Activities of the Joint Inspection Unit

Report by the Director General

The present document provides information on the activities of the Joint Inspection Unit (JIU) in accordance with the follow-up scheme to recommendations in accordance with decision IDB.24/Dec.11.

I. Introduction

1. The Joint Inspection Unit (JIU) became a subsidiary organ of the Industrial Development Board by its decision IDB.1/Dec.22. A system of follow-up to JIU recommendations was outlined in document IDB.24/18 and subsequently approved in decision IDB.24/Dec.11. In accordance with the provisions therein, JIU reports will be considered by each regular Board session.

II. Reports and notes submitted by the Joint Inspection Unit

2. A total of seven JIU reports\(^1\) were received\(^2\) by the Organization in 2021 and 2022 since the previous Board document covering this subject (IDB.49/21). The six reports as listed below are of relevance to UNIDO:

- **JIU/REP/2020/7**: Blockchain applications in the United Nations system: towards a state of readiness;
- **JIU/REP/2021/2**: Review of United Nations system support for landlocked developing countries to implement the Vienna Programme of Action;
- **JIU/REP/2021/3**: Cybersecurity in the United Nations system organizations;

\(^1\) JIU reports and notes, as well as the JIU Annual Report to the General Assembly, in all official languages can be accessed via the JIU website (www.unjiu.org).

\(^2\) At the time this report was prepared.

For reasons of sustainability, this document has not been printed. Delegates are kindly requested to refer to electronic versions of all documents.
JIU/REP/2021/4: Review of the management of implementing partners in United Nations system organizations;

JIU/REP/2021/5: Review of the ethics function in the United Nations system;


3. The present document is supplemented with a conference room paper (IDB.50/CRP.9) which includes hyperlinks to the respective JIU reports as well as hyperlinks to the relevant comments on said reports by the United Nations System Chief Executives Board for Coordination (CEB). It is recalled that recommendations and statistics applicable to UNIDO are available through the web-based tracking system (WBTS). The WBTS also includes UNIDO’s compliance and comments on recommendations. A summary of recommendations for consideration by the UNIDO Director General and UNIDO legislative bodies, as well as UNIDO comments, is included in document IDB.50/CRP.9.

III. Implementation of Joint Inspection Unit recommendations at UNIDO

4. As mentioned in previous reports, Member States can be granted read-only access to the consolidated data on the status of implementation of recommendations on the JIU’s WBTS. Interested Member States can register with the JIU through the UNIDO Focal Point for JIU matters in the Office of Evaluation and Internal Oversight, via email to eio@unido.org.

5. UNIDO updates the WBTS with pertinent information on recommendations issued in the last three years. This includes information on the recommendation status of acceptance, the status of implementation and the impact achieved.

6. The status of acceptance and implementation for UNIDO for the period 2019–2021 is presented in the table below. It is shown as percentage of recommendations issued.

Table\(^4\) (Status as at 31 August 2022)

<table>
<thead>
<tr>
<th></th>
<th>Acceptance</th>
<th>Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Accepted</td>
<td>Not accepted</td>
</tr>
<tr>
<td></td>
<td>Not relevant</td>
<td>Under consideration</td>
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<tr>
<td></td>
<td>Implemented</td>
<td>In progress</td>
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<tr>
<td>UNIDO</td>
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<tr>
<td></td>
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<td>56.52</td>
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<tr>
<td></td>
<td>7.25</td>
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</tbody>
</table>

IV. Specific JIU recommendations needing attention by the Board

7. In the JIU report on *Cybersecurity in the United Nations system organizations* (JIU/REP/2021/3), JIU “Inspectors recall a letter addressed to the Secretary-General in 2017, in which the representatives of the United Nations system oversight committees, on the occasion of their first ever joint meeting, identified among the three core concerns for the United Nations system organizations the need for management to give due consideration to new and emerging risks, in particular the global and business critical threats posed to cybersecurity, and the risks emerging from new ways of working as digital transformation gathered pace.”

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\(^3\) Please refer to paragraph 4 for information regarding access to the JIU WBTS.

\(^4\) As per information contained in the JIU WBTS.
8. In its report on the accounts of UNIDO for the financial year 1 January to 31 December 2021 (IDB.50/3-PBC.38/3) and with reference to its previous report (IDB.49/3-PBC.37/3), the UNIDO External Auditor “recommended that UNIDO consider taking measures to increase the overall level of cybersecurity and reduce the risk of real attackers employing the vulnerabilities discovered” (recommendation No. 47 refers). In its response, UNIDO informed that “the proposal to increase the IT budget was only partially supported by Member States for the biennium 2022–2023. Certain key initiatives linked to addressing the root causes of the successful access to internal data, such as the implementation of Multi-Factor Authentication, are delayed until resourcing is addressed”. The External Auditor acknowledged that critical vulnerabilities identified through the penetration test have been remediated. At the same time, the External Auditor noted that the existing overall level of cybersecurity does not guarantee sufficient protection against further attacks and process for vulnerability management must be established.

9. In this regard, it should also be noted that the Independent Oversight Advisory Committee (OAC) equally expressed its concerns about the high risk the Organization has been forced to accept with regard to the state of its IT services, including cybersecurity, and brought this issue to the urgent attention of the Board for its consideration of appropriate action in soliciting the support of and obtaining an adequate level of resource allocation by legislative and governing bodies (document IDB.50/22 refers).

V. JIU work programmes 2022 and 2023

10. As in previous years, the JIU informed on its programme of work for 2022, and also invited participating organizations to submit their proposals for its programme of work for 2023.

11. The JIU work programme for 2022 included six reviews. Five of the reviews are of system-wide coverage and one relates to a management and administrative review of a participating organization.

12. The below five reviews are of interest to UNIDO:

   (a) Flexible working arrangements in United Nations system organizations;

   (b) Review of mental health and well-being policies and practices in United Nations system organizations;

   (c) Review of the acceptance and implementation of JIU recommendations by the United Nations system organizations, the process of handling the JIU reports by the JIU participating organizations and their consideration by their legislative/governing bodies;

   (d) Review of quality, effectiveness, efficiency, and sustainability of health insurance schemes in the United Nations system organizations; and

   (e) Review of the use of non-staff personnel and related contractual modalities in the United Nations system.

13. The preliminary JIU programme of work for 2023 includes the following reviews:

   (a) Review of the decentralized evaluation function in the United Nations system organizations;

   (b) Review of medical services in the United Nations system;

   (c) Review of policies and practices to prevent from and respond to sexual exploitation and abuse (SEA) and sexual harassment (SH) in the United Nations system organizations;

   (d) Review of the alignment of information technology strategies and governance with organizational goals in United Nations system organizations;
(e) Review of data governance frameworks and practices in the United Nations system organizations; and

(f) Review of data privacy policies and practices in the United Nations system.

14. UNIDO continues to note with appreciation the close cooperation between the JIU and the Secretariat of the CEB.

VI. Action required of the Board

15. The Board may wish to take note of the information contained in the present document and provide specific guidance on the recommendations addressed to executive heads of United Nations system organizations and legislative and governing bodies, as summarized in conference room paper IDB.50/CRP.9.