General Assembly

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Item 4 (b) of the provisional agenda
Consideration of reports on the work 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 2020 to 30 June 2021

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 (OIOS) in respect of the Office of the United Nations High Commissioner for Refugees (UNHCR), covering the period from 1 July 2020 to 30 June 2021. 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)).

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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 memorandum of understanding between UNHCR and OIOS dated 5 March 2018. OIOS was established by the General Assembly pursuant to resolution 48/218 B.

2.   The present report provides an overview of internal audit activities of UNHCR conducted by OIOS during the period from 1 July 2020 to 30 June 2021. Internal audit reports issued during the period were published on the OIOS web page in accordance with General Assembly resolution 69/253.

3.   From 1 July 2020 to 30 June 2021, OIOS completed 17 audit engagements and seven advisory engagements in respect of UNHCR.

II.   Internal audit strategy and results

A.   Strategy

4.   OIOS aims to provide recommendations to improve operational governance, risk management and control processes in UNHCR. OIOS has a risk-based work planning process that identifies and assesses key risks to the achievement of UNHCR's strategic objectives and is aligned to UNHCR's corporate risk register. OIOS selects field operations to be audited each year based on factors such as volume of expenditure, number of critical open recommendations, number of staff and vacancies, security risk, and level of ongoing emergencies. In the last three years, OIOS has audited 17 of the 20 countries rated as higher risk by OIOS. Discussions with senior management when developing the work plan have ensured that OIOS incorporates both strategic and topical issues in its risk-based work plan, and that audit resources are focused on areas adding value to UNHCR's strategies and operations.

5.   OIOS continuously monitors the quality of its processes and results. In 2021, it migrated to a new, web-based audit management system to further strengthen the audit process and facilitate the monitoring of recommendations through enhanced collaboration with audit focal points. OIOS also strengthened its capacity for using business intelligence tools for audit planning and real-time data analytics, developed a remote auditing protocol, and further improved its risk-based work planning process through continuous risk assessments and better alignment of the work plan in response to emerging risks in UNHCR.

6.   During the reporting period, OIOS audit priority areas were: (i) fair protection and documentation; (ii) security from violence and exploitation; (iii) basic needs and services; (iv) community empowerment and self-reliance; (v) durable solutions; and (vi) favourable protection environment. Also, following the onset of the coronavirus disease (COVID-19) pandemic and UNHCR's declaration of a global level-2 emergency, OIOS focused on: (i) procurement and supply chain management; (ii) remote programme monitoring; (iii) partnership management; and (iv) the provision of assistance through cash-based interventions (CBIs) and the distribution of core relief items (CRIs).

B.   Results

7.   OIOS completed 24 audit and advisory engagements during the reporting period. Although OIOS adapted to a remote working modality following the onset of the COVID-19 pandemic, activities took longer to complete as all documents were not available electronically and access to staff was affected. Activities that are normally undertaken in person or through direct observation were limited due to travel restrictions, reducing the ability of OIOS to conduct physical verifications and on-site assessments.

8.   The assignments completed consisted of: (i) six headquarters, thematic and information and communications technology (ICT) audits (see annex I); (ii) 11 audits of field operations (see annex II); and (iii) seven review and advisory engagements (see annex III), which are not publicly disclosed and do not contain recommendations that are monitored for implementation.

9.   Table 1 reflects the engagements completed by OIOS in the last three years, and figure 1 shows the internal audit coverage distribution between headquarters/thematic/ICT audits and audits of field operations for the related region for 2020-2021.

Table 1: Total number of engagements during the period 1 July 2018 to 30 June 2021

	Headquarters, thematic and ICT audits	Field operation audits	Advisories	Total
2020-2021	6	11	7	24
2019-2020	7	11	1	19
2018-2019	6	17	1	24

Figure 1: Distribution of 2020-2021 internal audit engagements by location/area
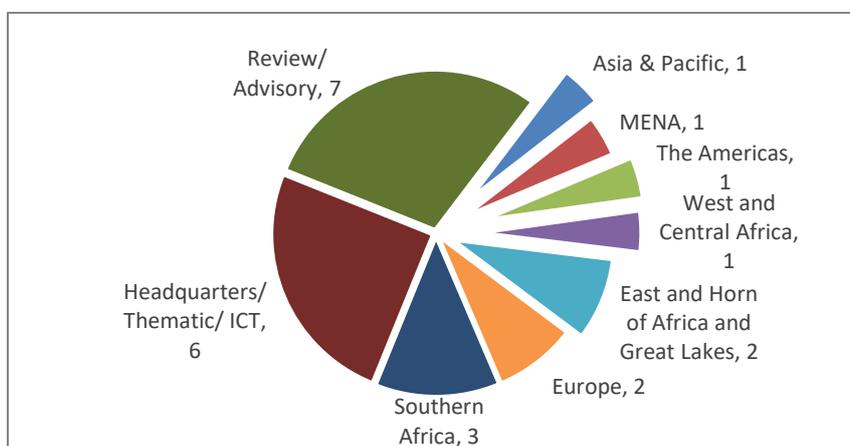
10.   Fifty per cent of the recommendations made in the audit of field operations pertained to UNHCR's protection and programme areas, as reflected in figure 2 (see details in section III); and 50 per cent related to management processes supporting the delivery of services to persons of concern (management of partnerships, procurement and vendor management, enterprise risk management, and strategic planning and resource allocation).

Figure 2: Distribution of recommendations made in audits of field operations, by protection and programme area
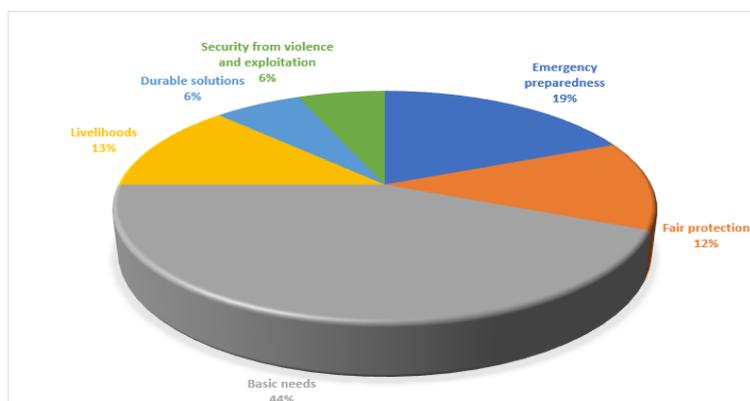
11.   The 11 audits of field operations covered expenditure during the reporting period totalling $774 million, as shown in table 2. This represented 19 per cent of the related total expenditure incurred in those regions.

Table 2: Expenditure of field operations audited during the reporting period

| Region	Total expenditure ($ millions)	Expenditure of audited operations* ($ in millions)	Percentage 2020-2021	Percentage 2020-2019
Asia and the Pacific	443	57	13%	48%
East, Horn and Great Lakes	863	194	22%	21%
Europe	509	277	54%	25%
Middle East and North Africa	1,351	19	1%	11%
Southern Africa	199	125	63%	0
The Americas	321	17	5%	16%
West and Central Africa	442	85	19%	44%
TOTAL	**4,128**	**774**	**19%**	**22%**

* Does not include field operations that are covered under thematic audits.

12.   The 11 field operations audited brought the total number of countries in which audits were conducted over the last three years to 39, as reflected in figure 3. Among these are 17 of the 20 countries rated as highest risk by OIOS as part of the annual work planning process.

Figure 3 – Field operations audited in the last three years

- Audited in 2018 (9)
- Audited in 2019 (19)
- Audited in 2020 (11)
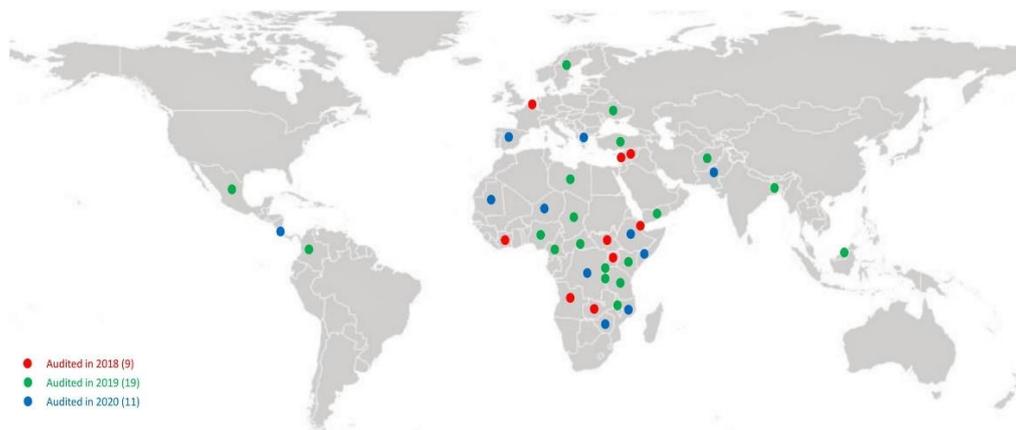
C.   Analysis of recommendations

13.   During the reporting period, OIOS issued 98 recommendations from the 17 audit engagements completed. UNHCR and OIOS continued to agree on issues requiring further improvement, as shown by the full acceptance of all recommendations. UNHCR initiated action to implement the recommendations, with 43 closed as implemented by 30 June 2021, as shown in figure 4. A further analysis of recommendations is provided in annexes I, II and III.

Figure 4: Recommendations issued during the reporting period and implemented as at 30 June 2021
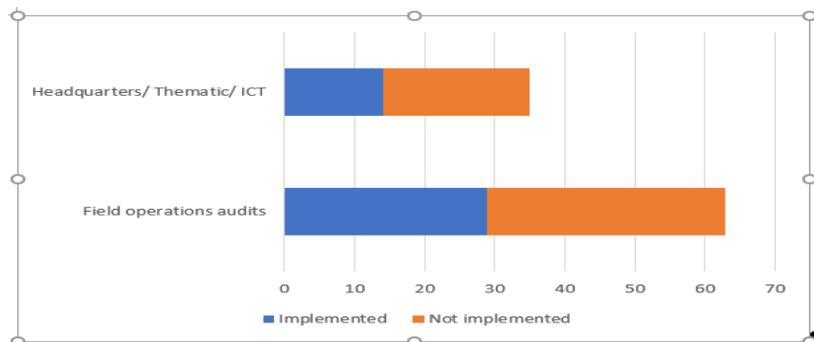
14.   Four of the 98 recommendations issued during the reporting period were critical. Critical recommendations address those risk issues that require immediate management attention, as failure to take action could have a critical or significant adverse impact on the organization. The four critical recommendations related to areas of implementing partners, vehicle fleet and fuel management, and core relief items. Seven critical recommendations were overdue for implementation as at 30 June 2021, compared to five during the previous reporting period. Annex VI provides details of these recommendations, together with the latest update on the progress made to date.

15.   Table 3 shows that there has been an improvement in UNHCR's implementation of internal audit recommendations since the 2018-2019 reporting period.

Table 3: Trend in implementation rate of recommendations for the period 1 July 2018 to 30 June 2021

Recommendations	2018-2019	2019-2020	2020-2021
Open as at 1 June	129	145	93
Issued during the year	146	107	98
Total	275	252	191
Closed during the year	(130)	(159)	(103)
Outstanding as at 31 July	**145**	**93**	**88**
Implementation rate	**47%**	**63%**	**54%**

16.   The ageing of the 88 recommendations that remained open since their target implementation date is shown in figure 5. The implementation schedule and the regional bureaux/divisions responsible for acting on open recommendations are detailed in annex IV.

Figure 5: Aging and criticality of open recommendations as at 30 June 2021
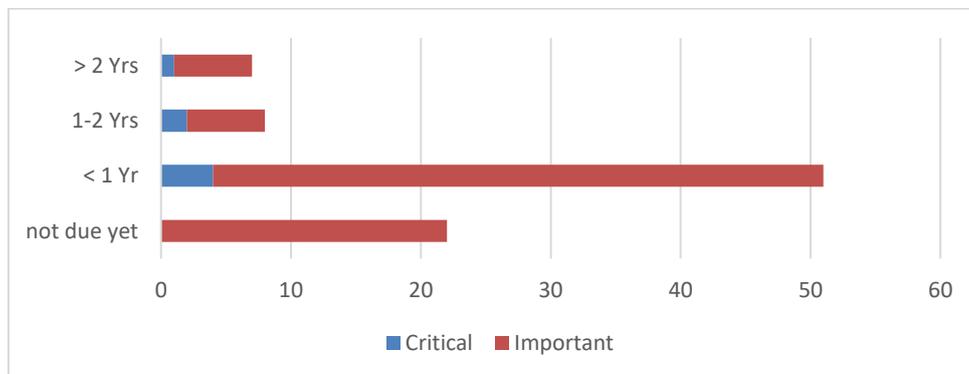
17.   During the year, OIOS closed 103 recommendations, including 93 which were fully implemented. Ten recommendations were closed without implementation for various reasons, including recommendations being considered no longer actionable due to the

re-engineering of related processes, structural changes in the organization, and their being merged into a new recommendation.

18.   As at 30 June 2021, there were 15 long-outstanding recommendations (those that remained open for more than 12 months beyond their targeted date for implementation). A review exercise conducted by OIOS with UNHCR of these long-overdue recommendations resulted in the closure of seven of them. Ten of these 15 long-outstanding recommendations were also contained in the last report on internal audit to the Executive Committee of the High Commissioner's Programme (A/AC.96/1203) and are deemed of continued relevancy in mitigating the identified risks. Further details on these recommendations are contained in annex V. Such recommendations require the immediate attention of management.

19.   OIOS noted that recommendations related to field operations were often recurring. This may indicate a high residual risk in certain field operation activities, requiring them to be addressed through stronger monitoring and control systems, as well as management and staff capacity-building. OIOS will continue to conduct both compliance and performance audits to address the compliance risk in the first line of defence (referred to as the "first line" in UNHCR) and systems performance risk in the second line of defence (referred to as the "second line" in UNHCR).

D.   Savings and recoveries

20.   During the reporting period, recoveries worth $312,000 were reported by UNHCR in connection with an OIOS recommendation pertaining to an audit carried out during a prior period. This related to a refund from an implementing partner of overpayments on roads constructed.

III.   Summary of oversight activities and results

A.   Delivering services during the COVID-19 pandemic

21.   The COVID-19 pandemic significantly impacted the risk environment within which UNHCR operated. To ensure an effective and timely response to emerging needs, vulnerabilities and operational challenges faced in assisting persons of concern, UNHCR waived certain policy requirements and issued additional guidance for implementation during the crisis.

22.   The audit of procurement in field operations during the COVID-19 emergency (2021/026), covering seven field operations, found that UNHCR adapted swiftly by giving operations the flexibility to address constraints affecting the global supply chain. Good procurement practices were noted, including effective coordination with United Nations partners. However, procurement planning and risk management required strengthening, including in terms of developing and monitoring key performance indicators. Further guidance to field operations was also needed to better identify suitable suppliers, and some gaps and inconsistencies in procurement policies needed to be addressed.

23.   To further assist UNHCR in identifying and responding to risks emerging from the COVID-19 pandemic, OIOS also performed the following advisory engagements:

- Use of vendors and logistics partners for critical supply chain activities during COVID-19;

- Arrangements for vendor master data;

- Organizational Resilience Management System;

- Remote monitoring of programme implementation; and

- CBI and CRI arrangements during the COVID-19 pandemic.

B. UNHCR reform

24.   UNHCR has engaged in an organizational transformation process, implemented around eight pillars: (i) Global Compact on Refugees; (ii) data and digitalization; (iii) results-based management; (iv) enterprise risk management; (v) business processes and systems; (vi) United Nations reform; (vii) people management and human resources; and (viii) decentralization and regionalization.

Data and digitization

25.   OIOS issued one audit report (2020/047) and completed one advisory engagement. The ongoing COVID-19 pandemic presented both challenges and opportunities. With respect to the latter, it accelerated UNHCR's digitalization of the operational framework, with the increased use of teleworking and videoconferencing systems. The audit concluded that to sustain the progress made in digitalizing UNHCR's operational framework, there was a need to establish and maintain an up-to-date ICT continuity framework, prepare business continuity plans and establish disaster recovery arrangements to ensure minimal disruption to the organization's critical business functions and related ICT systems.

Enterprise risk management

26.   All audits of field operations considered the implementation of enterprise risk management. The audits showed a significant improvement in the quality of risk registers maintained by field operations. However, more work needs to be done to ensure mitigation actions are effective in addressing the identified risks and that they are implemented in a timely manner. Field operations have also, until now, primarily completed risk management activities as part of the annual planning process. Therefore, there is a need to ensure that risk management processes are embedded as management practice.

Results-based management

27.   The results-based management workstream is expected to address the issues consistently identified regarding programme performance in field operations. Field audits such as in the Democratic Republic of the Congo (2020/028), Ethiopia (2020/036), Mozambique (2020/030), Somalia (2020/052) and Zimbabwe (2020/048) identified weaknesses in programme performance management. These related to unrealistic baselines and targets in performance frameworks and incomplete, inaccurate and unsupported results in FOCUS (UNHCR's former results-based management system). Furthermore, field operations did not analyse programme non-performance and did not use for decision-making the information that they collected.

Decentralization and regionalization

28.   All internal audit and advisory activities during the reporting period covered, to a limited extent, the adequacy and effectiveness of the regional bureaux's oversight and support to field operations (the second line function). During the reporting period, at the request of UNHCR, OIOS also started an advisory engagement on the decentralization and regionalization process.

C. Selected results in UNHCR strategic priority areas

Fair protection and documentation

29.   Implementation of UNHCR's registration and case management system, proGres (version 4), and its biometric identity management system supported registration processes and strengthened data reliability in the field. However, reception centres for asylum-seekers in Greece (2020/017), Mozambique (2020/030), the Niger (2020/032) and Spain (2020/043) did not meet UNHCR standards. There was also a need to strengthen registration data of persons of concern in the Democratic Republic of the Congo (2020/028), Ethiopia (2020/036), Greece (2020/017), Mauritania (2020/041), Mozambique (2020/030), Somalia

(2020/052) and Zimbabwe (2020/048). Furthermore, field operations in Ethiopia and Zimbabwe conducted physical verification of persons of concern but did not investigate significant variances in registration data. Significant delays in refugee status determination processes in Mauritania and Somalia also needed to be addressed so that persons of concern could access services and obtain relevant documentation.

Security from violence and exploitation

30.   In response to the heightened risk of violence and exploitation during displacement, UNHCR issued guidance to field operations on how to prevent, identify and respond to cases where it arises. OIOS noted that the emergency programming in the Democratic Republic of the Congo (2020/028) did not make adequate provision for the delivery of services related to the prevention of sexual and gender-based violence (SGBV) among displaced communities. There was also a need to strengthen the field operation's case management processes, especially medical, psychosocial and legal support to assist survivors in their recovery from the long-term effects of SGBV.

Basic needs

31.   Field operations conduct participatory assessments to support the prioritization of programming needs for persons of concern and to ensure the targeting of the most vulnerable. There was a need to strengthen programme planning when these assessments were not conducted, as in the Democratic Republic of the Congo (2020/028), and where results were not incorporated in the operational planning processes, as was noted in Zimbabwe (2020/048).

32.   UNHCR delivers services through CBIs and the distribution of CRIs and has, in line with its strategic objectives, more than doubled the use of cash assistance as the preferred mode of delivery at the global level. This, however, did not hold true for operations in Africa which, according to a thematic audit (2020/057), saw a relatively limited scale-up of only 26 per cent. This was due to the need to strengthen field country structures and capabilities to scale up and roll out CBIs and institute measures to safeguard the delivery of cash assistance. The audits in the Democratic Republic of the Congo (2020/028), Ethiopia (2020/036) and Somalia (2020/052) noted that countries needed to better plan for CBI programmes, so they remain relevant in addressing protection risks by targeting the most vulnerable. OIOS has performed an advisory engagement in this area, as indicated in paragraph 24.

33.   A reduction in operating level budgets constrained UNHCR's ability to provide persons of concern with services, in line with its standards for health, education and shelter. The audits in the Democratic Republic of the Congo (2020/028), the Niger (2020/032) and Pakistan (2020/029) noted that the delivery of health services to persons of concern could be further strengthened by ensuring the timely provision of medicines and medical supplies, maintenance of accurate health data for decision-making, monitoring of malnutrition among persons of concern, proper management of referrals, and preparation of epidemic plans. Furthermore, strategies needed to be developed to provide direction on the provision of quality education to children of school-age in Ethiopia, Pakistan and Somalia. There was also a need for operations in the Democratic Republic of the Congo and the Niger to strengthen their planning, management and monitoring of shelter and settlement programmes to ensure persons of concern have access to shelters that meet UNHCR's standards of privacy, protection from the elements, emotional security and space to live.

Livelihoods

34.   The ability of field operations to provide persons of concern with viable livelihood opportunities was constrained by government restrictions regarding their right to work, own a business, access financial services, own land and property, and have freedom of movement. There were also limited opportunities for operations to partner with entities to include refugees in existing programmes and services. Thus, operations in Mauritania (2020/041), Mozambique (2020/030), Pakistan (2020/029), Somalia (2020/052) and Zimbabwe (2020/048) resorted to the implementation of livelihood interventions which, according to UNHCR, should be a last resort. UNHCR needed to strengthen the planning, management,

and monitoring of its livelihood interventions so that persons of concern can become self-reliant.

Durable solutions

35.   The audit of the prevention, detection and response to fraud committed by persons of concern in the context of resettlement activities (2020/035) showed that UNHCR had made significant progress in the implementation of its 2017 policy. Nevertheless, some gaps were found in the fraud accountability framework where roles and responsibilities, as well as the reporting lines of key stakeholders, were not always clear. Additionally, suitable tools needed to be used to record potential fraud and inconsistencies to improve management reporting.

36.   The audit of resettlement practices (2020/38) concluded that UNHCR was proactively coordinating an increasing number of resettlement programmes, and good practices were in place across the field operations and regional bureaux reviewed. There was, however, a need to enhance the management of the resettlement process through assessing the effectiveness of the current process and addressing gaps in existing systems and tools. UNHCR also needed to review its staffing capacity to determine its adequacy to support the resettlement process in the current operating environment.

37.   UNHCR's return and reintegration programmes in Somalia (2020/052), which accounted for over 50 per cent of the field operation's programme budget, was not informed by situational assessments which impacted the programming of the related assistance. The late payment of return packages, and at standardized rates regardless of the place of return and family size, meant that the protection needs of returnees were not always met. In Spain (2020/043), there was a need to review and adjust the advocacy strategy to address the low and declining integration rate of persons of concern in the country.

Management processes to support the delivery of services

38.   UNHCR has seen an increase in the number of countries with emergencies caused by refugee influxes due to political instability and natural disasters, and the COVID-19 pandemic. The emergencies in Mozambique (2020/030) and Zimbabwe (2020/048) due to Cyclones Idai and Kenneth required UNHCR to develop guidance on natural disaster-induced displacements. There was also a need for field operations in Costa Rica (2020/022), the Democratic Republic of the Congo (2020/028), Mozambique, the Niger (2020/032) and Zimbabwe to have comprehensive emergency preparedness plans to support the timely and cost-effective response to emergencies. The advisory engagements on CBI and CRI arrangements and the use of vendors and logistics partners during the COVID-19 pandemic covered some of the emergency-related risks to the delivery of services.

39.   Over 60 per cent of UNHCR's field programme budget was implemented through partners. As has been the case in past years, 9 of the 11 field operation audits identified a continuing need for UNHCR to better manage partnerships to address systemic weaknesses regarding the selection, management and monitoring of partners to ensure they deliver quality services to persons of concern in a timely and cost-effective manner. Audits in Ethiopia (2020/036) and Somalia (2020/052) identified the need for UNHCR to address some risks associated with projects implemented by government partners. OIOS also completed an audit advisory on partner personnel costs.

40.   Despite the changing environment in which field operations operate, their service delivery has primarily remained traditional, with persons of concern remaining heavily dependent on UNHCR for assistance. This may not be sustainable in a resource constrained environment in the long term. Audits in Ethiopia (2020/036), Mozambique (2020/030), Somalia (2020/052) and Zimbabwe (2020/048) indicated the need for reinforced strategic planning to enable the Representations to meet their strategic objectives within the limited resources available. The development of the Global Compact of Refugees underpinned country plans to integrate refugees into national systems in Ethiopia and Somalia. However, UNHCR should support the implementation of these plans to ensure that government-led processes succeed.

IV.   Cooperation and coordination

41.   OIOS received effective cooperation from UNHCR management and staff during the reporting period and 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, implementation of the work plan and status of outstanding recommendations.

42.   OIOS attended the meetings of the Independent Audit and Oversight Committee during the reporting period to discuss the implementation of the internal audit work plan 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.

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

44.   OIOS also 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.   Staffing

45.   OIOS had a total of 27 posts approved and dedicated to UNHCR activities in 2019 and 2020, as shown in table 4. As at 30 June 2021, 23 of the 26 posts were filled, and one staff member took take up office on 1 July 2021. The selection process for the two other posts was ongoing. The gender parity index stood at 41 per cent, and there was good geographical representation of staff.

Table 4 – Approved posts for 2020 and 2021

Location	Geneva		Nairobi		Amman		Budapest		Total	
Type of staff/ Year	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Professional	9	9	7	7	2	0	4	6	22	22
General service	3	3	1	1	--	--	--	1	4	5
Total	**12**	**12**	**8**	**8**	**2**	**0**	**4**	**7**	**26**	**27**

B.   Budget

46.   Table 5 shows the budgets provided for internal audit for 2020 and 2021. Due to UNHCR's financial constraints in 2020, the internal audit budget saw a 5 per cent reduction in non-post allocations for travel and general operational costs. The reduction in non-post expenditures was due to COVID-19 related travel restrictions, and this is expected to discontinue once the restrictions are lifted.

Table 5 - Internal audit budgets for 2020 and 2021

Cost category	2020	2021
Staff costs	$4,962,000	$4,962,000
Non-post	$760,836	$689,936
Total	**$5,722,836**	**$5,651,936**

Annex I

Final reports issued from 1 July 2020 to 30 June 2021
Headquarters functions, thematic areas, and information and communications technology

No.	*Report number*	*Assignment title*	*Date of final report*	*Number of recommendations*	
				Important	*Critical*
1	2020/025	Audit of security strategic management and governance at the Office of the United Nations High Commissioner for Refugees	18-Sep-20	5	0
2	2020/035	Audit of the prevention, detection and response to fraud committed by persons of concern in the context of resettlement activities at the Office of the United Nations High Commissioner for Refugees	01-Oct-20	3	0
3	2020/038	Audit of resettlement practices at the Office of the United Nations High Commissioner for Refugees	07-Oct-20	7	0
4	2020/047	Audit of information technology continuity at the Office of the United Nations High Commissioner for Refugees	01-Dec-20	4	0
5	2020/057	Audit of the management of cash-based interventions in the operations in Africa for the Office of the United Nations High Commissioner for Refugees	17-Dec-20	11	0
6	2021/026	Audit of procurement in the field operations of the United Nations High Commissioner for Refugees during the Covid-19 emergency	21-Jun-21	5	0
Total				***35***	***0***

Annex II

Final reports issued from 1 July 2020 to 30 June 2021
Field operations

No.	*Report number*	*Assignment title*	*Date of final report*	Number of recommendations	
				Important	*Critical*
1	2020/017	Audit of the operations in Greece for the Office of the United Nations High Commissioner for Refugees	06-Aug-20	5	0
2	2020/022	Audit of the emergency operations in Costa Rica for the Office of the United Nations High Commissioner for Refugees	14-Sep-20	4	0
3	2020/028	Audit of the operations in the Democratic Republic of the Congo for the Office of the United Nations High Commissioner for Refugees	23-Sep-20	7	0
4	2020/029	Audit of the operations in Pakistan for the Office of the United Nations High Commissioner for Refugees	23-Sep-20	6	0
5	2020/030	Audit of the operations in Mozambique for the Office of the United Nations High Commissioner for Refugees	23-Sep-20	6	0
6	2020/032	Audit of the operations in the Niger for the Office of the United Nations High Commissioner for Refugees	28-Sep-20	5	0
7	2020/036	Audit of the operations in Ethiopia for the Office of the United Nations High Commissioner for Refugees	01-Oct-20	5	2
8	2020/041	Audit of the operations in Mauritania for the Office of the United Nations High Commissioner for Refugees	19-Nov-20	6	0
9	2020/043	Audit of the operations in Spain for the Office of the United Nations High Commissioner for Refugees	27-Nov-20	3	0
10	2020/048	Audit of the operations in Zimbabwe for the Office of the United Nations High Commissioner for Refugees	01-Dec-20	7	0
11	2020/052	Audit of the operations in Somalia for the Office of the United Nations High Commissioner for Refugees	14-Dec-20	5	2
Total				**59**	**4**

Annex III

Final reports issued from 1 July 2020 to 30 June 2021
Review and advisory engagements

No.	Report number	Assignment title	Date of final report	Number of recommendations	
				Important	*Critical*
1	2020/01865	Advisory report on a review of partner personnel costs at the Office of the United Nations High Commissioner for Refugees	17-Dec-20	0	0
2	2021/00705	Advisory on arrangements for vendor master data at the Office of the United Nations High Commissioner for Refugees	17-May-21	0	0
3	2021/00709	Advisory on arrangements for remote monitoring of programme and protection interventions at the Office of the United Nations High Commissioner for Refugees	17-May-21	0	0
4	2021/00741	Advisory on the arrangements for effective engagement of information technology stakeholders by the Division of Information Systems and Telecommunications of the Office of the United Nations High Commissioner for Refugees	25-May-21	0	0
5	2021/00791	Advisory on the status of implementation of the Organizational Resilience Management System at the Office of the United Nations High Commissioner for Refugees	02-Jun-21	0	0
6	2021/00918	Advisory on the arrangements for the use of vendors and logistics partners for critical supply chain activities in the Office of the United Nations High Commissioner for Refugees during the COVID-19 emergency	21-Jun-21	0	0
7	2021/00976	Advisory on the arrangements to support the effective use of cash-based interventions and distributions of core relief items to beneficiaries in UNHCR field operations during the COVID-19 emergency	30-Jun-21	0	0
		Total		*0*	*0*

Open recommendations by regional bureau / division as at 30 June 2021

Region/ Division	Number of outstanding recommendations			Critical recommendations		
				Implementation schedule		
	Total	Important	Critical	3rd quarter of 2021	4th quarter 2021 & beyond	Past due
Regional Bureau for East and Horn of Africa and the Great Lakes	19	14	5			5
Regional Bureau for Southern Africa	17	17				
Division of Information Systems and Telecommunications (DIST)	8	8				
Division of Emergency Security and Supply (DESS)	7	7				
Division of Resilience and Solutions (DRS)	6	6				
Division of International Protection (DIP)	6	6				
Division of Human Resources (DHR)	5	3	2			2
Division of Strategic Planning and Results (DSPR)	4	4				
Regional Bureau for Europe	4	4				
Regional Bureau for West and Central Africa	4	4				
Regional Bureau for the Middle East and North Africa	3	3				
Regional Bureau for Asia and the Pacific	2	2				
Executive Office	2	2				
Division of Financial and Administrative Management (DFAM)	1	1				
Total	*88*	*81*	*7*	*0*	*0*	*7*

Annex V

Long-outstanding recommendations as at 30 June 2021[1]

Assignment	Report date	Number of recommendations		
		Critical	*Important*	*Total*
AR2016-110-05 Audit of UNHCR operations in Ethiopia	15/03/2017		2	2
VR2017-160-01 Review of recurrent issues in the distribution of core relief items in UNHCR field operations	27/09/2017		3	3
AR2017-162-01 Audit of UNHCR arrangements for staff accommodation in field operations	17/11/2017	2	1	3
AR2018-111-01 Audit of UNHCR operations in Uganda	17/10/2018		1	1
AR2018-167-01 Audit of warehouse management in UNHCR field operations	12/12/2018		4	4
AR2018-111-07 Audit of UNHCR operations in the United Republic of Tanzania	22/05/2019	1	1	2
Total		**3**	**12**	**15**

[1] Long-outstanding rrecommendations are those that remain open more than 12 months beyond their targeted date for implementation.

Annex VI

Past due critical recommendations as at 30 June 2021

Assignment number	Assignment title	Recommendation	Last update	Report date	Target date	New estimated completion date
AR2018-111-07	Audit of the operations in the United Republic of Tanzania for the Office of the United Nations High Commissioner for Refugees	3. The UNHCR Representation in Tanzania (United Republic of), in collaboration with the Regional Bureau for Africa, should: (i) review its processes, including in terms of management supervision and monitoring, for the selection and retention of partners, designation of procurement to partners, and monitoring of projects, and implement a time bound action plan addressing the systemic and recurring issues raised in this audit in an effective and sustainable manner; and (ii) institute measures to recover all ineligible and unauthorized project costs and receivables from partners.	In their June 2021, update UNHCR did not provide any evidence that gaps and potential ineligible expenses that exposed the organization to losses and risks of inefficiencies and ineffective project implementation by partners were addressed. OIOS looked forward to receiving evidence that all ineligible and unauthorized project costs as identified during the audit were either recovered or adequately assessed to determine that no recovery was necessary.	22/05/2019	30/09/2019	Not provided
AR2017-162-01	Audit of UNHCR arrangements for staff accommodation in field operations	1. The UNHCR Division of Human Resources should revisit the governance and management accountability arrangements for staff accommodation; and in particular: (i) reactivate the Steering Committee on Staff Accommodation to robustly oversee the work and resources of the Global Staff Accommodation Unit (GSAU); (ii) take action to ensure systemic issues identified by GSAU are addressed, including the need to reinvest rental income to improve standards of accommodation; and (iii) put in place appropriate coordination mechanisms with the regional bureaux on staff accommodation matters and ensure that the respective responsibilities are clear.	Based on UNHCR's June 2021 update, parts (i) and (ii) of the recommendation were closed as implemented. The remaining issue related to the issuance of the draft policy. The finalization of the draft policy on occupational safety and health was put on hold due to Covid-19 and was partially redrafted with some lessons learned from the global pandemic. To close this recommendation, OIOS would like to receive evidence of the issuance of the administrative instruction.	17/11/2017	31/12/2019	Not provided
AR2017/162/01	Audit of arrangements for staff accommodation in field operations of the Office of the United Nations High Commissioner for Refugees	2. The UNHCR Division of Human Resources, in coordination with the regional bureaux and Representations managing staff accommodations, should develop an adequately resourced and time-bound action plan to ensure that the minimum standards on living conditions, as regards staff accommodation and living environment, food, water and hygiene, and recreational facilities, are achieved in all locations.	In their June 2021 response, DHR cited the annual report 2020 on guest accommodation that showed that around 60% of UNHCR guesthouses were compliant with the administrative instructions. A plan of action was put in place to follow-up on all UNHCR guesthouses that remained non-compliant. The expected compliance timeline from all countries was revised to end of October 2021. OIOS takes note of the progress made so far and recognizes the estimated time for compliance by the field operations. In order to close the recommendation, OIOS would like to receive confirmation that the minimum standards on living conditions are achieved in all locations.	17/11/2017	31/12/2019	Not provided

Assignment number	Assignment title	Recommendation	Last update	Report date	Target date	New estimated completion date
AR2019-111-07	Audit of the operations in Ethiopia for the Office of the United Nations High Commissioner for Refugees	3. The Regional Bureau for East, Horn of Africa and the Great Lakes, in collaboration with the Assistant High Commissioner (Operations), should implement a sustainable plan of action which addresses the risks and well-known and long-standing weaknesses associated with projects implemented by the government partner and the non-compliance with established UNHCR rules and procedures.	In their February 2021 update, UNHCR stated that there were delays in implementing the recommendation due to changes in leadership of the government partner. The construction of the 27 "one-stop-shop" centres was delegated to the United Nations Office for Project Services (UNOPS) for completion. To close the recommendation, OIOS would like to receive evidence that the role of government partner is clarified; unsustainable and high programme implementation costs reviewed; weaknesses in implementing programmes addressed; and construction of 27 "one-stop-shop" centres completed.	01/10/2020	30/06/2021	Not provided
AR2019-111-07	Audit of the operations in Ethiopia for the Office of the United Nations High Commissioner for Refugees	5. The Regional Bureau for East, Horn of Africa and the Great Lakes should implement a sustainable plan of action to address the structural and systemic weaknesses in controls and thus risks in procurement, contract management, and fleet and fuel management.	In their February 2021 update, UNHCR stated that an independent review to address the elements outlined in the audit recommendation had been agreed between the Ethiopia operation, the Regional Bureau and DESS with a view to creating a sustainable plan of action to be implemented. To close the recommendation, OIOS would like to receive an action plan to address (i) the persistent non-compliance with UNHCR procurement guidelines; (ii) updated vehicle needs assessment report and resultant plan of action to right-size the fleet; (iii) an action plan to address structural and systemic weaknesses noted in the 2019 fleet assessment review; and (iv) measures that ensure fuel costs are reasonable and required reconciliations are conducted on a regular basis.	01/10/2020	30/06/2021	31/12/2021
AR2020-112-01	Audit of the operations in Somalia for the Office of the United Nations High Commissioner for Refugees	4. The UNHCR Representation in Somalia, in cooperation with the Regional Bureau for East, Horn of Africa and the Great Lakes, should implement an action plan addressing the risks and recurring control gaps associated with partner selection, procurement designation, and monitoring of project implementation, to ensure efficient and cost-effective service delivery to persons of concern.	In their June 2021 update, UNHCR noted that it had conducted capacity assessments for the federal Government partners, reviewed their personnel costs and instituted controls over vehicle fleet management. OIOS recorded part of the recommendation as implemented except for (i) the designation of procurement in excess of $100,000 to two partners who are not pre-qualified by UNHCR; (ii) the Representation's review of only 5 financial transactions, despite the risks in the Somali context; and (iii) the limited use of the third-party monitor, especially for projects in high-risk areas.	14/12/2020	31/03/21	Not provided

| AR2020-112-01 | Audit of the operations in Somalia for the Office of the United Nations High Commissioner for Refugees | 6. The UNHCR Representation in Somalia should take urgent action to implement standard operating procedures to strengthen its management of the receipt, distribution and storage of core relief items, strengthen documentation to drive proper accountability and institute monitoring to ensure programme inputs reach intended beneficiaries. | In their June 2021 reply, UNHCR indicated that it prepared standard operating procedures for non-food items for refugees, asylum-seekers and returnees. The Representation will also continue to prioritize cash assistance over the purchase and distribution of CRIs in Somalia. Given that resources constraints limit the operation's ability to respond to expressed needs, the Somalia operation continues to seek additional funds to increase its interventions. Part of the recommendation was closed, with the complaints and response mechanisms recorded as outstanding as well as evidence on on-site monitoring of CRI distributions. To close the recommendation, OIOS would like to receive evidence that the complaints mechanism is operational and of on-site monitoring during CRI distributions for accountability. | 14/12/2020 | 31/03/21 | Not provided |