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Decision on SECU Case No. SECU0002

UNDP takes note of the final report of the compliance review that the Office of Audit and Investigations conducted on Case No. SECU0002 and wishes to thank the Social and Environmental Compliance Unit for its valuable analysis and recommendations. The full observance of UNDP's Social and Environmental Standards is a mandatory corporate requirement for all business units of the organisation in all programmes, projects and partnerships.

The report dated 8 February 2017 and published on 10 February 2017 offers a timely and important input to the process underway to develop Phase III of the Business Call to Action (BCtA) initiative. Findings and recommendations of SECU's report will also inform the revision of UNDP's Policy on Due Diligence and Partnerships with the Private Sector to be conducted in 2017.

In line with the responsibilities and prerogatives of the UNDP Administrator as defined by paragraph 9.3 of UNDP's Social and Environmental Compliance Investigation Guidelines, this communication informs of the measures instated for UNDP to address SECU's final recommendations on the case:

1. To ensure that UNDP's standards are strictly followed in all partnerships to which UNDP is a party, I have called on BCtA to adopt UNDP's Policy on Due Diligence and Partnerships with the Private Sector in screening all existing and new applicants, the ongoing review process already addressing relevant recommendations of the SECU report.
2. To fully respond to all the recommendations of SECU's final report, the BCtA Secretariat is requested to present by end-February 2017 a plan with time-bound key actions that will ensure compliance with UNDP's corporate policies and Social and Environmental Standards and will strengthen risk mitigation throughout the engagement with private sector partners.
3. In line with the recommendation of SECU's report, UNDP commits to conducting by 31 March 2017 a full due diligence process of Bidco in accordance with UNDP's Policy on Due Diligence and Partnerships with the Private Sector, Risk Assessment Tool and Guidance to inform the decision of the BCtA Donor Steering Committee regarding future engagement with Bidco.

A handwritten signature in blue ink that reads "Helen Clark".

Helen Clark
New York City, 13 February 2017