General Assembly

Distr.: General
4 August 2025

Original: English

Executive Committee of the
High Commissioner's Programme
Seventy-sixth session
Geneva, 6–10 October 2025
Item 4 (b) of the provisional agenda
Consideration of reports of the Standing Committee
Programme budgets, management, financial control
and administrative oversight

Internal audit in the Office of the United Nations High Commissioner for Refugees for the period from 1 July 2024 to 30 June 2025

Report of the Office of Internal Oversight Services*

Summary

       This report provides an overview of the internal audit activities undertaken by the Office of Internal Oversight Services in respect of the Office of the United Nations High Commissioner for Refugees, covering the period from 1 July 2024 to 30 June 2025. It is provided pursuant to the decision of the Executive Committee to consider reports relating to programme and administrative oversight during its annual plenary session (A/AC.96/1003, para. 25(1)(f)(vi)).

---

  * The present report was submitted to the conference services for processing after the deadline for technical reasons beyond the control of the submitting office.

Please recycle

I. Introduction

1.   The internal audit function of the Office of the United Nations High Commissioner for Refugees (UNHCR) is provided by the Office of Internal Oversight Services (OIOS) in accordance with the relevant resolutions of the General Assembly, the United Nations financial regulations, and the financial rules for voluntary funds administered by the High Commissioner for Refugees. OIOS was established by the General Assembly pursuant to resolution 48/218B.

2.   The present report provides an overview of internal audit activities of UNHCR conducted by OIOS during the period from 1 July 2024 to 30 June 2025. Internal audit reports issued during the period are published on the OIOS webpage in accordance with General Assembly resolution 69/253.

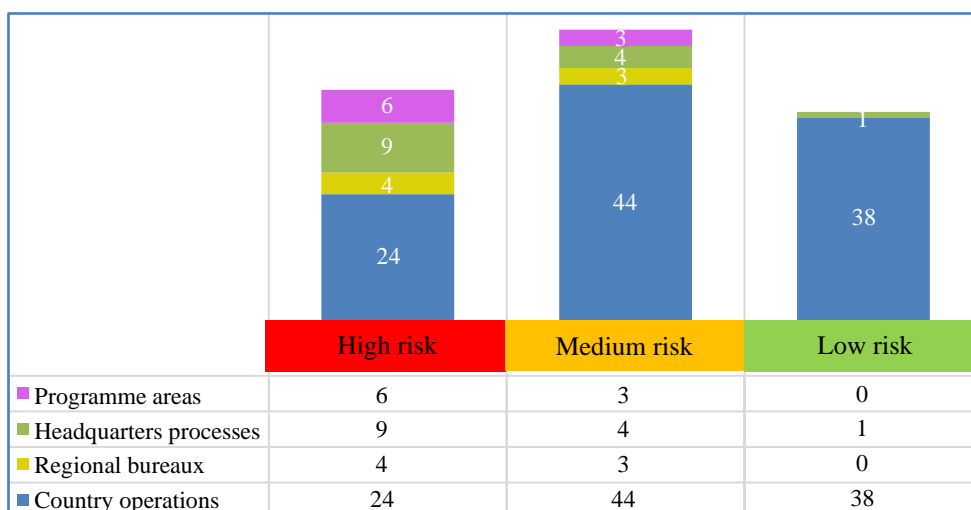3.   From 1 July 2024 to 30 June 2025, OIOS completed 15 engagements, i.e. 14 audits and one advisory.

II. Internal audit strategy and results

A. Strategy

4.   Internal audit provides assurance on the adequacy and effectiveness of governance, risk management and controls to ensure the achievement of organizational objectives. OIOS applies a risk-based approach to prioritize its activities in the areas of greatest risk for UNHCR and where internal audit will be the most cost-effective.

5.   OIOS aligns its risk-based work planning process with the UNHCR strategic and country-level risk assessment. In planning its activities, OIOS also considers the oversight work done by other assurance providers, including the United Nations Board of Auditors, the United Nations Joint Inspection Unit, and the UNHCR Inspector General's Office and Evaluation Office On that basis, OIOS rates the components of the UNHCR audit universe[1] (see figure I) and develops the internal audit annual plan.

Figure I
OIOS rating of UNHCR audit universe components for the period 2025-2027

	High risk	Medium risk	Low risk
■ Programme areas	6	3	0
■ Headquarters processes	9	4	1
■ Regional bureaux	4	3	0
■ Country operations	24	44	38

6.   The activities in this report are part of a three-year rolling plan. The audit strategy of OIOS provides that activities rated as high and medium risk be audited every three and five years, respectively. Limited scope reviews are conducted every five years for low-risk

---

[1] The UNHCR audit universe is comprised of 106 country operations, 7 regional bureaux, 14 headquarters processes and 9 programme areas.

activities. However, the significant decline in audit resources in recent years due to UNHCR's difficult financial situation does not allow OIOS to apply its audit strategy, with the result that the periodicity of auditing high and medium risks is longer than planned. Three planned high-risk audits were cancelled during the reporting period and will be reconsidered as part of the 2026 annual work planning process. OIOS continued to use remote working modalities whenever doing so did not significantly impact on the audit execution quality, to economize on travel expenditure.

7.   At the same time, OIOS has revised its annual work plan to focus on higher, emerging risks. In response to the May 2025 UNHCR restructuring, OIOS: (a) included an audit of office closures at UNHCR; (b) refocused the planned audit of the Regional Bureau for West and Central Africa into a review of the effectiveness of the operating model of the bureau following restructuring; and c) replaced an audit in the East and Horn of Africa and Great Lakes region with an advisory engagement on the control framework for the management and operation in the region after the restructuring.

B.   Audit coverage

8.   OIOS completed 15 engagements, comprising: (a) 7 headquarters, thematic and information and communications technology audits; (b) 7 country operations audits; and (c) 1 advisory (see annex I).

9.   Table 1 shows the number of audit and advisory engagements completed over the last three years. During the reporting year, OIOS continued to prioritize audits of headquarters functions (that is, centralized, business-enabling functions responsible for enterprise risk identification, risk response through strategy, policy and systems development, and organization-wide performance monitoring and reporting) and high-risk country operations.

Table 1
Number and coverage of OIOS activities for the period 1 July 2022 to 30 June 2025

	Headquarters, thematic and information and communications technology audits	Regional bureaux audits	Country operations audits	Advisories	Total
2024-2025	7	0	7[2]	1	15
2023-2024	13	2	10	0	25
2022-2023	2	0	12	4	18

10.   The headquarters, thematic and information and communications technology audits covered: arrangements for office premises (2024/055); use of the Profile Global Registration System (ProGres) (2024/056); supply chain structure and staffing (2024/060); private sector engagement (2024/072); implementation of COMPASS, the results-based management system of UNHCR (2024/097); travel arrangements (2025/009); and implementation of the UNHCR cash assistance management system, CashAssist (2025/019).

11.   The advisory engagement reviewed the implementation of audit recommendations in UNHCR (2025/00560).

12.   The seven field operation audits covered a total expenditure of $634 million[3], as shown in table 2. This represented 15 per cent of the expenditure incurred during 2024 for all UNHCR field operations.

---

[2] Two audit reports (2024/099 and 2024/100) were issued based on result of audit work conducted under the audit of UNHCR operations in Ethiopia, including management of funded partners (AR2023-112-02).

[3] This relates to 2024 expenditure for the respective field operations.

Table 2
Expenditure of field operations* audited over the last three reporting periods
(In millions of United States dollars)

Region	Total expenditure	Audited operations expenditure	Percentage 2024-2025	Percentage 2023-2024	Percentage 2022-2023
Middle East and North Africa	1,088	116	11%	11%	44%
East and Horn of Africa and Great Lakes	938	330	35%	0%	5%
Europe	747	0	0%	63%	9%
Asia and the Pacific	489	149	30%	0%	23%
West and Central Africa	479	39	8%	23%	17%
The Americas	375	0	0%	5%	6%
Southern Africa	191	0	0%	8%	13%
TOTAL	**4,307**	**634**	**15%**	**20%**	**19%**

* Does not include field operations that were covered under thematic audits because of the limited scope.

13. The seven country operations audits during the reporting period brought the total number of countries in which audits were conducted over the last three reporting periods to 38. This number included 13 of the 24 country operations assessed by OIOS as high risk. The 2025 workplan includes audits for nine other high-risk country operations, while the remaining two will be considered for inclusion in the 2026 and 2027 workplans. Table 3 shows the field operations coverage by region in the last three reporting periods.

Table 3
Number of country operations* covered by region over the last 3 reporting periods, per latest risk assessment level

Region	High risk	Medium risk	Low risk	Total
Middle East and North Africa	3	2		5
East and Horn of Africa and Great Lakes	3	1		4
Europe	1	3	6	10
Asia and the Pacific	2	2	4	8
West and Central Africa	4	1		5
The Americas		2		2
Southern Africa		4		4
Total	**13**	**15**	**10**	**38**

* Some countries in Europe and Asia and the Pacific have been covered in one single audit report issued. Also, some field operations may have been covered in several audit reports issued in the last three reporting periods.

C. Analysis of recommendations

14. During the reporting period, OIOS issued 109 recommendations. UNHCR accepted all recommendations and initiated action to implement them, with 18 already implemented and closed by 30 June 2025. The number of recommendations issued per audit assignment is provided in annex I.

15. As of 30 June 2025, 137 recommendations remained open, of which 42 (31 per cent) had passed their target implementation date, compared to 36 per cent as of 30 June 2024. To strengthen the timely implementation of its recommendations, OIOS conducted an advisory engagement alongside support to UNHCR managers. The advisory provided suggestions to

help address delays and recurring issues in implementing audit recommendations. Table 4 reflects the number of recommendations issued over the last three reporting periods and the outstanding recommendations as of the end of each reporting period.

Table 4
Recommendations issued over the period 1 July 2022 to 30 June 2025

	2022-2023	2023-2024	2024-2025
Number of audits (advisories not included)	14	25	14
Recommendations open at 1 July	137	111	145
Issued during the reporting period	92	160	109
Total	229	271	254
Closed during the reporting period	(118)	(126)	(117)
Open as of 30 June	111	145	137
Past due date	**85**	**52**	**42**
Percentage of recommendations past their due date on 30 June	**77%**	**36%**	**31%**

16.   Figure II reflects the ageing of open recommendations on 30 June 2025 per target date.

Figure II
Ageing of open recommendations as of 30 June 2025
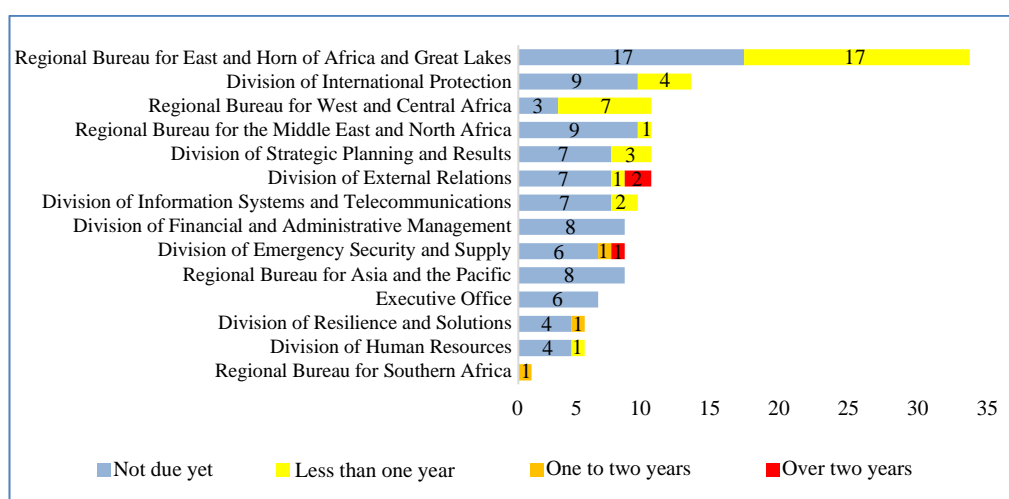
17.   Recommendations related to field operations were often recurring. This indicates a high residual risk in certain activities in field operations, requiring stronger monitoring and control systems, as well as management and staff capacity-building. OIOS will continue to conduct both compliance and performance audits in these risk areas.

18.   There were seven long outstanding recommendations at 30 June 2025, down from 18 at 30 June 2024, including six recommendations that have exceeded the target date for more than 12 months and one that has been open for over two years, although not yet due. (see annex II for details). OIOS has reconfirmed with UNHCR management the continued validity of the findings that resulted in these recommendations and reiterated the need to ensure implementation.

19.   Figure III shows trends in implementing recommendations due between July 2022 and June 2025. Since July 2022, there has been an improvement in the number of recommendations closed before the target dates.

Figure III
Trend in implementing audit recommendations with target implementation dates between July 2022 and June 2025
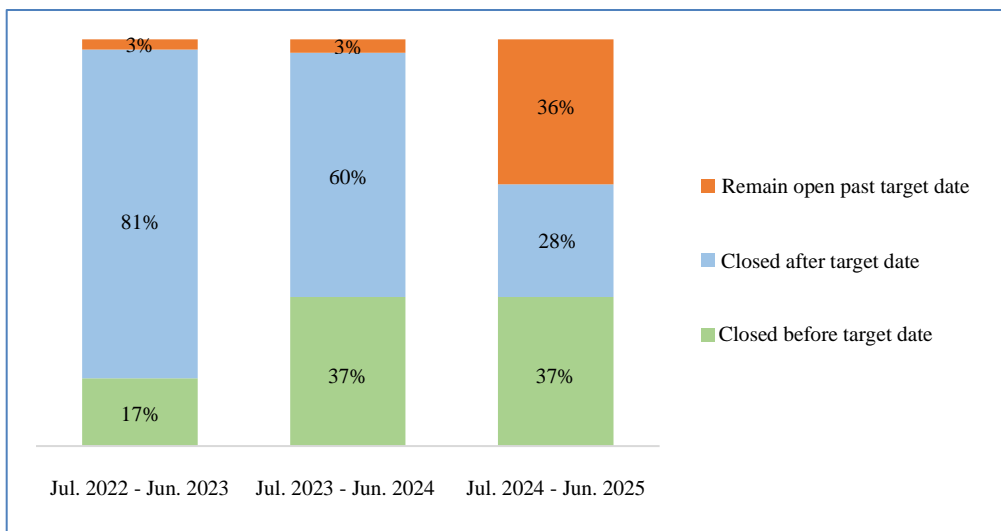
D. Savings and recoveries

20.   OIOS identified irregular transactions and recommended that the relevant UNHCR entities initiate recovery of funds in the audits of travel arrangements (2025/009), Afghanistan (2025/027), the Central African Republic (2024/091), Egypt (2024/096), Ethiopia (2024/099, 2024/100), Kenya (2025/023) and Somalia (2024/076).

III. Summary of internal audit activities

21.   UNHCR has identified 15 strategic risks in 8 categories[4] at the organizational level that need to be mitigated for objectives to be achieved more effectively. UNHCR introduced two new risks in the risk register in February 2025: potential operational cash shortfalls due to donor delays or disruptions, and the risk of entering commitments beyond available funds. OIOS observations related to each of the eight strategic risks categories are presented below.

A. Funding and liquidity

1. Quality funding to meet the critical minimum needs of persons forced to flee

22.   OIOS conducted the audit of private sector engagement as a fundraising modality (2024/072). This audit noted that UNHCR had expanded its private sector partnerships and income and reduced related costs. However, UNHCR engagement of the private sector was impacted by complex due diligence process for the vetting of projects; the lack of a global mapping of private sector partnerships to drive effective coordination of partners; and a fragmented monitoring process over projects. Furthermore, the systems for recording related activities needed strengthening to effectively support business processes.

23.   All audited field operations received between 35 to 50 per cent of their operating plan budgets only. The difficult funding situation was exacerbated by rising displacement and limited predictable and equitable responsibility-sharing with other stakeholders, including host governments. In the Central African Republic (2024/091), Egypt (2024/096), Ethiopia (2024/099, 2024/100), Kenya (2025/023) and Libya (2024/088) staff and administrative costs for field operations and funded partners' costs did not decrease proportionately with funding levels.

---

[4] UNHCR Strategic Risk Register, updated February 2025

2. Opportunities for greater efficiency and cost-effectiveness

24. The audit of travel arrangements (2025/009) noted that UNHCR global travel strategy primarily focused on efficiencies. UNHCR needed to strengthen its strategy to give more consideration to economy and cost-effectiveness, improve its management of travel companies and ensure compliance with the travel policy. UNHCR implemented restrictions on travel in April 2025 which, if implemented, will result in cost savings.

25. The audit of office premises (2024/055) noted that UNHCR had embarked on several policies and operational initiatives meant to make the acquisition and management of office premises more economic, efficient and cost-effective. UNHCR needed to reinforce policies, systems, data management and oversight by the second line so that best value is obtained on office premises.

26. OIOS audits also found that operations did not pursue opportunities for more efficient and cost-effective ways of delivering programmes. In the Central African Republic (2024/091), Kenya (2025/023), Ethiopia (2024/099, 2024/100) and Libya (2024/088), operations continued distributing non-food items despite UNHCR preference for cash assistance. Tax-exempt field operations such as Ethiopia (2024/099, 2024/100) delegated large procurements to partners, resulting in loss of programme resources through the unnecessary payment of value added tax.

27. Audits in Afghanistan (2025/027), the Central African Republic (2024/091), Egypt (2024/096), Ethiopia (2024/099-100), Libya (2024/088), and Somalia (2024/076) identified opportunities for field operations to enhance efficiency by adhering more consistently to established controls designed to promote cost-effective and efficient programme delivery. These controls include: (a) conducting needs assessments to direct funds to programme areas and persons most in need; (b) comparative advantage analyses to determine efficient and cost-effective modalities for programme delivery; and (c) competitive bidding to ensure best value is obtained.

B. Protection environment and protection role

1. Protect

28. As in prior reporting periods, protection remained the highest-rated risk identified at the level of field operations and regional bureaux. UNHCR delivery of its protection mandate was also impacted by resource constraints and other United Nations agencies laying claim to the UNHCR protection mandate, as was noted in the audits of Afghanistan (2025/027) and Egypt (2024/096).

29. The UNHCR operation in Libya (2024/088) was constrained by the non-accession of the Government of Libya to the 1951 Convention on the Status of Refugees and its 1967 Protocol and the absence of a national asylum system. The audit in Egypt (2024/096) underscored the need for stronger advocacy to address gaps in government-granted immunities which restricted border access and prevented the operation from establishing a presence in a border town during an emergency. This not only impacted the operation's oversight over the response but also significantly increased its operating costs.

30. The audits in the Central African Republic (2024/091), Egypt (2024/096), Kenya (2025/023), Libya (2024/088), and Somalia (2024/076) noted that UNHCR provided significant and sustained capacity-building support to the relevant government entities over time. However, these interventions were ineffective in strengthening national asylum systems, as evidenced by the significant backlogs in registration, refugee status determination and documentation processes. UNHCR needs to reassess its approach to capacity-building for government entities to enhance effectiveness.

31. The audits in Ethiopia (2024/099, 2024/100), Libya (2024/088), and Somalia (2024/076) noted that the effectiveness of programmes for child protection and the prevention of gender-based violence was constrained by limited financial and human resources. This affected both the timeliness and quality of support provided to survivors of gender-based violence and children at risk. Key challenges were also identified in strategic

planning, inter-agency and sector coordination, case management, and the reporting of programme data related to gender-based violence prevention and response as well as child protection.

2. Respond

32.   Audits of field operations in the Central African Republic (2024/091), Egypt (2024/096), Ethiopia (2024/099, 2024/100), Kenya (2025/023), Libya (2024/088), and Somalia (2024/076) noted that, despite UNHCR advocacy, displaced persons were not increasingly integrated into national systems. As a result, UNHCR had to continue delivering services directly, despite constrained resources.

33.   Almost all the field operations audited had large programmes to provide shelter to forcibly displaced persons. Audit findings in Afghanistan (2025/027), the Central African Republic (2024/091), Kenya (2025/023) Ethiopia (2024/099-100) and Somalia (2024/076) highlighted limited coverage, sub-standard quality, failure to deliver contracted numbers, inequitable shelter distributions and costly shelter constructions, raising concerns about the cost-effectiveness of the programmes.

34.   Displaced persons in Kenya (2025/023), Libya (2024/088) and Somalia (2024/076) did not have access to quality health services, which contributed to malnutrition, morbidity and mortality. Significant inefficiencies and quality issues were identified in the audit of the Ethiopia operation's water, sanitation and hygiene programme (2024/099, 2024/100). Displaced persons faced insufficient water supply, low latrine coverage, and poorly selected latrine sites that collapsed in less than six months. Weak sanitation and waste management practices further deteriorated camp conditions. These shortcomings not only compromised the dignity of displaced persons and heightened public health risks, but underscored the urgent need for improved planning, stronger coordination, and more sustainable, cost-effective water, sanitation and hygiene solutions.

35.   The effectiveness of cash and non-food item programmes in the Central African Republic (2024/091), Egypt (2024/096), Ethiopia (2024/099-100), Kenya (2025/023), Libya (2024/088) and Somalia (2024/076) was impacted by: (a) inadequate support to displaced persons due to resource constraints; (b) weaknesses in targeting the most vulnerable; (c) inadequate monitoring to ensure that support reached and met the needs of intended beneficiaries; and (d) poor safeguarding and accountability for non-food items and cash. UNHCR also needed to reinforce measures to detect and prevent duplicate payments, as well as processes to identify and manage financial service providers.

3. Empower

36.   As funding declined, operations in Afghanistan (2025/027), Ethiopia (2024/099, 2024/100), and Kenya (2025/023) continued to implement care and maintenance programmes for protracted caseloads - an area that attracted limited donor support and was therefore unsustainable within available resources. There was also limited progress in transitioning operations from providing assistance to enabling displaced persons to pursue sustainable solutions and achieve self-reliance. UNHCR needed to implement its new strategic direction for operations to prioritize sustainable programming and, where possible, prepare exit strategies to facilitate the responsible disengagement from some countries.

37.   Gaps in the livelihoods programme in Egypt (2024/096) affected its ability to achieve the desired impact on increasing self-reliance and resilience of displaced persons and reducing their dependence on UNHCR. There was a need for the livelihoods programmes to: (i) develop criteria for the selection of beneficiaries; (ii) ensure relevance by aligning the programme to market demands; (iii) map livelihood activities to address duplications in programming and beneficiaries; and (iv) provide oversight and support to beneficiaries to ensure their success.

4. Solve

38.   The audit of field operations in the Central African Republic (2024/091) identified weaknesses in the calculation, distribution and accounting for cash grants provided under the return and reintegration programme. The audit of Libya (2024/088) noted that the projects

under the durable solutions programme, meant to promote resilience and peaceful coexistence between internally displaced persons and host communities, lacked proper justification, and costs were not supported with proper third-party documentation. Project selection processes were under government control, without the involvement of the operation and internally displaced persons, and the projects primarily benefited the host communities instead of the internally displaced persons.

C. Emergency preparedness and response

39. The audits of Afghanistan (2025/027), the Central African Republic (2024/091), Egypt (2024/096) and Ethiopia (2024/099-100) noted that reduced funding negatively impacted field operations' ability to meet the needs of displaced persons in these countries.

40. The audits of Afghanistan (2025/027), Egypt (2024/096) and Ethiopia (2024/099, 2024/100) noted that the response was constrained by inadequate emergency preparedness. The responses in Afghanistan (2025/027) and Egypt (2024/096) were impacted by: (i) challenges in coordinating the response under the cluster approach; (ii) definition of roles and responsibilities of inter-agency actors; (iii) timely deployment of response teams; (iv) lack of data-sharing agreements with other agencies which impacted their access to information for decision making; and (v) challenges in identifying local partners and suppliers to provide assistance. Consequently, most displaced persons did not receive timely assistance following their displacement. For instance, the Afghanistan (2025/027) audit noted that 86 per cent of internally displaced persons and returnees indicated that they had not received any humanitarian assistance from any actor.

41. Furthermore, there was a need for UNHCR, as the lead of the protection cluster in Afghanistan (2025/027) and Egypt (2024/096), to work with in-country stakeholders to: (i) collect data to support decision-making regarding needs; (ii) develop strategies to ensure key identified needs were met and the most vulnerable targeted; (iii) map stakeholder capacity and demarcate geographic areas of responsibility to mitigate the risk of gaps and duplications in service delivery; and (iv) mobilize resources.

D. Strategic partnerships

1. Effectively implement our role in the Global Compact on Refugees

42. Commitments by host governments in Ethiopia (2024/099, 2024/100), Kenya (2025/023) Libya (2024/088) and Somalia (2024/076) to mainstream forcibly displaced persons into national systems were not met due to insufficient capacity and resources to support programmes. This left forcibly displaced persons heavily dependent on UNHCR assistance to fulfill their basic needs. These audits found a need for enhanced regional bureau support in advocating the fulfilment of pledges.

43. Internal displacement driven by conflict and extreme weather events led to exponential increases in internally displaced persons in Afghanistan (2025/027), the Central African Republic (2024/091), Egypt (2024/096) and Libya (2024/088). The limited capacity of governments and resources impacted their ability to coordinate responses for internally displaced persons and operationalize clusters. This left UNHCR to provide services to internally displaced persons as an "implementer of last resort" within its already limited resource envelope. In Afghanistan (2025/027) and Egypt (2024/096), the lack of an effective inter-agency coordination mechanism also negatively impacted information sharing, resulting in an unmitigated risk of duplications and gaps. UNHCR needed to advocate for governments to take over their coordination role and enhance inter-agency collaboration through the cluster approach to meet the needs of internally displaced persons.

2. Accountable partnerships aligned with operational requirements

44. UNHCR heavily relied on implementing partners to implement programmes and deliver services to displaced persons. However, systemic weaknesses in the selection, management and monitoring of funded partners in all seven operations audited in the

reporting period negatively impacted the delivery of quality services to beneficiaries in a timely, efficient and cost-effective manner. Moreover, significant percentages of partner costs were spent on salaries and administration costs, leaving limited resources available for service delivery. Also, there was a need for UNHCR to ensure that funded partners live up to commitments to make contributions to the programmes.

45.   Weaknesses in field operations' monitoring of partner-led programme implementation also impacted the timeliness and quality of services provided to forcibly displaced persons. Furthermore, gaps in controls such as procurement led to inefficiencies in programme implementation by funded partners. In particular, the audit of Ethiopia (2024/099, 2025/100) identified anomalies among funded partners that were indicative of fraud. These issues reflected the need to strengthen the capacity of programme units at field level that were responsible for partnership management.

46.   UNHCR implemented new procedures as well as a digital platform (known by its acronym PROMS) to strengthen control of partnership management and improve the programme performance of partners. However, the new system and procedures were not yet fully effective during the reporting period, as was noted in the COMPASS audit (2024/097).

E.   Culture and workforce

1.   Accountable organization-wide accountability, integrity and ethical conduct

47.   Non-compliance with UNHCR policies was a common finding in the audits of office premises (2024/055); ProGres (2024/056); supply chain structure and staffing (2024/060); private sector engagement (2024/072); COMPASS (2024/097); travel arrangements (2025/009); and implementation of CashAssist (2025/019), as well as in those of all the seven operations audited. This weakened the control environment within which programmes were implemented. UNHCR needed to reinforce the oversight function of the second line to drive wider compliance with established controls and service quality standards, especially in the field.

2.   Alignment of staff skill sets with requirements needed to meet challenges

48.   The audit of adequacy and effectiveness of supply chain structure and staffing (2024/060) as well as the Central African Republic (2024/091) and Ethiopia (2024/099, 2024/100) identified the need for entities at headquarters and field operations levels to undertake strategic workforce planning, thereby ensuring that they are appropriately structured and staffed. The audit on supply chain structure and staffing (2024/060) further noted that the lack of strategic workforce planning for the supply function resulted in gaps in supply chain structures at country, bureaux and headquarters levels. These included unclear functional reporting lines, ambiguous staff roles and responsibilities, skill shortages and ineffective performance management of staff. If unaddressed, these gaps will contribute to perpetuating supply chain issues in country operations.

49.   Audits conducted in Libya (2024/088) and Egypt (2024/096) noted that affiliate workforce staff were deployed to temporarily increase human resources capacity to deliver services to forcibly displaced persons. However, the continued extensive use of affiliated workforce staff in place of regular staff was not cost effective and reflected gaps in human resources planning.

F.   Transformation

50.   After the six projects under the Business Transformation Programme were launched, the programme was closed on 31 December 2023 with all systems transitioning to business as usual. A post-implementation audit of COMPASS (2024/097), the Business Transformation Programme's core system for results-based management, confirmed that it was in use across all UNHCR entities. However, COMPASS, which originally was a standalone platform but later integrated into the Business Transformation Programme, required extensive modifications post-launch to address design gaps. Additionally, deferred

features at its launch remained outstanding three years later, impacting its effectiveness. The post-implementation audit of COMPASS also highlighted how unresolved integration issues across the six former projects of the Business Transformation Programme had a negative impact on system performance and resulted in the different systems having disparate and conflicting data for decision making.

51.   Regarding results-based management, all field operations had prepared strategies, but the audits in Ethiopia (2024/099, 2024/100), Kenya (2025/023) and Somalia (2024/076) identified the need for field operations to revise their strategies so that the limited available resources are directed towards key programme priorities. The COMPASS system needed further enhancements to effectively support the implementation of results-based management by including features for: (a) managing programmes directly implemented; (b) updating multi-year strategies with performance results; and (c) translating multi-year strategies into annual plans. The audits of Afghanistan (2025/027), Egypt (2024/096), Ethiopia (2024/099, 2024/100), Libya (2024/088) and Somalia (2024/076) noted that the information collected in the COMPASS system was incomplete, inconsistent and therefore unreliable for decision making. Furthermore, annual results reports in COMPASS did not explain why targets were not met while budgets were mostly spent. This reflected the need to reinforce oversight by the second line.

G.   Data and technology

1.   Secure information and communications technology systems and processes

52.   The audit of the UNHCR Profile Global Registration System (ProGres) (2024/056) recognized its key role as an identity and case management tool in supporting protection, solutions, and assistance. However, it found inconsistent use across operations, as well as data quality issues related to its accuracy, completeness, consistency and validity, which increased the risk of errors and fraud. The audit in Kenya (2025/023) identified gaps in the quality of registration records in the proGres system that were caused by unauthorized changes and some duplicated registrations. The audit also identified weaknesses in access management and interoperability challenges with other systems, which needed to be addressed to ensure field operations have reliable data for decision making.

53.   The audit of UNHCR cash assistance management system, CashAssist, (2025/027) noted that while it delivered 68 per cent of cash assistance in 2024, some major operations still did not use the system. The audit identified the need for UNHCR to address functional gaps in CashAssist, as well as reinforce security concerns and integration issues with relevant internal and external systems.

54.   The audit in Afghanistan (2025/027) noted that the operation had not transitioned from temporary systems that were established during emergencies to UNHCR corporate systems, including ProGres, the Biometric Identity Management System and CashAssist. The continued use of multiple alternative systems was inefficient and susceptible to errors, complicating data extraction, reconciliation, integration and validation across platforms.

2.   Reliable data to support decision-making and demonstrate results for affected populations

55.   The audits of office premises (2024/055), ProGres (2024/056), CashAssist (2025/019), supply chain structures and staffing (2024/060), travel (2025/009), private sector engagement (2024/072) and COMPASS (2024/097) identified gaps in the relevant systems and tools which impacted the reliability of data for decision making. Furthermore, the audits of the field operations in Afghanistan (2025/027), the Central African Republic (2024/091), Ethiopia (2024/099-100), Egypt (2024/096), Kenya (2025/023), Libya (2024/088), Somalia (2024/076) also identified challenges with data completeness and accuracy with these systems, which impacted the quality of information available for decision-making. UNHCR needed to reinforce its data management to ensure integrity, accuracy and completeness of data across different systems in the landscape of the Business Transformation Programme.

56.   Field operations in Kenya (2025/023), Ethiopia (2024/099, 2024/100) and Libya (2024/088) lacked reliable population data for planning, programme design and identification of the most vulnerable for targeting. This arose primarily from not having conducted recent population verifications and/or inadequate mechanisms for continuous registration. The audit of the ProGres (2024/056) as well as field operations in Kenya (2025/023) and the Central African Republic (2024/091) identified gaps in the quality of registration records in the proGres system, including unauthorized changes and duplicate registrations. The second line needed to reinforce its oversight and support field operations to maintain reliable data in proGres.

57.   Despite the implementation of COMPASS, UNHCR continued to face challenges in the quality of performance data that was reported by its entities. Field operations in Afghanistan (2025/027), the Central African Republic (2024/091), Egypt (2024/096), Ethiopia (2024/099-100), Kenya (2025/023), Libya (2024/088) and Somalia (2024/076) faced challenges in setting realistic baselines and targets, as well as collecting and reporting reliable results. They also did not analyze the programme non-performance for rectification.

H.   Climate change risks

58.   The audits of Ethiopia (2024/099, 2024/100) and Somalia (2024/076) highlighted the countries' high vulnerability to climate risks, which significantly affected operational effectiveness. Settlements were established in flood-prone areas, and infrastructure such as shelters, latrines and dykes were frequently damaged or destroyed during rains, exacerbating health risks from waterborne diseases. However, the operations had not developed strategies to mitigate these climate-related risks, nor did they conduct rapid environmental assessments to inform their decisions on locations of the camps and settlements visited. Given the increasing frequency and severity of floods, there is an urgent need for climate resilience planning including identifying high-risk areas and engaging governments on safer settlement locations.

IV.   Cooperation and coordination

59.   OIOS received effective cooperation from UNHCR management and staff during the reporting period. OIOS representatives met with the High Commissioner, the Deputy High Commissioner and other senior managers to discuss matters relating to internal audit strategy, process and results, including risk-based work planning, the implementation of the workplan and the status of outstanding recommendations.

60.   OIOS attended three sessions of the Independent Audit and Oversight Committee to discuss implementation of the internal audit workplan and other matters relating to internal oversight activities. OIOS also provided quarterly reports to UNHCR management and the Independent Audit and Oversight Committee on its oversight activities.

61.   OIOS coordinated its work with the Inspector General's Office and the Evaluation Office in UNHCR to ensure effective and efficient internal oversight, and with the United Nations Board of Auditors and the Joint Inspection Unit of the United Nations to enhance synergies and efficiencies in the discharge of the respective mandates.

62.   OIOS shared knowledge on good practices and innovations in oversight methodologies with other internal oversight functions of the United Nations system through interactions with United Nations representatives of Internal Audit Services.

V.   Staffing and budgetary resources

A.   Budget

63.   To fully deliver the approved audit strategy, OIOS presented a budget of $6.4 million to UNHCR for internal audit services for 2025. UNHCR confirmed funding of $5,460,000

and in May 2025, due to its difficult financial situation, requested for a further 20 per cent reduction in budget from quarter four of 2025 and for 2026. This brought the budget to $5,187,000 for 2025. Table 5 shows the budgets for internal audit from 2023 to 2025.

Table 5
Internal audit budgets from 2023 to 2025

Cost category	2023	2024	2025 Initial budget	2025 Revised in May
Staff costs	$4,662,323	$5,007,500	5,092,500	$4,918,000
Non-staff costs	$547,500	$452,500	367,500	$269,000
Total	**$5,209,823**	**$5,460,000**	**$5,460,000**	**$5,187,000**

64.   The cost-cutting measures to address the impact of the budget reduction included: (a) deferring recruitment of 3 positions in the reporting period, which brought the number of staff from 21 to 18. Overall this is a reduction in 9 staff posts since 2023 representing 33 per cent of the approved structure; (b) relocation of four Geneva-based staff to Budapest and Nairobi; (c) moving the four staff that remain in Geneva from the Palais des Nations to UNHCR headquarters, thereby saving on rent and other related costs; and (d) reducing the travel budget by 50 per cent.

B.   Staffing

65.   As of 30 June 2025, the situation of OIOS staffing for UNHCR internal audit activity is as follows:

Table 6
UNHCR internal audit funded posts from 2022 to 2026

Year	2022	2023	2024	2025 Initial budget	2025 Revised budget	2026
Total posts	27	27	27	27	27	27
Deferred recruitment	0	2	6	7	8	9
Total funded positions	**27**	**25**	**21**	**20**	**19**	**18**
Professional staff	22	22	19	18	17	16
General service staff	5	3	2	2	2	2
Percentage of posts funded	100%	93%	78%	74%	70%	66%

66.   The UNHCR internal audit activity continues to benefit from OIOS overall support. For instance, the audits of cybersecurity and ProGres were resourced from the OIOS Information and Communications Technology Section based in New York. OIOS also provides quality assurance, training and professional development to the UNHCR internal audit activity.

Annex I

Final reports issued from 1 July 2024 to 30 June 2025

Table 1
Headquarters functions, thematic areas and information and communications technology audits

No.	Report number	Assignment title	Date of report	Number of recommendations	
				Important	Critical
1	2024/055	Audit of arrangements for acquisition and management of office premises at the Office of the United Nations High Commissioner for Refugees	13-Nov-24	5	0
2	2024/056	Audit of the use of the Profile Global Registration System at the Office of the United Nations High Commissioner for Refugees	13-Nov-24	8	0
3	2024/060	Audit of adequacy and effectiveness of supply chain structure and staffing in the Office of the United Nations High Commissioner for Refugees	3-Dec-24	6	0
4	2024/072	Audit of private sector engagement at the Office of the United Nations High Commissioner for Refugees	19-Dec-24	6	0
5	2024/097	Audit of the implementation of COMPASS, the results-based management system at the United Nations High Commissioner for Refugees	30-Dec-24	5	2
6	2025/009	Audit of efficiency and cost effectiveness of Travel Arrangements at the Office of the United Nations High Commissioner for Refugees	04-Jun-25	7	0
7	2025/019	Audit of the implementation of CashAssist in the Office of the United Nations High Commissioner for Refugees operations	27-Jun-25	4	0

Table 2
Country operations audits

No.	Report number	Assignment title	Date of report	Number of recommendations	
				Important	Critical
1	2024/076	Audit of operations in Somalia for the Office of the United Nations High Commissioner for Refugees	20-Dec-24	10	0
2	2024/088	Audit of the operations in Libya for the Office of the United Nations High Commissioner for Refugees	24-Dec-24	7	0
3	2024/091	Audit of operations in the Central African Republic for the Office of the United Nations High Commissioner for Refugees	26-Dec-24	8	0
4	2024/096	Audit of operations in Egypt for the Office of the United Nations High Commissioner for Refugees	27-Dec-24	9	0

No.	Report number	Assignment title	Date of report	Number of recommendations	
				Important	Critical
5	2024/099 and 2024/100	Audit of operations in Ethiopia for the Office of United Nations High Commissioner for Refugees	30-Dec-24	10	5
6	2025/023	Audit of the operations in Kenya for the Office of the United Nations High Commissioner for Refugees	27-Jun-25	9	0
7	2025/027	Audit of the operations in Afghanistan for the Office of the United Nations High Commissioner for Refugees	30-Jun-25	8	0

Table 3
Advisory

No.	Report number	Assignment title	Date of final report	Number of suggestions
1	2025/00560	Advisory review of the implementation of audit recommendations at the Office of the United Nations High Commissioner for Refugees	24-Mar-25	3

Annex II

Long outstanding recommendations as of 30 June 2025[5]

No.	Assignment	Recommendation	Rating	Issue date	Target implementation date	Revised estimated implement-ation date (where provided)
1	AR2021-112-02 Thematic audit of supply chain in East and Horn of Africa and Great Lakes	Recommendation 4: The UNHCR DESS should in collaboration with the Regional Bureau for East, Horn of Africa and the Great Lakes assess the extent to which available tools are utilized within the region and implement a plan of action to ensure they are fully rolled out and operational.	Important	23-Dec-21	31-Mar-23	30-Jun-25
2	AR2021-165-01 Audit of records and archives management in UNHCR	Recommendation 1: The UNHCR Division of External Relations should: (a) review and consolidate its records and archives management framework and adopt a more holistic approach to information governance, as well as better define stakeholder responsibilities and the role of focal points; and (b) provide training to ensure a consistent and comprehensive approach to records management once the framework is promulgated.	Important	17-Dec-21	31-Dec-22	30-Jun-25
3	AR2021-165-01 Audit of records and archives management in UNHCR	Recommendation 4: The UNHCR Division of External Relations should develop a digital preservation strategy, policy, and operational guidelines as part of a global records and archives management framework.	Important	17-Dec-21	31-Dec-22	31-Dec-24
4	AR2021-165-01 Audit of records and archives management in UNHCR	Recommendation 6: The UNHCR Division of External Relations should: (a) continue its progress in taking an inventory of the remaining undocumented permanent records stored in the central archives; and (b) conduct cost benefit analyses on the establishment of records centres in different regions to store closed individual case files of persons of concern and/or of their digitization.	Important	17-Dec-21	31-Dec-25	
5	AR2022-113-01 Review of UNHCR procurement in Zambia	Recommendation 6: The UNHCR Division of Emergency, Security and Supply should develop guidance over the planning, management and supervision of construction work within UNHCR.	Important	21-Dec-22	31-Dec-23	30-Jun-25
6	AR2023-113-01 Audit of UNHCR operations in the	Recommendation 5: The UNHCR Representation in the Republic of the Congo should take urgent action to implement standard operating	Important	08-Nov-23	31-Dec-23	31-Mar-25

[5] Long outstanding recommendations are recommendations that have been open for more than 24 months or that are long overdue (that is, have missed their target date by more than 12 months).

No.	Assignment	Recommendation	Rating	Issue date	Target implementation date	Revised estimated implement-ation date (where provided)
	Republic of the Congo	procedures covering end to end core relief item (CRI) processes, including needs assessment for CRIs, and related distribution and partner monitoring processes.				
7	AR2023-169-01 Thematic audit of livelihood programmes in UNHCR field operations	Recommendation 1: The UNHCR Division of Resilience and Solutions should finalize the global livelihoods and economic inclusion strategy following a theory of change approach, ensuring that livelihoods and economic inclusion programming and partnerships are adaptive to evolving operating contexts identified risks and opportunities.	Important	22-Dec-23	31-May-24	