

In response to the Executive Board's feedback, UNOPS proposes that all upcoming Monthly Update Briefing Q&A sessions will include deep-dives on the transformation initiatives UNOPS has embarked on as part of the Comprehensive Response Plan.

Specifically for the Q&A session on **5 October 2023**, the UNOPS Executive Director and colleagues will present an overview of the **Digitalisation Programme** and the **roadmap on the revision of the UNOPS Financial Regulations and Rules** ([Note from the Secretariat on the Review of the UNOPS Financial Regulations and Rules](#) and [slides for the session on 5 October](#)). In addition, the findings of the independent third party review of the excess reserve refund process will be presented at the session, with further details available below in section 3 of the report.

The Q&A session will be held virtually via Zoom. Questions can be submitted in advance of the meeting to HafidaL@unops.org, TanviM@unops.org and NYBER@unops.org, or by requesting the floor during the session.

1. UNOPS comprehensive response plan

The [comprehensive response plan](#) provides an overview of the action items that UNOPS has implemented already and/or is currently implementing.

To date, 51 of the 82 actions are fully completed, and other actions are well advanced. The table below summarizes the key progress made in implementing the comprehensive response plan since the last written update on 31 August 2023. It demonstrates where progress has been made on short-term technical issues as well as where long-term change processes have been initiated.

Workstream	Progress rate ¹	Summary of key progress and challenges
Mandate and Strategy	96%	Progress on the last outstanding action: <ul style="list-style-type: none"> ❖ Restated Strategic plan, 2022-2025: <ul style="list-style-type: none"> ➤ The deployment of the restated Strategic Plan will be considered implemented following the Global Leadership Network meeting of 140 managers 9-12 October, 2023.
Governance and Management	66%	Progress on outstanding actions: <ul style="list-style-type: none"> ❖ Knowledge sharing capabilities: <ul style="list-style-type: none"> ➤ Mission Hubs will be formally launched during the Global Leadership Network meeting in October. ➤ The surge mechanism is being strengthened with the inclusion of experts, thereby increasing the number of available surge capacity from 8 to around 250 colleagues in the pilot phase. The team has

¹Averages of the estimated progress rates of all of the actions under each workstream. Note that the actions vary considerably in complexity and time horizon. For workstreams with a majority of complex actions, the rate will therefore only change slightly from one month to the next.

		<p>also created a Surge Champions Network and has rolled out several workshops and webinars. Additional outreach is planned for October/November 2023 for country offices to inform about the surge mechanism, which has the objective to inject expertise and resources to accelerate project delivery.</p> <ul style="list-style-type: none"> ❖ Portfolio, programme and project management (P3M) standards: <ul style="list-style-type: none"> ➤ The P3M work is closely linked and dependent on digital transformation. The P3M transformation is currently focusing on the stage of engagement development of the entire project lifecycle. This stage includes aspects of risk management and involves the Engagement Acceptance Committee. ➤ The P3M transformation is a long term activity that will run over multiple years as part of the Transformation agenda in UNOPS. In the meantime the 'quick wins' identified are now being implemented using a structured approach of identification, justification and implementation through 6 month cycles. ❖ Digital transformation and digital dexterity: <ul style="list-style-type: none"> ➤ The recruitment of the Programme Director has been completed. The new Programme Director takes office on 1 October 2023. This will enable acceleration of recruitments for the project team. ➤ Work by the consultancy firm to support the selection of UNOPS future digital systems is progressing according to plan. Over 100 colleagues are actively involved in working groups across different functional areas. 60 hours of interviews were conducted and 43 hours of workshops are planned so far. Consultation and further refining of UNOPS systems requirements will continue in the next weeks. ➤ As part of this programme, we are looking at digital dexterity project scoping and working to develop a 'Digital Literacy Landscape' for UNOPS personnel. This landscape will represent a set of skills and competencies as relevant and crucial for our personnel to leverage the current and emerging technology. This landscape will guide our dexterity endeavors and will be used to benchmark personnel's digital literacy development going forward. This work will be integral to the digital programme and will continue into 2024.
Risk Management and Control Environment	83%	<p>Completed actions:</p> <ul style="list-style-type: none"> ❖ Risk management training programme <ul style="list-style-type: none"> ➤ The training programme on quantitative risk assessment and fraud risk management has been completed with support from globally recognized risk management training partners. A long term agreement (LTA) for continued training services is being established.

		<p>Progress on outstanding actions:</p> <ul style="list-style-type: none"> ❖ Risk-informed decision making and capabilities: <ul style="list-style-type: none"> ➢ A risk-informed decision analysis model has been developed for improved evaluation of complex, high-risk partnerships and engagement opportunities with multiple pilots completed and underway. ❖ Identification and escalation of portfolio risk exposures: <ul style="list-style-type: none"> ➢ UNOPS is in the process of procuring external advisory to accelerate a proof of concept for identification and escalation of portfolio risk exposures. ❖ Risk management organization and competence requirements: <ul style="list-style-type: none"> ➢ In response to the resourcing gaps recognized in the third party review, a risk retainer pool and new full time positions are strengthening the Risk function (dedicated to corporate risk framework, portfolio risk management, risk transfer, internal control framework, information security). All key recruitments will be finalized by the end of the year. The new Chief Information Security Officer joins October 16, 2023. ➢ Standard risk management skills have been mapped against mission critical roles and other key organizational roles for further embedding into standard TORs and global training agenda. ❖ Risk management legislative instruments: <ul style="list-style-type: none"> ➢ Review of risk management policy is planned for November 2023 with emphasis on a principled-based approach for a broader risk-based review of the UNOPS policy portfolio. ❖ Independent end-to-end process reviews: <ul style="list-style-type: none"> ➢ HR and procurement processes end-to-end reviews have been completed and the project management process end-to-end review will start on 9 October 2023. IAIG plans to kick-off the finance review in November.
Ethics, Compliance and Organizational Culture	80%	<p>Progress on outstanding actions:</p> <ul style="list-style-type: none"> ❖ Review of the whistleblower processes: <ul style="list-style-type: none"> ➢ The review is underway with a workshop involving senior staff on 2 October 2023 and a follow-up session at the Global Leadership Network on 9-12 October 2023. ❖ Mechanism for complaints and allegations involving senior managers: <ul style="list-style-type: none"> ➢ The revised policy is pending review by the Legal Group. ➢ More than 500 personnel have received awareness training so far.

		<ul style="list-style-type: none"> ❖ Policy for anti-bribery and corruption: <ul style="list-style-type: none"> ➤ A draft policy for anti bribery and corruption will be presented to the UNOPS Management Team in November 2023. The Policy will apply to all UNOPS activities and operations, and will aim to prevent, detect and address acts of bribery and corruption involving UNOPS staff, non-staff personnel, vendors and implementing parties, and other partners. The policy will be finalized by 31 December 2023, and is planned to come into effect in quarter two of 2024. In the interim, the policy will be operationalized and socialized across UNOPS to ensure the organization is ready to comply when it comes into effect. ❖ Organizational structure and recruitment of Deputy Executive Directors: <ul style="list-style-type: none"> ➤ One of the two Deputy Executive Directors will take office on 1 October 2023. The actions on segregation of duties and recruitment of Deputy Executive Directors will be complete once the second Deputy Executive Director has taken office. ❖ Organizational culture: <ul style="list-style-type: none"> ➤ The Director of IAIG will submit an unredacted version of the culture review to the Executive Board by November. ➤ As part of the journey towards organizational culture transformation, a pulse survey will be conducted in Q4 2023 to listen to personnel and seek insights. The survey will continue tracking employee engagement and key themes around leadership, ethics, motivation and culture. Expected launch date is mid-October 2023 with results available in Q1 2024. ❖ Forums for personnel voice: <ul style="list-style-type: none"> ➤ A new Employee Resource Group (ERG) has been established for Youth, to complement the existing four ERGs for Women, LGBTQI+, Disability and Anti-racism. These groups are designed to provide a forum and voice for colleagues, and have regular meetings with People and Culture Group leadership. ➤ Regular dialogue with personnel representatives and management is encouraged, with monthly meetings between management and the Staff Council and the Personnel Association. UNOPS will establish a global personnel forum in 2024, and in the meantime an interactive personnel forum was already held in September 2023 with the participation of more than 1,500 colleagues. ❖ Structured change management: <ul style="list-style-type: none"> ➤ UNOPS continues to implement a structured change management approach to delivering the Comprehensive Response Plan outcomes through; (a) project and change management support to the overall delivery of the comprehensive response plan and coordination of \$35.4m budget; (b) designing and delivering key transformation initiatives; (c) building change management capability; (d) development, dissemination and use of UNOPS
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		Change Management Framework and Toolbox.
Financial and Performance Management	87%	<p>Completed actions:</p> <ul style="list-style-type: none"> ❖ Assigning projects to SDGs: <ul style="list-style-type: none"> ➢ The UNOPS project management platform now provides data (primary and secondary) on SDGs by projects. <p>Progress on outstanding actions:</p> <ul style="list-style-type: none"> ❖ Outcome-based reporting: <ul style="list-style-type: none"> ➢ An external report with options has been considered. Further operationalization will be part of the strategic transformation agenda, with focus on evidence, insights and learning. ❖ Corporate performance management: <ul style="list-style-type: none"> ➢ The internal deployment of the expanded results framework will be advanced during the Global Leadership Network meeting in October 2023. ❖ Review of the Financial Regulations and Rules: <ul style="list-style-type: none"> ➢ The Terms of Reference for the review of UNOPS Financial Regulations and Rules have been finalized. UNOPS will establish a core Working Group to assess the current Financial Regulations and Rules for goodness of fit and suggest modifications taking into account UNOPS operational context, the UNOPS transformation agenda, and outstanding recommendations on internal financial controls, and best practices from across the United Nations system. <p>The Working Group will comprise best-in-class policy experts and field practitioners who are knowledgeable and experienced in the formulation and deployment of financial policy across the organization.</p> <p>It is expected that the Working Group will first convene in October 2023 and continue to meet frequently until the final draft of the reviewed Financial Regulations and Rules is put forward for approval by the Executive Board, tentatively planned for August 2024.</p>
S3i Future	85%	<p>Completed actions:</p> <ul style="list-style-type: none"> ❖ Risk assessment and monitoring of relevant projects: <ul style="list-style-type: none"> ➢ Implementation of this action is captured under the above Risk Management and Control Environment workstream. <p>Progress on outstanding actions:</p> <ul style="list-style-type: none"> ❖ Close legacy S3i investments

		<ul style="list-style-type: none"> ➤ Financial closure initiated, but subject to advice from UN OLA on status of recovery. ❖ Recovery of funds from S3i investments: <ul style="list-style-type: none"> ➤ UNOPS continues to support UN OLA on recovery efforts and continues to pay the legal fees associated with such efforts. Due to the uncertain nature of the legal work in relation to the recovery of funds, the collaboration with external counsel via UN OLA will continue into 2024-2025. ❖ Programmatic support to affected S3i countries: <ul style="list-style-type: none"> ➤ Kenya: <ul style="list-style-type: none"> ■ In September 2023, the UNOPS office in Kenya met with the National NEDI Coordinator and the outgoing World Bank NEDI Team Leader to discuss the next steps regarding engaging the Office of the Deputy President (ODP). The draft concept note for the UNOPS technical assistance package was discussed and activities agreed upon. Activities will include facilitation of ODP-led review and provision of technical advice in the finalization, validation and operationalisation of the four NEDI framework instruments. It is estimated that these activities may roll over into Q1 2024. A meeting with the Office of the Deputy President is scheduled for October 2023. ■ Activities under the solar feasibility component have been completed and the report is being finalized. ■ Activities under the water security component have kicked off with a stakeholder meeting planned for mid October 2023. ➤ Ghana: <ul style="list-style-type: none"> ■ UNOPS finalized the engagement plans with UN-Habitat to review the housing profile through a UN-to-UN Agreement with the first tranche of \$80k funds transferred. List of Stakeholders to be engaged for the Housing Profile review have been identified including some that participated in the review in 2011 and some new actors. Also, a Housing, Basic Services and Construction Officer has been recruited to support the Housing Profile review. Engagement is ongoing with the Ministry of Housing to reach consensus on the role of a technical working group to ensure profile review is in line with government frameworks. ■ UNOPS has received a formal request from the Ministry of Energy (MoE) to support feasibility studies and proposal development for Solar mini-grids in island communities. This is one of the flagship projects in the government of Ghana Energy Transition Framework. Signing of Project Cooperation Agreement with MoE is underway. ➤ Pakistan: <ul style="list-style-type: none"> ■ The project workplan and budget has been approved.
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2. Expenditure overview

The Executive Board, in its decision [2023/4](#), approved the allocation of a maximum sum of USD\$35.4 million, with one immediate tranche of USD\$11.8 million from the operational reserve towards the implementation of defined elements of the comprehensive response plan, as detailed in the [UNOPS financial outlook for 2023](#).

In the Second Regular Session of the Executive Board UNDP, UNFPA and UNOPS, 2023 (August 28-31, 2023), the Executive Board approved the request by UNOPS to carry forward the balance of \$23.6 million of the allocated sum of \$35.4 million for use within the current Strategic Plan, 2022-2025.

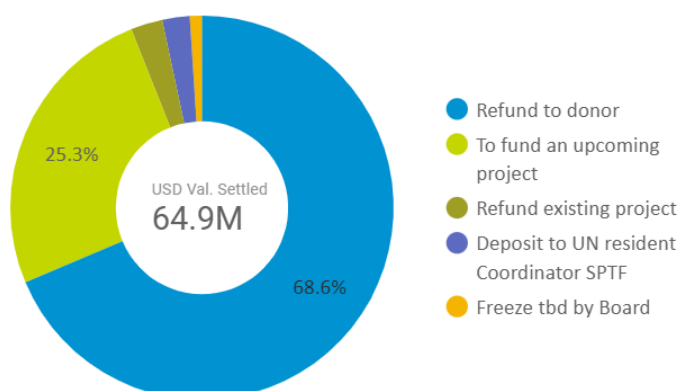
The [online expenditures tracking tool](#) provides a near-real time overview of expenditures and commitments in relation to the approved allocation.

3. Distribution of excess reserves to paying entities (as of 27 September 2023)

The independent third party review of the excess reserve refund process has concluded and a summary with the key points is attached to this report (see attached document "[UNOPS Summary on Deloitte review of excess reserve refund process](#)"). The review was initiated by UNOPS to provide necessary confidence to all parties on the process undertaken. Deloitte has not found any deficiencies in their technical review (see attached document "[Deloitte - Agreed-Upon Procedures Report on UNOPS excess reserves](#)"). Further to the compliance aspect of their review, Deloitte also provided management recommendations that are assessed at mid to low impact and refer to items where UNOPS can improve the overall excess reserve refund process. UNOPS has accepted all the recommendations and has started to implement them. Further details on the recommendations made by Deloitte can be found in the attached document titled "[Deloitte - Management Report - Findings and Recommendations](#)".

The conclusion of this review will help UNOPS accelerate the refund process upon receipt of further instructions from key partners. At this point, a total of approximately USD 65 million has been refunded of the total of USD 123.8 million.

Settled cases - By USD Value



	Instruction	Number	USD Value
1.	Refund to donor	50	44,532,853
2.	To fund an upcoming project	7	16,438,014
3.	Refund existing project	4	1,734,639
4.	Deposit to UN resident Coordin...	3	1,506,425
5.	Freeze tbd by Board	9	660,943
	Grand total	73	64,872,874