



*Executive Director*

Reference: EXO/2017/213

His Excellency  
Mr Jean-Marc Hoscheit  
Ambassador  
Permanent Representative of  
the Grand Duchy of  
Luxembourg  
Chemin de la Rochette 13  
1202 Geneva

2 May 2017

Dear Ambassador Hoscheit,

I have the honour to refer to the MOPAN 2015-2016 Institutional Assessment of UNAIDS and would like to thank you for the opportunity to provide an official management response to the assessment (enclosed).

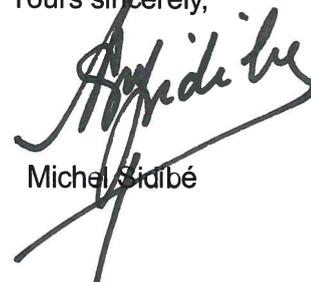
UNAIDS welcomes the final Assessment Report and is pleased with the positive results. We are encouraged by the report's recognition of the critical role UNAIDS plays in the AIDS response, and by the fact that the key UNAIDS strengths identified in the report correspond very closely with our own vision for the organization.

UNAIDS further appreciates and recognizes the areas for improvement highlighted by the MOPAN Report. UNAIDS is strongly committed to organizational change that ensures we are fit for purpose, and we are pleased to report that progress has been made already to address these areas.

I would like to thank the Government of the Grand Duchy of Luxembourg for leading the assessment process and acknowledge the efforts by the MOPAN Secretariat who ensured that the assessment was undertaken in a collaborative and constructive fashion, and represents a comprehensive, robust and evidence-based review.

In closing, let me assure you and the MOPAN members of our continued engagement with and commitment to the MOPAN process. We also look forward to your active and continued support of the work of the Joint Programme.

Yours sincerely,



Michel Sialbé

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JOINT UNITED NATIONS  
PROGRAMME ON HIV/AIDS

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# **UNAIDS Management Response to the MOPAN Assessment**

## **General Comments to the Assessment**

UNAIDS welcomes the final MOPAN 2015-2016 Institutional Assessment Report and is pleased with the positive results. The report is an important opportunity to gauge how key partners and donors perceive UNAIDS's performance. UNAIDS is grateful for the constructive feedback received, as well as for the opportunity to provide a management response. General comments are contained in the first section, while the second section provides further details on specific performance areas.

The final report of the MOPAN assessment presents a comprehensive, robust and evidence-based review. It will inform UNAIDS's ongoing efforts for improvement in order to achieve the ambitious agenda set by the 2016 Political Declaration for ending AIDS by 2030.

We are encouraged by the report's recognition of the critical role UNAIDS plays in the AIDS response, and by the fact that the key UNAIDS strengths identified in the report correspond very closely with our own vision for the organization:

- Contributing to change, particularly for tackling stigma and discrimination;
- Supporting the use of strategic information by working to gather, analyse and utilize information on the epidemic;
- Using UNAIDS's convening power and partnerships, and bringing stakeholders together to reach consensus and join efforts;
- National-level coordination to ensure that key stakeholders have a voice in decision making;
- and
- Systems of mutual accountability to enable partners to identify and track progress towards the global targets.

UNAIDS is strongly committed to organizational change that ensures we are fit for purpose, and our track record from previous MOPAN Assessments confirms our considerable success in achieving this goal.

UNAIDS recognizes the significant efforts undertaken by MOPAN for this third cycle of assessments to further fine-tune and adapt processes and methodologies that can strengthen the assessments of a wider range of multilateral organizations. Assessing the work of the UNAIDS Secretariat, which is part of the unique operating model of a Joint Programme with 11 Cosponsors, is a complex undertaking and requires some flexibility in the methodology used.

As the UN moves to become more "fit for purpose" in order to support Member States to implement the Sustainable Development Agenda, the roles of the UN System, complex inter-linkages between various mandate areas and individual UN agencies, Member States and other partners will only become more important. Therefore assessments such as the MOPAN will also require continuous

adaptation to insure that their methodology will adequately measure the UN's evolving contributions and support in a changing environment.

UNAIDS further appreciates and recognizes the areas for improvement highlighted by the MOPAN Report. We are pleased to report that progress has been made already to address these issues, as shown in the relevant sections below.

## Performance Areas

### Strategic Management:

UNAIDS notes with appreciation the MOPAN findings that UNAIDS has a strong strategic focus and financial framework, which is based on a clear analysis of our comparative advantage. We are particularly proud that the 2016–2021 UNAIDS Strategy was the first in the UN system to be explicitly linked to the Sustainable Development Goals.

It is useful to note that the MOPAN analysis was undertaken at a time when UNAIDS faced considerable financial constraints due to unprecedented and sudden reductions in funding. These followed the approval of the 2016–2021 Strategy and UBRAF by the Programme Coordination Board (PCB) in October 2015, where very strong support for the Joint Programme was expressed. The assessment of UNAIDS occurred at a time when collaboration between the Cosponsors and Secretariat was strained due to the reduced funding, steps were being taken to manage and mitigate the impact of the budgetary shortfall, and resource mobilization was intensified.

To analyze the impact of the reduced funding and identify ways for dealing with the budgetary shortfall, a working group of the Committee of Cosponsoring Organizations and the Secretariat was established. Findings and conclusions were presented to the PCB in December 2016<sup>1</sup>. In the second half of 2016, UNAIDS's financial situation stabilized, as noted in the external auditor's report, which will be presented to the Board in June 2017. The report highlights that UNAIDS ended 2016 with a small surplus (US\$ 2.6 million), compared with the large deficit registered at the end of 2015 (US\$ 68 million).

It is encouraging that the MOPAN recognizes our continuous efforts to align UNAIDS's operating model with our strategy. The UNAIDS Executive Director and the UNAIDS Committee of Cosponsoring Organizations established a Global Review Panel on the Future of the UNAIDS Joint Programme Model<sup>2</sup> in December 2016 to recommend ways to strengthen this unique model. The panel will present its recommendations to the PCB in June 2017. The panel is focusing specifically on three fundamental pillars of the Joint Programme: *joint working, governance, and financing and accountability*.

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<sup>1</sup> [http://www.unaids.org/en/resources/documents/2016/PCB39\\_16-21](http://www.unaids.org/en/resources/documents/2016/PCB39_16-21)

<sup>2</sup> [http://www.unaids.org/en/20170127\\_Global\\_Review\\_Panel](http://www.unaids.org/en/20170127_Global_Review_Panel)

We appreciate the overall positive assessment of our implementation of global frameworks for the crosscutting issues of gender, equality, good governance and human rights.

The unique model of the Joint Programme is grounded in the recognition that HIV is not only a health issue, but also a developmental issue. HIV therefore requires a multi-sectoral response and the expertise of a wide range of agencies. The Joint Programme approach also promotes efficiency and reduces parallel processes and frameworks, especially around crosscutting issues. The Secretariat benefits from the policies and guidelines established by the specialist Cosponsors. However, these arrangements and divisions of labour are not consistently evident in the MOPAN narrative and may have affected the rating.

UNAIDS is proud of the Secretariat's Emissions Reduction Strategy (ERS) launched in 2013, which committed the Secretariat to reduce emissions by 5% using its 2010 UN Greenhouse Gas inventory (GHG) as a baseline. In 2015, the UNAIDS Secretariat offset unavoidable GHG emissions, as measured by the UN GHG inventory, for the years 2012, 2013 and 2014, thus meeting the Secretary-General's call for all UN organizations to become climate neutral by 2020. Nevertheless, UNAIDS recognizes the importance of a dedicated policy statement on environmental sustainability and climate change to guide the organization in key areas, and is actively working towards it.

The MOPAN narrative states that while gender is reflected in UNAIDS's corporate commitments, strategic plan and accountability systems, the organization does not have a separate and dedicated statement on gender equality for guiding the organization's work. Gender and human rights are integral to all of UNAIDS' work. All funding agreements that UNAIDS makes are systematically reviewed by the Programme Review Committee (PRC). The Gender and Human Rights Division reviews all agreements as a part of the Committee to ensure inclusion of gender and human rights.

Also, the UNAIDS Gender Action Plan, developed in 2013, outlines a structured agenda for improving gender balance within UNAIDS, linked to the UN's System-Wide Action Plan on Gender Equality and Women's Empowerment. The objective of the Plan is to nurture a supportive organizational culture for all staff. UNAIDS is "meeting" or "exceeding" 80% of UN System-Wide Action Plan on Gender Equality indicators<sup>3</sup>, with lower scores for resource allocation, gender architecture/parity and coherence. In addition, the Gender Action Plan, which has clear targets and is being monitored and reported on, UNAIDS has also piloted the Gender Marker in its budgeting and financial allocations.

Gender equality has been integrated throughout and as a stand-alone target in the 2016–2021 Strategy and in all reporting mechanisms, aligned to the SDGs. This follows the recommendation from the End Review of the Accelerated Agenda for Women, Girls, Gender Equality and HIV<sup>4</sup>: *"Streamline gender and HIV into the UNAIDS Strategy 2016-2021 and its corresponding UBRAF, rather than addressing these as a separate operational framework such as the Agenda."* (End Review of the Accelerated Agenda for Women, girls, gender equality and HIV, iii, 2016)

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<sup>3</sup> <https://undg.org/document/un-system-wide-action-plan-on-gender-equality-and-the-empowerment-of-women/>

<sup>4</sup> [https://results.unaids.org/sites/default/files/documents/End%20Review%20of%20UNAIDS%20Agenda\\_Final%20Jan%202016.pdf](https://results.unaids.org/sites/default/files/documents/End%20Review%20of%20UNAIDS%20Agenda_Final%20Jan%202016.pdf)

## Operational Management

UNAIDS notes with appreciation the positive assessment of UNAIDS Operational Management and the recognition of UNAIDS's efforts to align its structures with its strategic priorities and architecture.

As noted in the report, the Secretariat realignment exercise was underway at the time of the MOPAN review, and significant efforts have been made over the past several years to align budgets to key functions and organizational priorities. The repositioning of the Secretariat is aimed at a more streamlined and field-oriented organization (a 70:30 field-to-Headquarters staff ratio); fewer units, flatter hierarchy and the elimination of duplication; a focus on innovation, productivity, cost efficiencies and reduced operational costs; and strengthened risk and change management, evaluation and accountability. This is being done while maintaining strong capacity on core functions at all levels.

The assessment further highlights the strength of the Unified Budget, Results and Accountability Framework (UBRAF) in providing a clear overarching statement, setting out the criteria and proposed country resource allocations. The report, however, details perceived concerns on the degree of transparency in resource allocation to Cosponsors. It is important to note that the Cosponsors were fully engaged in the development of the 2016–2021 Strategy and the UBRAF. They are convened twice annually in the CCO, and participate in the PCBs. Nevertheless, the first half of 2016, when the MOPAN interviews were conducted, was a difficult period for the Joint Programme, with the Cosponsors and Secretariat individually trying to identify ways to deal with the sudden reductions in funding.

Global level coordination and cooperation with the Cosponsors got back on track in the second half of 2016 as is evidenced by the documentation prepared jointly for the December 2016 Board meeting on the impact and implications of the budget shortfall on the implementation of the UNAIDS 2016-2021 Strategy<sup>5</sup>.

## Relationship Management

UNAIDS appreciates the positive assessment of the relationship management performance area. Our role as coordinator and convenor, working to support a wide range of partners, is central to our mandate and vision. In this regard we take the concerns of our partners seriously.

The Cosponsors are crucial to the Joint Programme and the work of the UNAIDS Secretariat: it is important that their voices are strongly represented in the assessment. However, in the sampling of interviewees, the centrality of the Cosponsors at the country and regional level may not have been adequately captured.

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<sup>5</sup> [www.unaids.org/en/resources/documents/2016/PCB39\\_16-21](http://www.unaids.org/en/resources/documents/2016/PCB39_16-21)

UNAIDS is committed to and is a strong supporter of the BUSAN Partnership for Effective Development Cooperation. Its shared principles are central to the AIDS response and wider sustainable development, and UNAIDS for many years has consistently championed those. In 2004, UNAIDS took the lead in endorsing the “Three Ones” principles, which call for consolidating AIDS efforts within each country and supporting partner countries to develop: one national AIDS action framework; one national AIDS coordinating authority; and one agreed country-level monitoring and evaluation system. The “Three Ones” translate the Paris Declaration into action. The principles enable countries to focus resources for a more efficient response, rather than use them in a fragmented manner. Additionally, as a signatory of the IHP+ Global compact, UNAIDS strengthened its commitment to the Paris Principles of Aid Effectiveness and the BUSAN Partnership Agreement. It is therefore surprising that our adherence to the Busan Partnership was scored as “highly unsatisfactory”. The rating might reflect a misperception of the role and set-up of the UNAIDS (Secretariat) at Country level, where UNAIDS disburses minimum funding and operates under the umbrella of the Resident Coordinator system.

UNAIDS notes the feedback on the sharing of key information, but believes that the generally low assessment score is inconsistent with the comment that “In a response to a survey question on whether UNAIDS shares key information (analysis, budgeting, management and results) with Co-sponsors and other partners on an ongoing basis, a majority of respondents assessed UNAIDS positively”. Furthermore, “Investing for results”, which has been available since November 2014, presents all UNAIDS programmatic and financial reporting material accurately and in a transparent manner. As outlined in some of the other responses, there is an extensive consultative process to ensure that accountability planning and reporting is participatory and accurate.

UNAIDS is pleased to announce that it became an IATI publisher in late 2016. UNAIDS will publish additional information in the coming months (2016–2017 budget and expenditure data by June 2017) and will enhance the presentation of data.

UNAIDS is committed to achieving clear standards and procedures for accountability. The National Commitments and Policy Instrument is a tool that UNAIDS has included in our Global Reporting process, which governments and civil society complete to improve accountability in the HIV response. The process allows civil society to be directly involved in the review and evaluation of national policies and programmes related to the HIV response. It is also important to note that the UNAIDS governance model includes civil society representation on the PCB (which is referred to in the document review but not in this section of the report).

Regular stakeholder reviews and annual peer reviews take place at national, regional and global levels. During the UBRAF development, special consideration was given to civil society-related indicators for gauging the Joint Team’s contribution to strengthening civil society engagement in national responses and the results of those engagements. Members of the PCB working group, nominated by the PCB NGO delegation, led the process to develop civil society-related indicators.

UNAIDS takes note of the MOPAN comments in relation to risk. Since the assessment, significant progress has been made in this area. In addition to the Risk Management Policy, Governance and Terms of Reference of the Risk Management Committee, UNAIDS established a register on the top

risks for 2016, which included ranking and mitigation plans. In addition, in its efforts to embed risk management throughout the organization, the Secretariat has launched the Enterprise Risk Management implementation and the development of an Internal Control Framework and the Accountability Framework aimed at strengthening risk management. The Risk Management Committee is composed of members from the various divisions and levels of the Secretariat, and includes the major risk owners. Roles and responsibilities for the risk owners, as per delegated authority, have been defined for the day-to-day management of risks.

## Performance Management

UNAIDS is happy to note the very positive assessment in the area of *strong and transparent results focus, explicitly geared to function*. UNAIDS takes an evidence-based approach to planning, as reflected in its use of performance data to inform decision-making and country level plans. Within the Secretariat, data generated by the Joint Programme Monitoring System has contributed to improved planning and articulation of results at country and regional levels, as well as improved coordination among global interagency mechanisms.

UNAIDS takes note of the overall low KPI rating on evidence-based planning and programming, and is currently in the process of addressing the feedback it received. The report correctly points out that UNAIDS does not yet have a fully independent and formalized evaluation function. UNAIDS does, however, have an evaluation policy based on the UN Evaluation Group norms and standards, annual evaluation plans and reporting to UNAIDS Board on key evaluations, which are carried out independently and are overseen by a steering committee that includes external participation. Please refer to the documentation prepared for the June 2016 Board meeting for further details.

The 2016–2021 UBRAF devotes renewed attention to evaluation, and clearly foresees independent evaluations and assessments to complement performance monitoring in order to provide a more complete picture of achievements and lessons learned.

In addition, the evaluation function is being strengthened in the context of UNAIDS's repositioning, with the establishment of an independent 'Evaluation Coordination' function.

Moreover, UNAIDS is already implementing its annual evaluation plan which is on-track.

Evaluations that are currently being conducted include:

- Independent evaluation on the partnership between UNAIDS and the Global Fund;
- Independent evaluation of UNAIDS support in Eastern Europe and Central Asia;
- Independent evaluation of UNAIDS support in Eastern and Southern Africa.

In conclusion, UNAIDS would like to thank the MOPAN Secretariat and Luxembourg for their leadership and support in this assessment. The MOPAN 2015-2016 Institutional Assessment Report provides significant insights and helps further strengthen UNAIDS' work and collaborations with key partners.