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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 2018 to 30 June 2019

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 2018 to 30 June 2019. 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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Contents

I. Introduction

1.   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) during the period from 1 July 2018 to 30 June 2019. It is prepared for consideration during the seventieth session of the Executive Committee of the High Commissioner's Programme, following consultation with the High Commissioner.

2.   OIOS provides internal audit services to UNHCR in accordance with:

(a)   General Assembly resolutions that pertain to the mandate, functions and operations of OIOS, which include but are not limited to resolutions 48/218B, 54/244, 57/287B, 59/272, 64/263 and 69/253;

(b)   United Nations Financial Regulation 5.15;

(c)   Article 12 of the Financial Rules for Voluntary Funds administered by the High Commissioner for Refugees (A/AC.96/503/Rev.10);

(d)   Secretary-General's Bulletin ST/SGB/273 on the establishment of the Office of Internal Oversight Services; and

(e)   A memorandum of understanding on internal audit services that OIOS provides to UNHCR signed by the High Commissioner and the Under-Secretary-General of OIOS on 5 March 2018.

3.   In the conduct of its audit work, OIOS adheres to the mandatory guidance issued by the Institute of Internal Auditors. The guidance includes the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing, and the Definition of Internal Auditing.

4.   The General Assembly resolution that established OIOS called for it to be operationally independent. In addition, according to the International Standards for the Professional Practice of Internal Auditing, an internal audit function should have appropriate and sufficient resources to effectively achieve its mandate and implement its workplan. During the reporting period, OIOS had sufficient resources at its disposal and did not experience any inappropriate interference in determining the scope of its work, in performing the work, and/or in communicating the results that would have impeded its independence in providing internal audit services to UNHCR.

II. Overview of results

A. Audit coverage

5.   OIOS completed 24 engagements during the reporting period. Figure 1 shows the audit coverage of engagements by region and theme.

Figure 1 - Reports issued from 1 July 2018 to 30 June 2019 by region and theme
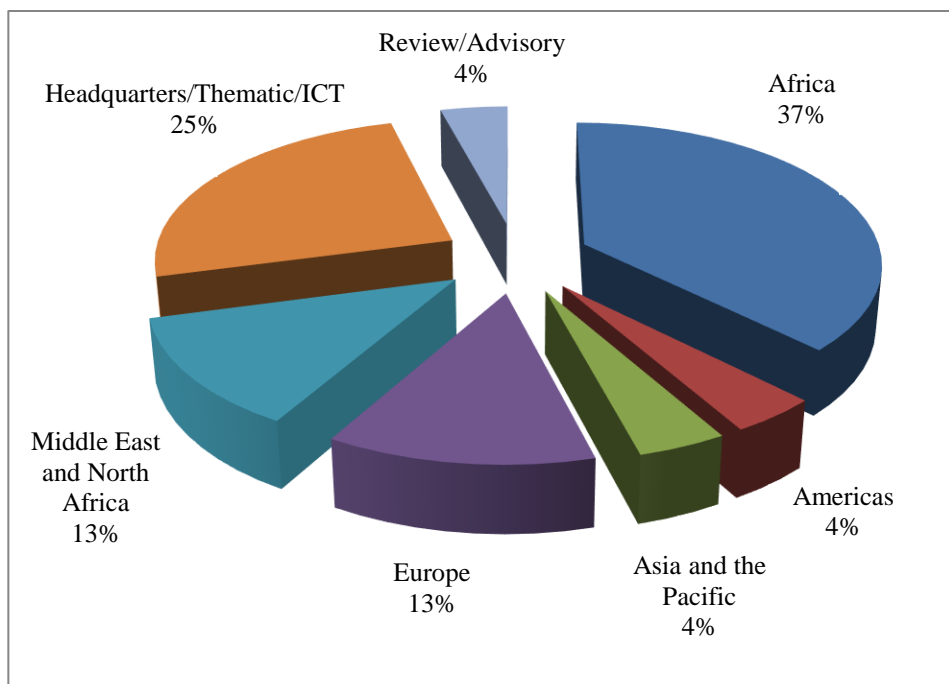
6.   The coverage of expenditure of field operations audited in the reporting period is depicted in Table 1.

Table 1 – Coverage of expenditure[1]

	Expenditure (US$)	Expenditure of audited operations (US$)	Percentage
Africa	1,304,143,801	438,541,221	34%
Asia and the Pacific	369,200,563	62,059,853	17%
Europe	485,444,961	40,313,243	8%
Middle East and North Africa	1,255,052,000	544,650,685	43%
Americas	133,678,644	16,911,728	13%
Total	3,547,519,969	1,102,476,730	31%

B.   Audits of headquarters functions, thematic areas, and information and communications technology

7.   OIOS completed six headquarters, thematic and information and communications technology (ICT) audits, which are listed in Annex I.

8.   The reports for these audits contained one critical recommendation and 34 important recommendations. Brief summaries of the key results are provided below. As of 30 June 2019, 2 recommendations had been implemented, and 33 were in progress of being implemented, including one critical recommendation.

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[1] The expenditure corresponds to 2018 total expenditure for operations, administration and local personnel. The audit coverage shown is only indicative as the audit engagements undertaken during the reporting period did not all cover exactly the same period of scope.

Audits of the upgraded Human Resources and Finance and Supply Chain modules of the Managing for Systems, Resources and People enterprise resource planning system

9.   OIOS carried out two separate audits on the upgraded Managing for Systems, Resources and People (MSRP) Human Resources (HR) and Finance and Supply Chain (FSC) modules.

10.   The audit of the HR module identified that the upgrade had improved some processes, but there was a critical need for UNHCR to ensure that appropriate technology solutions better support the recruitment processes for all staff categories and for affiliate personnel. There was also a need to strengthen the HR transactions audit process, roll out the HR module, take effective measures to speed up accurate and timely data recording, and address shortcomings in the handling of the staff separation process.

11.   The audit of the FSC module upgrade identified that the project had achieved most of its major objectives. However, UNHCR needed to take further action, including to comply with the mandatory sequence for procurement, rectify the incorrect application of exchange rates, build automated controls for validation checks on electronic funds transfers, and train staff on the risks associated with vendor entry, certifying and approving roles. There was also a need to process mission and statutory travel within MSRP and reinforce efforts to implement the MSRP Business Intelligence project.

Audit of warehouse management

12.   This audit covered inventory holdings aggregating to $36.5 million in eight country operations. While UNHCR had a well-articulated warehouse and inventory management policy framework, OIOS assessed that UNHCR needed to ensure that all warehouses controlled by UNHCR are identified and recorded in MSRP by the country operations, and that the different policy and guidance documents on warehouse management are reviewed for consistency and clarity. UNHCR also needed to put in place action plans to strengthen monitoring and oversight of inventory management to achieve consistent and accurate inventory records, dispose and/or redeploy obsolete and surplus inventory, implement adequate controls to prevent unauthorized access to warehouses, and strengthen fire prevention measures in warehouses.

Audit of UNHCR arrangements for reporting on the use of donor funds

13.   This audit reviewed donor contributions to UNHCR for 2016 and 2017 aggregating to $7.9 billion. UNHCR had implemented adequate processes for recording and communicating donor contributions and the management of donor agreements was satisfactory. However, it needed to strengthen its donor grant agreement template and adequately reflect reporting requirements in donor agreements. There was also a need to adequately record, track and monitor delivery of donor reporting requirements and enhance UNHCR's corporate systems to support tracking of implementation of activities and performance against specific donor requirements.

Audit of UNHCR arrangements for cash-based interventions in the Syrian emergency

14.   The programme design and planning arrangements for cash-based interventions (CBI) in the Syrian emergency were assessed as adequate, with suitable beneficiary selection and targeting criteria. Financial and operational controls were also in place, except for Iraq where controls needed to be strengthened over the payments process. However, UNHCR needed to ensure that country operations benefit from commercial expertise during contract negotiations for CBI services with financial services providers, develop guidance on exit strategies, and conduct comprehensive post-distribution monitoring of CBI programmes.

Audit of emergency preparedness at UNHCR

15.   This audit concluded that there was a need for UNHCR to enhance the: (a) corporate early warning system to support real-time reporting and regional coverage of emergency preparedness, and ensure adequate capacity to manage the system; (b) accuracy of reporting on emergency preparedness; (c) emergency preparedness support by increasing engagement with regional bureaux and headquarters divisions; (d) process of activation and deactivation

of emergencies; (e) management of emergency rosters and deployments; and (f) conduct of joint senior-level missions and real-time reviews.

C. Audits of field operations

16.   OIOS completed 17 audits of UNHCR field operations during the reporting period, which are listed in Annex II. These audits covered expenditure totalling $1.1 billion and included 106 recommendations, of which 20 were rated as critical and 86 as important.

Systemic issues in audits of field operations

17.   The 20 critical recommendations raised in audits of UNHCR field operations related to procurement and vendor management, partnership management, supply logistics, strategic planning and monitoring, fair protection process and documentation, CBI, financial management and emergency preparedness. The following provides a summary of some of the critical areas identified:

(a)   Procurement and vendor management: A few UNHCR representations were not planning their procurement needs adequately, resulting in delays in delivery of goods and services. Inadequate planning was also a factor resulting in a high number of cases being referred to the Committees on Contracts on an ex-post facto basis. Some representations did not possess adequate capacity to conduct procurement, and several cases were identified where there was a lack of evidence that a competitive and transparent procurement process had been followed. In two representations, OIOS recommended that UNHCR conduct a comprehensive review of the procurement function, processes and capacity to address the systemic and pervasive issues identified during the audit.

(b)   Partnership management: Some representations were not always selecting partners that were the best fit for implementing assigned activities, which resulted in poor quality of work and delays in project implementation. In some cases, project monitoring was weak, with important issues regarding the proper use of UNHCR funds not being addressed in a timely manner. UNHCR also continued to delegate procurement to partners that did not have sufficient capacity, resulting in inefficiencies and reduced cost-effectiveness.

(c)   Supply logistics: Due to absence of competitive tendering and poor contract management some representations did not ensure that efficient and economical logistical arrangements were in place. In a few cases this resulted in overpayments and the inability to assess whether activities were completed as planned. In one representation, there was a critical need to improve controls over receipt and distribution of core relief items.

(d)   Strategic planning and monitoring: One representation needed to strengthen programme performance management and use performance reports to inform strategic planning and operational decision-making. In another representation, there was a need to implement a multi-functional team approach in monitoring project implementation, undertake a comprehensive assessment of the needs of persons of concern, and verify programme achievements based on UNHCR's results framework.

(e)   Fair protection process and documentation: One representation, even though there were risk indicators relating to the quality of registration data, did not implement timely and adequate mitigating measures to address the serious irregularities found in the registration process. At another representation, OIOS identified the need to strengthen conditions at reception centres, and to facilitate status determination and local integration processes to enhance the protection of persons of concern.

18.   The 86 important recommendations raised in audits of UNHCR field operations related mostly to the need to strengthen controls and procedures over partnership management, procurement and vendor management, supply logistics, basic needs and services, security from violence and exploitation, fair protection process and documentation, strategic planning and monitoring and durable solutions.

19.   During the period, OIOS increased its coverage of protection systems and procedures in its field audits. For example, in the previous reporting period, 69 per cent of field audit

reports included at least one stand-alone protection area, with this figure rising to 94 per cent in the current reporting period. Areas focused on included assessment of the fair protection process and documentation and security from violence and exploitation. OIOS made recommendations, among others, to improve reception conditions, implement measurable protection indicators, and improve procedures over refugee registration, refugee status determination, sexual and gender-based violence and child protection.

20.   In accordance with General Assembly resolution 69/253, internal audit reports issued during the period may be found on the OIOS website (https://oios.un.org)

D.   Review and advisory engagements

21.   OIOS completed one review engagement during the reporting period, which is listed in Annex III.

Review of recurrent issues in programme monitoring in past internal audit reports at UNHCR

22.   The review of recurrent issues in programme monitoring raised in past audits of field operations contained one critical and four important recommendations. The review concluded that the requirements of the Programme Manual were well designed, but field operations did not systematically follow them. A critical need was identified for UNHCR to support field operations in impact monitoring to ensure they have an impact monitoring plan and project level performance plans, and that adequate measures are in place to assess the quality of these plans in assessing performance against established targets. There was also a need for UNHCR to: assign overall accountabilities, responsibilities and authorities for programme monitoring; strengthen the accountability of the multi-functional team in country operations; and introduce controls to ensure alignment between operation plans and planned performance through direct implementation and implementing partners.

E.   Other ad hoc and informal advisory services

23.   During the reporting period, OIOS provided ad hoc advisory and capacity development services to UNHCR as and when requested by Headquarters entities or field offices. These related to change management, human resources management, procurement, partnership management, ethics and staff conduct, accountability, fraud prevention, enterprise risk management, internal control, and policy development.

III.   Status of implementation of recommendations

A.   Overview of the reporting period

24.   OIOS issued 146 recommendations for the 24 audits completed, out of which 124 (85 per cent) were important and 22 (15 per cent) were critical. The breakdown of the recommendations by audit report is provided in annexes I, II and III.

B.   Open recommendations

25.   At the end of the reporting period, 145 recommendations remained open, of which 126 were important and 19 were critical. Their ageing is shown in Figure 2.

Figure 2 – Age and classification of open recommendations as at 30 June 2019²
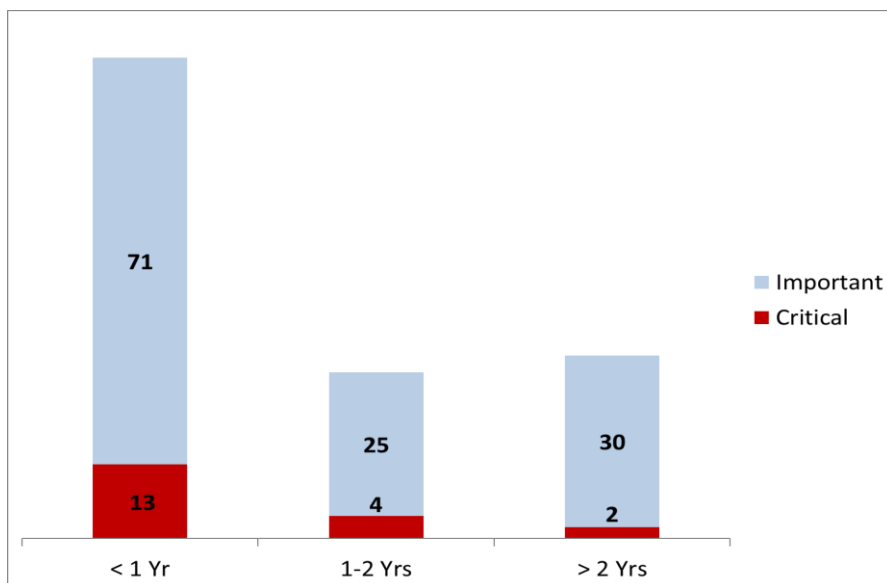
26.   During the reporting period, the number of open recommendations increased from 129 as at 30 June 2018 to 145 as at 30 June 2019. This was mainly due to OIOS issuing 13 more recommendations in 2018-19 compared to the previous reporting period.

27.   The implementation schedule as well as the regional bureau / division responsible for taking action on open recommendations are detailed in Annex IV.

28.   A total of 32 open recommendations were over two years old at the end of the reporting period, compared to 29 a year earlier. A list of the audits which were the source of these recommendations is provided in Annex V.

29.   The list of all open recommendations as at 30 June 2019 will be provided on the website of the Executive Committee of the High Commissioner's Programme available at https://www.unhcr.org/2019-executive-committee-session.html

C.   Past due critical recommendations

30.   Annex VI provides details of the 14 critical recommendations, the implementation of which was overdue, together with the last update on the progress made to date.

D.   Closed recommendations

31.   During the year, 133 recommendations were closed, 125 of which were fully implemented. Two recommendations were closed without implementation, having been overtaken by events. Another six recommendations were closed without implementation, with the management of UNHCR accepting the associated risks. These related to inability of UNHCR to: recover amounts due from implementing partners (three instances); reconcile core relief items to provide assurance that they all had been accounted for (two instances); and obtain reimbursement for uncollected refugee health insurance cards before their expiry.

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² The 84 recommendations aged less than one year include 45 recommendations (4 critical and 41 important) which have not yet reached their estimated implementation date, as provided by UNHCR management. The majority of them relate to audit reports issued in the last six months. The 29 recommendations aged between one and two years include 2 recommendations (1 critical and 1 important) which had not yet reached their target date for implementation.

E. Savings and recoveries

32. As a result of the implementation of OIOS recommendations, some significant savings/cost recoveries have been made by UNHCR. For instance, following an OIOS recommendation for UNHCR to review the insurance premium rates and the level of funds in the medical insurance plan reserve fund based on actuarial assessment, UNHCR reduced premiums in certain locations. This has resulted in savings to the organization well in excess of $2.5 million, representing reduced employer contribution over a three-year period. Additionally, UNHCR took action to implement an OIOS recommendation for UNHCR to seek recovery of potentially fraudulent education grant payments from two staff members totalling $275,448. Subsequent to an investigation by UNHCR, an amount of $263,617 fraudulently obtained by a staff member was transferred to UNHCR. UNHCR had previously recovered $14,571 from the other staff member.

IV. Work planning

33. Annual risk-based workplans, covering the period 1 January to 31 December, were prepared for 2018 and 2019 in accordance with the risk-based planning process of OIOS. The selected engagements were discussed with UNHCR management to validate and confirm the areas identified for audit. OIOS also held discussions with the United Nations Board of Auditors (BOA), the Joint Inspection Unit (JIU), UNHCR's Evaluation Service and UNHCR's Inspector General's Office (IGO) to minimize duplication and to optimize oversight coverage. Work planning discussions were also held with the Chief Risk Officer, the Head of the Ethics Office, the Ombudsperson, the Director of Change Management, the Head of Legal Affairs Service and the Controller.

34. UNHCR's Independent Audit and Oversight Committee (IAOC) reviewed the 2019 work planning process and proposed engagements. The final workplan was endorsed by the High Commissioner and approved by the Under-Secretary-General of OIOS.

35. The status of the engagements in the 2018 and 2019 workplans was reported to UNHCR management on a quarterly basis and was periodically discussed with the IAOC.

V. Staffing and budget resources

A. Staffing

36. OIOS had a total of 26 posts approved and dedicated to UNHCR activities for 2018 and 2019, as shown in Table 2. As at 30 June 2019, 24 of the 26 posts were filled and recruitment action was ongoing for the 2 vacant posts.

Table 2 – Approved posts for 2018 and 2019

Location	Geneva		Nairobi		Amman		Budapest		Total	
Type of staff/ Year	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
Professional	9	9	6	7	3	2	4	4	22	22
General Service	3	3	1	1	--	--	--	--	4	4
Total	**12**	**12**	**7**	**8**	**3**	**2**	**4**	**4**	**26**	**26**

B. Budget

37. Table 3 shows the budgets provided for internal audit for 2018 and 2019.

Table 3 - Internal audit budgets for 2018 and 2019

Cost category	2018	2019
Staff costs	$4,962,000	$4,962,000
Non-staff	$878,533	$989,393
Total	**5,840,533**	**$5,951,393**

VI. Cooperation and coordination

A. Independent Audit and Oversight Committee

38.   OIOS attended the three IAOC meetings held during the reporting period to discuss risk-based work planning, workplan implementation and other relevant audit matters. IAOC appreciated OIOS' broader audit coverage of strategic risks at UNHCR and noted the level and quality of the relationship and coordination with UNHCR management.

39.   OIOS is highly appreciative of the IAOC's support of its internal audit work and welcomed all recommendations of IAOC during the year regarding internal audit at UNHCR.

B. UNHCR management

40.   During the reporting period, OIOS met regularly with the High Commissioner, the Deputy High Commissioner, the two Assistant High Commissioners and the Chef de Cabinet to discuss matters relating to audit and oversight. OIOS also met with Directors of regional bureaux and divisions and Representatives on different occasions to discuss the timing, scope and objectives of, and issues arising from, specific audit and advisory engagements. Periodic meetings were held with the Controller, the Chief Risk Officer, the Head of the Ethics Office, the Principal Policy Adviser in the Executive Office, and the Director of Change Management on matters of mutual interest.

C. UNHCR Inspector General's Office

41.   OIOS and the IGO continued to work closely during the period on matters related, inter alia, to effective collaboration and communication with UNHCR management, strengthening of OIOS capacity to audit protection matters, and improving UNHCR personnel's understanding of the internal audit process. Issues that arose during audits requiring investigation were referred to the IGO's Investigation Service for follow-up. Regarding previous referrals, OIOS periodically followed up with the IGO on the outcome of these referrals to ensure any internal control weaknesses identified are reviewed in future audits.

D. United Nations oversight bodies

42.   OIOS met regularly with the BOA and the JIU to share information and minimize overlap in oversight activities. OIOS routinely shared workplans with the BOA and the JIU, notified them of audits during the planning stage, and provided them with copies of final reports.

43.   OIOS also continued to participate actively in the work of representatives of Internal Audit Services of the United Nations Organizations and Multilateral Financial Institutions (RIAS) and attended the annual RIAS meeting in Addis Ababa, which took place in September 2018. OIOS was also involved in matters related to RIAS' cooperation with the United Nations Chief Executives Board and its entities, notably the High-Level Committee on Management.

VII. Professional initiatives

44.   OIOS continued to review the quality of its work to ensure it: (a) operates in an effective and efficient manner; (b) achieves consistency in compliance with the International Standards for the Professional Practice of Internal Auditing, Definition of Internal Audit and Code of Ethics; and (c) enhances its ability to add value and improve organizational operations.

45.   During the period, OIOS issued further guidance on incorporating data analytics in its work, developing audit techniques to better identify indicators of fraud and embedding an assessment of risk culture into its audits. As part of the programme designed in 2017 to strengthen the capacity of internal audit staff to audit protection systems and procedures at UNHCR, a protection training workshop for auditors was organized in December 2018 in collaboration with the IGO. During the reporting period, OIOS also benefitted greatly from the involvement of UNHCR staff as subject matter experts in protection and other areas for audits of UNHCR field operations and thematic audits.

Annex I

Final reports issued from 1 July 2018 to 30 June 2019
Headquarters functions, thematic areas, and information and communications technology

				Number of recommendations	
No.	*Report number*	*Assignment title*	*Date of final report*	*Important*	*Critical*
1	2018/091	Audit of the upgraded MSRP Human Resources Module at the Office of the United Nations High Commissioner for Refugees	10-Oct-18	4	1
2	2018/128	Audit of warehouse management in field operations of the Office of the United Nations High Commissioner for Refugees	12-Dec-18	5	0
3	2018/143	Audit of the arrangements for reporting on the use of donor funds at the Office of the United Nations High Commissioner for Refugees	20-Dec-18	6	0
4	2019/011	Audit of the upgraded MSRP Finance and Supply Chain Module at the Office of the United Nations High Commissioner for Refugees	13-Mar-19	8	0
5	2019/042	Audit of the arrangements for cash-based interventions in the Syrian emergency at the Office of the United Nations High Commissioner for Refugees	14-Jun-19	5	0
6	2019/040	Audit of emergency preparedness at the Office of the United Nations High Commissioner for Refugees	14-Jun-19	6	0
Total				34	1

Annex II

Final reports issued from 1 July 2018 to 30 June 2019
Field operations

No.	Report number	Assignment title	Date of final report	Number of recommendations	
				Important	*Critical*
1	2018/080	Audit of the operations in Angola for the Office of the United Nations High Commissioner for Refugees	01-Sep-18	5	0
2	2018/081	Audit of the operations in Zambia for the Office of the United Nations High Commissioner for Refugees	10-Sep-18	2	4
3	2018/097	Audit of the operations in Uganda for the Office of the United Nations High Commissioner for Refugees	17-Oct-18	6	6
4	2018/110	Audit of the operations in South Sudan for the Office of the United Nations High Commissioner for Refugees	19-Nov-18	5	0
5	2018/118	Audit of the operations in the Syrian Arab Republic for the Office of the United Nations High Commissioner for Refugees	30-Nov-18	6	0
6	2018/135	Audit of the operations in Lebanon for the Office of the United Nations High Commissioner for Refugees	14-Dec-18	3	0
7	2018/137	Audit of the operations in Djibouti for the Office of the United Nations High Commissioner for Refugees	18-Dec-18	5	1
8	2018/145	Audit of the operations in Côte d'Ivoire for the Office of the United Nations High Commissioner for Refugees	20-Dec-18	4	0
9	2018/152	Audit of the Regional Representation for Western Europe for the Office of the United Nations High Commissioner for Refugees	31-Dec-18	7	0
10	2019/002	Audit of the operations in Afghanistan for the Office of the United Nations High Commissioner for Refugees	24-Jan-19	7	1
11	2019/003	Audit of the regional operations for Northern Europe in Sweden for the Office of the United Nations High Commissioner for Refugees	29-Jan-19	4	0
12	2019/005	Audit of the operations in Ukraine for the Office of the United Nations High Commissioner for Refugees	18-Feb-19	5	0
13	2019/007	Audit of the operations in Libya for the Office of the United Nations High Commissioner for Refugees	01-Mar-19	4	4
14	2019/020	Audit of the operations in Malawi for the Office of the United Nations High Commissioner for Refugees	29-Mar-19	7	0

No.	Report number	Assignment title	Date of final report	Number of recommendations	
				Important	Critical
15	2019/035	Audit of the operations in Tanzania for the Office of the United Nations High Commissioner for Refugees	22-May-19	3	3
16	2019/039	Audit of the emergency response in Nigeria for the Office of the United Nations High Commissioner for Refugees	12-Jun-19	7	1
17	2019/041	Audit of the operations in Mexico for the Office of the United Nations High Commissioner for Refugees	14-Jun-19	6	0
Total				86	20

Annex III

Final reports issued from 1 July 2018 to 30 June 2019
Review and advisory engagements

No.	Report number	Assignment title	Date of final report	Number of recommendations	
				Important	*Critical*
1	2018/111	A review of recurrent issues in programme monitoring in past internal audit reports at the Office of the United Nations High Commissioner for Refugees	19-Nov-18	4	1
Total				4	1

Open Recommendations by Regional Bureau / Division as at 30 June 2019

Region/ Division	Number of Outstanding recommendations			Critical recommendations Implementation Schedule		
	Total	Important	Critical	3rd quarter of 2019	4th quarter 2019 & beyond	Past due
Bureau for Africa	52	39	13	1	1	11
Bureau for the Americas	3	3	0	0	0	0
Bureau for Asia and the Pacific	2	2	0	0	0	0
Bureau for Europe	2	2	0	0	0	0
Bureau for the Middle East and North Africa	17	15	2	0	0	2
Division of Emergency Security and Supply	13	13	0	0	0	0
Division of External Relations	6	6	0	0	0	0
Division of Finance and Administrative Management	10	10	0	0	0	0
Division of Human Resources	19	16	3	0	2	1
Division of Information Services and Technology	7	7	0	0	0	0
Division of Programme Support and Management	9	9	0	0	0	0
Executive Office	5	4	1	0	1	0
Total	145	126	19	0	4	14

Annex V

Recommendations open for more than two years and already past their due date as at 30 June 2019

Assignment number	Report title	Report date	Number of recommendations		
			Important	*Critical*	*Total*
AR2012/112/03	Audit of the operations in Ethiopia for the Office of the United Nations High Commissioner for Refugees	25-Mar-13	1	0	1
AR2012/112/02	Audit of the operations in Uganda for the Office of the United Nations High Commissioner for Refugees	27-Mar-13	1	0	1
AR2013/131/01	Audit of the operations in Iraq for the Office of the United Nations High Commissioner for Refugees	30-Dec-13	1	0	1
AR2013/111/04	Audit of the operations in Niger for the Office of the United Nations High Commissioner for Refugees	30-Jun-14	1	0	1
AR2013/162/01	Audit of the management of the affiliated workforce of the Office of the United Nations High Commissioner for Refugees	30-Jun-14	1	0	1
AR2014/115/03	Audit of the operations in Chad for the Office of the United Nations High Commissioner for Refugees	11-Jun-15	1	0	1
AR2014/161/01	Audit of the arrangements for official travel at headquarters and in field operations in the Office of the United Nations High Commissioner for Refugees	01-Sep-15	2	0	2
AR2015/166/01	Audit of information and communication technology hosting services provided by third parties to the Office of the United Nations High Commissioner for Refugees	30-Sep-15	1	0	1
AR2014/160/03	Audit of the arrangements for implementing partner personnel costs in the Office of the United Nations High Commissioner for Refugees	26-Oct-15	1	0	1
AR2015/162/01	Audit of entitlements on appointment, reassignment and separation of staff at the Office of the United Nations High Commissioner for Refugees	24-Nov-15	3	0	3
AR2015/113/01	Audit of the operations in Zambia for the Office of the United Nations High Commissioner for Refugees	24-Mar-16	1	0	1
AR2015/163/02	Audit of water, sanitation and hygiene programmes in the Office of the United Nations High Commissioner for Refugees	28-Mar-16	1	0	1
AR2015/112/02	Audit of the operations in South Sudan for the Office of the United Nations High Commissioner for Refugees	18-May-16	1	0	1

Assignment number	Report title	Report date	Number of recommendations		
			Important	*Critical*	*Total*
AR2016/163/01	Audit of the Regional Bureau for Africa of the United Nations High Commissioner for Refugees	11-Aug-16	1	0	1
AR2016/131/01	Audit of the operations in Western Sahara for the Office of the United Nations High Commissioner for Refugees	29-Aug-16	1	0	1
AR2015/167/02	Audit of the arrangements for fleet management at the Office of the United Nations High Commissioner for Refugees	08-Sep-16	2	0	2
AR2016/110/02	Audit of the operations in Niger for the Office of the United Nations High Commissioner for Refugees	09-Sep-16	1	0	1
AR2016/110/01	Audit of the operations in Uganda for the Office of the United Nations High Commissioner for Refugees	13-Sep-16	1	0	1
AR2016/131/02	Audit of the operations in Central and Southern Iraq for the Office of the United Nations High Commissioner for Refugees	05-Dec-16	1	0	1
AR2016/162/01	Audit of the Medical Insurance Plan at the Office of the United Nations High Commissioner for Refugees	09-Dec-16	2	0	2
AR2016/110/06	Audit of the Regional Representation for West Africa for the Office of the United Nations High Commissioner for Refugees	30-Dec-16	3	0	3
AR2016/110/05	Audit of the operations in Ethiopia for the Office of the United Nations High Commissioner for Refugees	15-Mar-17	1	2	3
AR2016/110/09	Audit of the operations in Mali for the Office of the United Nations High Commissioner for Refugees	13-Apr-17	1	0	1
Total			**30**	**2**	**32**

Annex VI

Past due critical recommendations as at 30 June 2019

Assignment number	Assignment title	Recommendation	Last update	Report date	Target date	New estimated completion date
AR2016/110/05	Audit of the operations in Ethiopia for the Office of the United Nations High Commissioner for Refugees	The UNHCR Representation in Ethiopia, in coordination with the Bureau for Africa and the Supply Management and Logistics Service, should: (i) arrange for a comprehensive, independent review to be conducted to assess the structural, staffing and training requirements needed to address the systemic and persistent weaknesses in procurement and vendor management; and (ii) develop a plan for completing the ongoing actions to regularize contracts and to review past payments made for goods and services without contracts.	In April 2019, UNHCR provided an update on the recommendation and referred to periodical comprehensive reviews undertaken, but it was not clear what these reviews covered and who conducted them or if they were independent, since the reports on such reviews had not been provided to OIOS.	15-Mar-17	30-Apr-17	None provided
AR2016/110/05	Audit of the operations in Ethiopia for the Office of the United Nations High Commissioner for Refugees	The UNHCR Representation in Ethiopia, in coordination with the Bureau for Africa and the Asset and Fleet Management Section, should review the arrangements over fleet and fuel management in Ethiopia to ensure implementation of appropriate controls over determination of vehicle needs, disposal of vehicles, vehicle insurance schemes, and allocation and utilization of vehicles and fuel and maintenance costs among partners and UNHCR offices.	In April 2019, UNHCR provided an update on the recommendation and stated that it had conducted a comprehensive exercise for the planning of an optimal fleet size for 2019. OIOS took note of the work done to rationalize the number of vehicles, but the recommendation can be closed only upon receipt of evidence that the Representation has determined the size of its fleet based on a robust needs assessment and that the disposal of the remaining 122 vehicles has been completed at least substantially.	15-Mar-17	30-Apr-17	None provided
AR2017/111/02	Audit of the operations in Somalia for the Office of the United Nations High Commissioner for Refugees	The UNHCR Representation in Somalia should implement an action plan to ensure that: (i) risks associated with selection and retention of partners, designation of procurement authority to partners, preparation of Project Partnership Agreements, and monitoring of partners, including through remote mechanisms, are effectively managed; and (ii) there is sufficient project control	In May 2019, UNHCR provided an update on steps taken to implement the recommendation. In order to close the recommendation, OIOS would still like to receive documentary evidence that all mechanisms have been exhausted to recover funds due from the partners.	13-Jul-17	31-Jul-17	None provided

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		capacity to provide support for oversight of project activities.				
AR2017/111/04	Audit of the operations in Cameroon for the Office of the United Nations High Commissioner for Refugees	The UNHCR Representation in Cameroon should put in place adequate coordination mechanisms and management oversight arrangements to ensure that the requirements for selection and retention of partners, conclusion of project partnership agreements, procurement designated to partners, and financial and performance monitoring including follow-up on recommendations raised in project audits and recovery of partner receivables, are systematically complied with and the associated risks are effectively managed.	In May 2019, UNHCR provided an update on steps taken to implement the recommendation. OIOS however noted that no evidence was provided of the corrective measures taken to prevent reoccurrence of the lack of recovery of partner audit receivables and inability to close long pending recommendations.	29-Sep-17	31-Dec-17	None provided
AR2017/162/01	Audit of arrangements for staff accommodation in field operations of the Office of the United Nations High Commissioner for Refugees	The UNHCR Division of Human Resources Management should revisit the governance and management accountability arrangements for staff accommodation; and in particular: (a) reactivate the Steering Committee on Staff Accommodation to robustly oversee the work and resources of the Global Staff Accommodation Unit (GSAU); (b) take action to ensure systemic issues identified by GSAU are addressed, including the need to reinvest rental income to improve standards of accommodation; and (c) put in place appropriate coordination mechanisms with the Regional Bureaux on staff accommodation matters and ensure that the respective responsibilities are clear.	In May 2019, UNHCR stated that it had revisited the governance and management accountability arrangements for staff accommodation and drafted an Administrative Instruction that would be published and accordingly requested an extension of the target date for implementation to 30 September 2019.	17-Nov-17	31-Dec-18	30-Sep-19
AR2018/111/02	Audit of the operations in Zambia for the Office of the United Nations High Commissioner for Refugees	The UNHCR Representation in Zambia should: (i) reconcile funds made to the Governments of Zambia and Rwanda with deliverables received; (ii) develop an accelerated plan for delivery of permits and passports and/or initiate repayment of funds for all outstanding balances; and (ii) prioritize	In May 2019, UNHCR provided an update on steps taken to implement the recommendation. OIOS noted the progress achieved in preparing the protection strategy and related procedures. In order to close the recommendation, OIOS would still like to receive evidence of the reconciliations done between the amounts paid for and what was	10-Sep-18	31-Mar-19	None provided

Assignment number	Assignment title	Recommendation	Last update	Report date	Target date	New estimated completion date
		the development of a protection strategy backed by up-to-date standard operating procedures to provide requisite support to persons of concern.	eventually processed and issued, as well as an accelerated plan for the receipt of outstanding permits and passports.			
AR2018/111/02	Audit of the operations in Zambia for the Office of the United Nations High Commissioner for Refugees	The UNHCR Representation in Zambia should prepare a comprehensive emergency preparedness plan incorporating contingency and business continuity plans and strengthen its controls and accountability mechanisms for the management of core relief items during emergency.	In May 2019, UNHCR stated that a partial reconciliation had been made by UNHCR on the items listed in the 2017 core relief item inventory, and that it believed that it would not be cost-effective to invest time and resources in reviewing prior year transactions to fully account for all items. Accordingly, UNHCR requested closure of this recommendation. OIOS has requested that this issue be escalated to the Senior Executive Team for their review and approval prior to it being closed without full implementation.	10-Sep-18	31-Mar-19	None provided
AR2018/111/02	Audit of the operations in Zambia for the Office of the United Nations High Commissioner for Refugees	The UNHCR Representation in Zambia, in collaboration with the Regional Representation for Southern Africa and the Regional Bureau for Africa, should undertake a comprehensive review of its procurement function and processes and prepare a time bound action plan for addressing the systemic and pervasive issues raised in this audit.	In their May 2019 reply, UNHCR stated that efforts initiated to resolve disputes with suppliers were not successful and, based on advice from the Legal Affairs Service not to proceed with arbitration or other legal means, closure of this recommendation was requested, given the practical impossibility to obtain a recovery of the overpayments made. OIOS has requested that this issue be escalated to the Senior Executive Team for their review and approval prior to it being closed without full implementation.	10-Sep-18	31-Mar-19	None provided
AR2018/111/01	Audit of the operations in Uganda for the Office of the United Nations High Commissioner for Refugees	The UNHCR Representation in Uganda should: (a) review the Project Partnership Agreement (PPA) and budget with the Office of the Prime Minister (OPM), and implement mitigating measures to reduce the risks of poor use of resources, irregularities, potential conflict of interest and weak controls; and (b) undertake a detailed review of the purchase of a plot of land being used as a parking plot by OPM and take appropriate	In March 2019, UNHCR provided an update on this recommendation. In order to close the recommendation, UNHCR should provide to OIOS: (a) the 2019 PPAs with OPM, with further evidence of the review of the PPA and budget, with the aim to significantly reduce the risks of unproductive use of resources; and (b) UNHCR report on the review of the purchase of the plot of land as well as senior management approved conclusion on this issue or recovery of the $320,000 partly or fully.	17-Oct-18	15-Dec-18	None provided

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		action, including if warranted, recovery of the amount of $320,000 or part of it.				
AR2018/111/01	Audit of the operations in Uganda for the Office of the United Nations High Commissioner for Refugees	UNHCR should assess what accountability measures need to be taken for the undue prolongation of expensive and unsustainable emergency water trucking services, absence of competitive tendering, override of controls and poor contract management, leading to substantial loss of resources, failure to achieve value for money, and the creation of a potentially significant liability outside its accounting records.	In their March 2019 reply, UNHCR stated that action was ongoing, and that it would update OIOS on this later. In order to close the recommendation, OIOS would like to receive inputs on the accountability measures taken as indicated in the audit report.	17-Oct-18	30-Jun-19	
AR2018/111/01	Audit of the operations in Uganda for the Office of the United Nations High Commissioner for Refugees	UNHCR should: (a) establish accountability for failure to take timely corrective measures on the irregularities in registration activities; and (b) conduct a lessons learned exercise over registration activities in Uganda and implement effective risk management procedures over registration, including risk mitigation measures, regular management reviews of risks, and timely escalation of high risks to appropriate management levels for action.	In their March 2019 update, UNHCR informed OIOS that a lessons learned exercise had been conducted and the findings provided to Executive Management. For the concrete accountability measures taken on this issue, action was currently ongoing. To close this recommendation, UNHCR should provide to OIOS key conclusions of the lessons learned exercise on registration activities, and concrete accountability measures taken.	17-Oct-18	30-Jun-19	
AR2018/111/01	Audit of the operations in Uganda for the Office of the United Nations High Commissioner for Refugees	The UNHCR Representation in Uganda should: (a) review the prequalified status of the logistics partner to conduct procurement on UNHCR's behalf and the partner's capacity to implement construction activities in future, in view of the numerous weaknesses identified in its road construction activities; (b) find a sustainable solution for the maintenance of constructed roads; and (c) verify the total kilometers of roads constructed to ensure they have been completed as planned and make appropriate recoveries if warranted.	In their March 2019 update, UNHCR provided an update on the resolution of prequalification status of the partner. In order to close the recommendation, OIOS would still like to receive: (i) a long term sustainable strategy and action plan to maintain the 1,300 kilometres of roads; (ii) evidence of full recovery of the remaining balance amount from the logistics partner; and (iii) submission of required documents to Ugandan Revenue Authority on behalf of all the partners for value added tax refunds.	17-Oct-18	31-Dec-18	None provided

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AR2018/131/04	Audit of the operations in Libya for the Office of the United Nations High Commissioner for Refugees	The UNHCR Mission in Libya should develop and execute an action plan to satisfy the fundamental requirements of operations management, which should include, inter alia, implementing the mandatory multi-functional team approach, undertaking a comprehensive assessment of the needs of persons of concern, and verifying the programme achievements based on UNHCR's Results Framework.	In their May 2019 update, UNHCR provided an update on actions taken. In order to close the recommendation, OIOS would like to receive: (i) evidence of a comprehensive needs assessment conducted, covering also internally displaced people; (ii) a monitoring strategy, including through remote monitoring techniques; and (iii) a comprehensive and accurate key indicator report supported by evidence of implementation of the above-mentioned monitoring strategy.	01-Mar-19	30-Apr-19	None provided
AR2018/131/04	Audit of the operations in Libya for the Office of the United Nations High Commissioner for Refugees	The UNHCR Mission in Libya should implement an action plan to increase staff awareness of established policies and guidelines in partnership management and strengthen management oversight over selection and retention of partners, procurement by partners, and financial and performance monitoring of projects, including through robust remote management techniques.	In their May 2019 update, UNHCR provided an update on actions taken. In order to close the recommendation, OIOS would like to receive: (i) evidence of full recovery of all project headquarters support cost overpayments for 2017 and 2018; and (ii) the finalized performance monitoring strategy.	01-Mar-19	30-Jun-19	30-Sep-19

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