risk registers and involve all key staff in the risk development and management process.	31 December 2019
4	The UNODC Country Office in Pakistan should establish a formal policy or strategy for planning, organizing and measuring the long-term impact of capacity building activities.	Important	O	Receipt of evidence that a policy for planning, organizing and measuring the long-term impact of capacity building activities has been developed.	31 December 2019
5	The UNODC Country Office in Pakistan should strengthen its efforts towards mainstreaming human rights and gender by: (a) integrating the human rights and gender modules in the e-learning centres; (b) identifying measurable indicators for human rights and gender issues; and (c) submitting the bi-	Important	O	Receipt of evidence that: (a) an e-learning module for gender has been developed; (b) measurable indicators for human rights and gender issues have been included in the results framework; and (c) arrangements have been put	30 June 2020

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 UNODC in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of the United Nations Office on Drugs and Crime operations in Pakistan

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
	monthly information sheet on violation of human rights to the United Nations Country Team.			in place to submit information on violation of human rights to the UNCT.	
6	UNODC should develop guidance for programme managers to assess and address the impact of technical cooperation activities on vulnerable beneficiaries.	Important	O	Receipt of the guidance developed for programme managers to assess and address the impact of technical cooperation activities on vulnerable beneficiaries.	31 December 2019
7	The UNODC Country Office in Pakistan should improve the competitiveness and timeliness of the procurement process by: (a) ensuring that procurement actions fully comply with the established requirements; and (b) monitoring the timeliness of the procurement process.	Important	O	Receipt of evidence that measures have been taken to ensure full compliance with the Procurement Manual requirements and to monitor the timeliness of the procurement process.	30 June 2020

APPENDIX I

Management Response

Management Response

Audit of the United Nations Office on Drugs and Crime operations in Pakistan

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	The UNODC Country Office in Pakistan should liaise with relevant departments at UNODC headquarters to develop a strategy for mainstreaming and raising awareness of SDGs in its areas of work.	Important	Yes	The Representative, Country Office in Pakistan (COPAK) in coordination with senior managers in the Strategic Planning and Interagency Affairs Unit (SPIA) and in the Division for Operations (DO)	December 2019	UNODC agrees with the recommendation and understands the importance of developing a strategy for mainstreaming and raising awareness of SDGs. COPAK will coordinate with relevant offices at UNODC HQs which are responsible for the development of a strategy for field offices to increase awareness on SDGs.
2	UNODC should review and streamline performance reporting and monitoring by defining the purpose and scope of each report, avoiding duplication, and ensuring that the reports are aligned to the activities in the work plan.	Important	Yes	The Chief, Field Operations Management Support Section (FOMSS) in coordination with senior managers in the Regional Sections	December 2019	UNODC agrees with the recommendation and will review existing performance reporting requirements to ensure that these are aligned with workplans and to avoid duplication.
3	The UNODC Country Office in Pakistan should improve its risk management process by ensuring that major risks in the implementation of substantive areas of work are identified and incorporated in the risk registers and that all key staff and managers participate in the risk management process.	Important	Yes	The Representative, Country Office in Pakistan (COPAK)	December 2019	UNODC agrees with the recommendation; COPAK will develop a mechanism for ensuring that all substantive and operational risks are included in the risk register, with the participation of all key managers and staff in the process.

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.

Management Response

Audit of the United Nations Office on Drugs and Crime operations in Pakistan

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
4	The UNODC Country Office in Pakistan should establish a formal policy or strategy for planning, organizing and measuring the long-term impact of capacity building activities.	Important	Yes	The Representative, Country Office in Pakistan (COPAK) in coordination with senior managers at the Division for Operations (DO) and at SPIA	December 2019	UNODC agrees with the recommendation. COPAK in coordination with the Division for Operations (DO) and other relevant offices at UNODC HQs, will work on the development of a policy and strategy on measuring impact of capacity building activities.
5	The UNODC Country Office in Pakistan should strengthen its efforts towards mainstreaming human rights and gender by: (a) integrating the human rights and gender modules in the e-learning centres; (b) identifying measurable indicators for human rights and gender issues; and (c) submitting the bi-monthly information sheet on violation of human rights to the United Nations Country Team.	Important	Yes	The Representative, Country Office in Pakistan (COPAK)	June 2020	<p>UNODC agrees with the recommendation.</p> <p>COPAK is recognized for its contribution in mainstreaming gender and human rights on UNCT level and has also contributed in the development of the strategy for UNCT to address the subject in the country context.</p> <p>An e-learning module on human rights already exists on the global e-learning platform. An e-learning module on gender is being planned for development by the 4th quarter of 2019.</p> <p>COPAK will work with relevant UNODC HQ sections for identifying measurable indicators for human rights and gender issues and will start to actively share human rights situation information with UNCT.</p>

Management Response

Audit of the United Nations Office on Drugs and Crime operations in Pakistan

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
6	UNODC should develop guidance for programme managers to assess and address the impact of technical cooperation activities on vulnerable beneficiaries.	Important	Yes	The Chief, Field Operations Management Support Section (FOMSS) in coordination with senior managers in the Regional Sections and in SPIA	December 2019	UNODC agrees with the recommendation and will develop proposed guidance for programme managers to assess and address the impact of technical cooperation activities on vulnerable beneficiaries.
7	The UNODC Country Office in Pakistan should improve the competitiveness and timeliness of the procurement process by: (a) ensuring that procurement actions fully comply with the established requirements; and (b) monitoring the timeliness of the procurement process.	Important	Yes	The Representative, Country Office in Pakistan (COPAK) in coordination with the Chief, UNOV/UNODC Procurement Unit	June 2020	<p>UNODC agrees with the recommendation.</p> <p>COPAK has started to monitor procurement process timelines to ensure that they are adequate for vendors to submit bids and enhance competitiveness.</p> <p>COPAK always tries to invite the maximum available vendors to ensure a strong competitive process for all of its procurement activities; however, the office has to deal with the challenge of having only a limited number of registered vendors in UMOJA. This is largely due to local business practices and the limited market of vendors in the country. COPAK will continue working with the Procurement Unit (PU) at UNODC HQs for guidance on documenting the exceptions where the minimum number of vendors could not be available.</p>