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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 2015 to 30 June 2016

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 2015 to 30 June 2016. 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

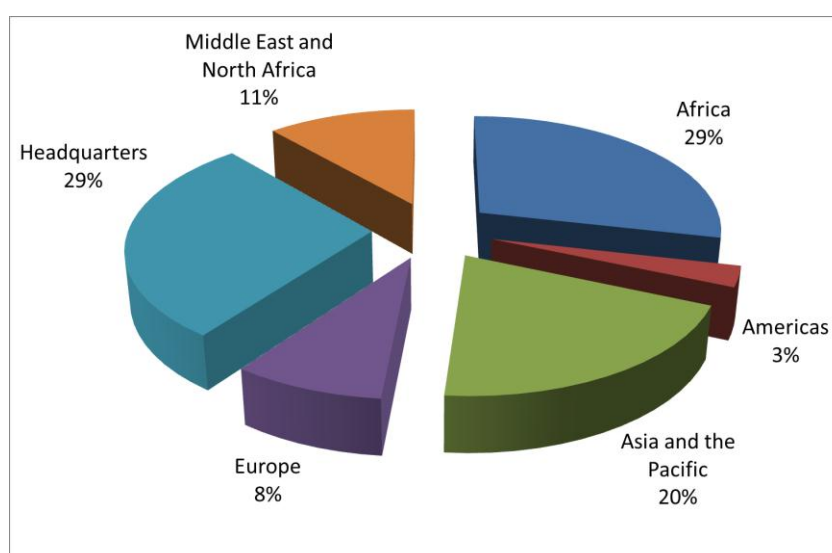
1. This report provides an overview of the internal audit services rendered by the Office of Internal Oversight Services (OIOS) to the Office of the United Nations High Commissioner for Refugees (UNHCR) during the period from 1 July 2015 to 30 June 2016. It is prepared for consideration during the sixty-seventh 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) The 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) The Secretary-General's Bulletin ST/SGB/273 on the establishment of the Office of Internal Oversight Services; and
 - (e) The Memorandum of Understanding that defines the responsibilities for the internal audit services that OIOS provides to UNHCR, which was signed on 17 December 2014 by the High Commissioner and the Under-Secretary-General of OIOS.

II. Overview of results

A. Audit coverage and ratings

3. OIOS completed 35 audits during the reporting period (see annexes I and II for the list). Figure 1 shows the audit coverage of assignments by region.

Figure 1 – Reports issued from 1 July 2015 to 30 June 2016 by region

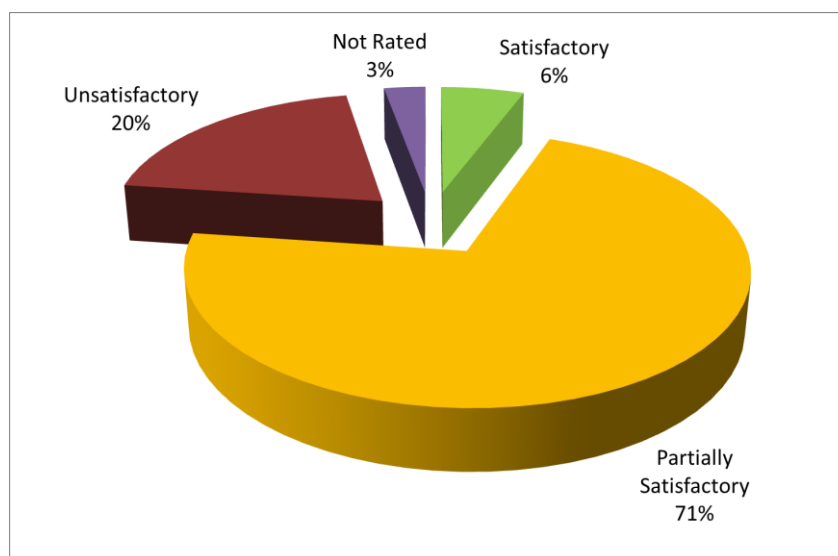


4. The audits were assigned one of the following ratings :
 - A rating of “satisfactory” means that governance, risk management, and control processes are adequately designed and operating effectively to provide reasonable assurance regarding the achievement of control and/or business objectives under review;

- A rating of “partially satisfactory” means that important (but not critical or pervasive) deficiencies exist in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review; and
- A rating of “unsatisfactory” means that one or more critical and/or pervasive important deficiencies exist in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

5. Figure 2 shows the overall distribution of ratings for the 35 audits completed during the reporting period.

Figure 2 – Ratings of reports issued from 1 July 2015 to 30 June 2016



6. The results of the audits are summarized below.

B. Headquarters and information and communications technology

7. OIOS completed 10 headquarters and information and communications technology (ICT) audits during the reporting period, which are listed in annex I.

8. The reports for these audits included 4 critical and 49 important recommendations. Brief summaries of the key results from these audits are provided below.

Management of procurement entrusted to partners

9. OIOS conducted a thematic audit related to procurement undertaken by partners on behalf of UNHCR. The audit identified that none of the 16 field operations covered by the audit were conducting comprehensive assessments to determine whether it was more effective and efficient for procurement to be undertaken directly by UNHCR or through the partnership modality. In 12 of the 16 operations reviewed, partners’ capacity to procure was not assessed, and in 11 operations, the monitoring of procurement entrusted to partners was deficient. The centralized process at UNHCR Headquarters of pre-qualifying partners was also slow. Measures had also not been systematically established for detecting and preventing fraud in this inherently high-risk activity. UNHCR accepted the OIOS recommendations, four of which were rated as critical, to address the identified gaps at the institutional level and was taking corrective action.

Management of partner personnel costs

10. OIOS conducted a thematic audit of UNHCR's planning and monitoring controls of personnel-related costs of 54 partners operating in 12 field operations. The audit identified that UNHCR needed to: (a) further refine and elaborate guidelines to assist field operations in establishing uniform scales governing UNHCR contributions to salaries of partner personnel that are consistent with local conditions; (b) ensure that partner salaries are fixed at levels commensurate with the established scales; and (c) monitor that partner personnel budgets are established on a sound basis. UNHCR accepted and was in the process of implementing the OIOS recommendations.

Management of water, sanitation and hygiene programmes

11. OIOS conducted a thematic audit of UNHCR's water, sanitation and hygiene (WASH) programmes in Headquarters in Geneva and 12 field operations. The audit identified that UNHCR needed to: (a) ensure that all priority operations have appropriate local strategies for WASH interventions; (b) develop and roll out the upgraded online platform for managing and analysing public health data, including WASH data; (c) collect accurate baseline, target and population data for WASH programming; (d) make concerted efforts to sustain the delivery of the minimum standards for provision of WASH services; and (e) address funding shortfalls and keep track of the cost of delivery of WASH programmes. UNHCR accepted and was in the process of implementing the OIOS recommendations.

Management of cash-based interventions

12. OIOS conducted a thematic audit of UNHCR's management of cash-based interventions (CBI) covering Headquarters in Geneva and seven field operations. The audit identified that UNHCR needed to: (a) finalize a strategic plan to articulate the business model, objectives and goals of CBI; (b) strengthen partnerships with United Nations agencies and non-governmental organizations regarding CBI; (c) carry out a comprehensive assessment of risks related to CBI at the global level; (d) provide guidance to field operations on financial and administrative procedures for CBIs; (e) improve vulnerability criteria and targeting methodologies; and (f) help field operations to put in place standard operating procedures for implementing CBI programmes. As at 30 June 2016, UNHCR had implemented three of the six recommendations made.

Information and communications technology management

13. The OIOS review of the ICT hosting services provided to UNHCR by third parties indicated that there was a need for UNHCR to: (a) update its ICT strategy to reflect the use of hosting and cloud services; (b) implement measures to facilitate physical verification of assets located at the site of a hosting services provider; and (c) store off-site the information held in the premises of the same hosting services provider. UNHCR accepted and was in the process of implementing the OIOS recommendations.

14. OIOS also conducted an audit of UNHCR's arrangements for provision of ICT support to field operations. The audit identified that UNHCR needed to: (a) ensure that ICT services are recognized as a key support function and appropriate staffing benchmarks developed; (b) strengthen monitoring of the support provided to field operations by the external service provider; (c) ensure sufficient level of critical ICT equipment for emergencies; (d) remind and guide field operations on responsibilities for maintaining and supporting non-standard ICT applications; (e) ensure that field operations have secondary Internet connectivity; and (f) ensure that inventory of ICT assets and resources is completed so that support requirements could be better assessed. UNHCR initiated actions to implement the OIOS recommendations.

C. Field operations

15. OIOS completed 25 field operations audits during the reporting period, which are listed in annex II.

16. The reports for these audits included 19 critical and 126 important recommendations. Brief summaries of the systemic issues highlighted in these audits are provided below.

Vendor management and procurement activities

17. In 2015, UNHCR field operations spent \$688 million on acquiring goods and services. In 21 out of the 25 audits of field operations, OIOS recommended improvements to the vendor management and procurement practices. In the operations in Cameroon, the Democratic Republic of the Congo, Djibouti, Lebanon, South Sudan and Ukraine, OIOS made critical recommendations to address weaknesses in vendor registration and the lack of competitive and transparent procurement processes. All six UNHCR operations implemented the OIOS recommendations to strengthen controls over these activities.

Monitoring of distribution of non-food items

18. In 2015, UNHCR distributed non-food items (NFIs) to persons of concern totalling \$318 million. In the UNHCR operations in Cameroon, Libya and Ukraine, OIOS made critical recommendations to address control deficiencies pertaining to insufficient monitoring of NFI distributions. Although all three operations subsequently implemented the recommendations, systemic control weaknesses were also identified in another nine operations audited, increasing the risk that distribution of NFIs was not properly monitored and controlled.

Monitoring of projects implemented by partners

19. In 2015, UNHCR spent \$1.3 billion through its partnerships. In 23 out of the 25 audits of UNHCR field operations, OIOS recommended improvements to monitoring of partners' project activities. In the operations in Cameroon, the Democratic Republic of the Congo and Egypt, OIOS made critical recommendations to address lax controls for monitoring the use of funds provided to partners to implement projects. OIOS recommendations to develop and execute a risk-based plan for monitoring project activities reported on by partners were either implemented or in the process of being implemented by these operations.

D. Advisory services

20. During the reporting period, OIOS provided advice to UNHCR as and when requested by headquarters entities or field offices. This related to various issues, such as enterprise risk management, programme management, partnership management, and ICT.

III. Status of implementation of recommendations

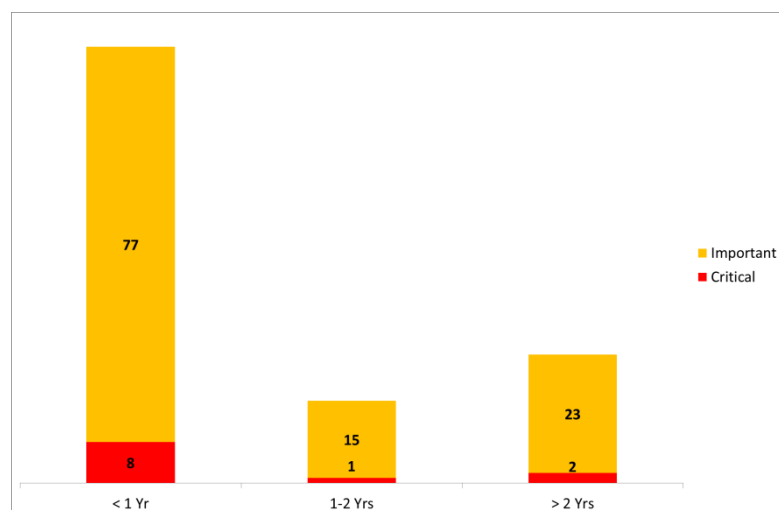
A. Overview of the reporting period

21. OIOS issued 198 recommendations for the 35 audits completed, out of which 175 (88 per cent) were important and 23 (12 per cent) were critical. The breakdown of the recommendations by audit report is provided in annexes I and II.

B. Overview of open recommendations

22. At the end of the reporting period, there were 126 recommendations open, of which 115 were considered to be important and 11 were critical. Their ageing is shown in figure 3.

Figure 3 – Age and classification of open recommendations as of 30 June 2016



23. During the reporting period, the number of open recommendations decreased slightly from 128 as at 30 June 2015 to 126 as at 30 June 2016. The Policy and Audit Coordination Unit of the Division of Financial and Administrative Management provided effective support to OIOS in following up on implementation of recommendations.

24. A total of 25 open recommendations were over two years old at the end of the reporting period. A list of the audits which were the source of these recommendations is provided in annex III.

C. Past due critical recommendations

25. Annex IV provides details of seven critical recommendations, the implementation of which was overdue, together with the last update on the progress made to date. These recommendations were expected to be implemented during 2016.

26. OIOS continues to follow up with the support of the Division of Financial and Administrative Management on the implementation of these recommendations.

D. Overview of closed recommendations

27. During the year, 200 recommendations were closed, out of which 185 were fully implemented. Fifteen recommendations were closed without implementation because the issues they addressed were overtaken by the passage of time, would be pursued through another existing recommendation and/or were to be reassessed in other planned audits.

IV. Work planning

28. Annual risk-based work plans, covering the period 1 January to 31 December, were prepared for 2015 and 2016 in accordance with OIOS risk assessment and planning processes. The selected assignments 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 Policy Development and Evaluation Service, and UNHCR's Inspector General's Office (IGO) as a way of minimizing duplication and optimizing oversight coverage of UNHCR activities.

29. UNHCR's Independent Audit and Oversight Committee (IAOC) reviewed the 2016 work planning process and proposed assignments. The final work plan was endorsed by the High Commissioner and approved by the Under-Secretary-General of OIOS.

30. The status of the engagements in the 2015 and 2016 work plans was reported to UNHCR management on a quarterly basis and was periodically discussed with the IAOC.

V. Staffing and budget resources

A. Staffing

31. OIOS had a total of 25 posts approved and dedicated to UNHCR activities for 2015, and 26 posts for 2016, as shown in table 1. As at end June 2016, 23 of the 26 posts were filled and recruitment action was ongoing for the three vacant posts.

Table 1 – Approved posts for 2015 and 2016

Location	Geneva		Nairobi		Amman		Islamabad*		Budapest		Total	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
Type of staff/Year												
Professional	9	9	6	6	5	5	1	--	--	2	21	22
General Service	3	3	1	1	--	--	--	--	--	--	4	4
Total	12	12	7	7	5	5	1			2	25	26

* One professional level post previously located in Islamabad was transferred to Budapest as of 1 January 2016.

B. Budget

32. Table 2 shows the budgets provided for internal audit for 2015 and 2016.

Table 2 - Internal audit budgets for 2015 and 2016

Cost category	2015	2016
Staff costs	\$5,035,919	\$4,944,924
Non-staff	\$593,226	\$613,226
Total	\$5,629,145	\$5,558,150

VI. Cooperation and coordination

A. Independent Audit and Oversight Committee

33. OIOS attended the three IAOC meetings held during the reporting period to discuss work plan implementation and audit process matters. The IAOC received with appreciation the paper prepared by OIOS on "Key audit issues, risks and control weaknesses in UNHCR". The Committee recommended that the paper be routinely discussed in the

Internal Compliance and Accountability Committee (ICAC) and other senior management

meetings to further analyse the root causes of key audit, risks and internal control issues raised, and prompt the responsible managers to take relevant actions where needed. The IAOC was also pleased to see that OIOS had begun to take into account the risk register of individual UNHCR offices in conducting audit assignments and to use the corporate risk register in preparing the 2017 audit work plan.

B. Internal Compliance and Accountability Committee

34. OIOS attended the only meeting held by ICAC during the reporting period, in December 2015. The issues discussed during the meeting included, *inter alia*: ratings of audit results; ageing of audit recommendations; and status of implementation of critical recommendations.

C. UNHCR management

35. OIOS met with the directors of regional bureaux and divisions and representatives throughout the reporting period to discuss the timing, scope and objectives of audit assignments and other audit related matters. OIOS also held meetings with senior management to discuss and resolve issues arising from audits.

D. United Nations oversight bodies

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

E. UNHCR's Inspector General's Office

37. OIOS and the IGO met regularly during the reporting period to explore synergies and ways to improve information sharing, especially during the planning and follow-up of assignments. OIOS and the IGO, in coordination with the Division of Financial and Administrative Management, also initiated a joint work planning process for 2017 and beyond. As part of this planning process, OIOS, the Division of Financial and Administrative Management and the IGO's Inspection Service met jointly with the senior management of all UNHCR divisions and regional bureaux. The joint planning established a dynamic interface between the two oversight entities and more robust functional coordination that was responsive to UNHCR's oversight needs and requirements.

38. OIOS and the IGO also conducted two joint oversight missions during the period, to South Sudan and the Syrian Arab Republic.

39. Issues that arose during audits requiring investigation were referred to the IGO's Investigation Service for follow-up. With regard to previous referrals, OIOS periodically followed up with the IGO on the outcome of these referrals.

F. Audit focal point, Policy and Audit Coordination Unit, Division of Financial and Administrative Management

40. The Director of the Division of Financial and Administrative Management was the focal point for OIOS, and regular meetings were held with the Policy and Audit Coordination Unit, under the Director's purview. These meetings dealt with work plan issues, follow-up of responses to audit reports and recommendations, and financial and staff resource issues.

Annex I

Final reports issued from 1 July 2015 to 30 June 2016: Headquarters and information and communications technology

	<i>Report Number</i>	<i>Assignment Title</i>	<i>Date of Final Report</i>	<i>Rating</i>	<i>Important Recommendations</i>	<i>Critical Recommendations</i>
1	2015/092	Audit of the arrangements for official travel at Headquarters and in field operations in the Office of the United Nations High Commissioner for Refugees	02-Sep-15	Partially Satisfactory	8	0
2	2015/093	Audit of the arrangements for cash-based interventions in the Office of the United Nations High Commissioner for Refugees	02-Sep-15	Partially Satisfactory	6	0
3	2015/102	Review of recurrent asset and inventory management issues in field operations internal audit reports for the Office of the United Nations High Commissioner for Refugees	24-Sep-15	Not Rated	3	0
4	2015/112	Audit of ICT hosting services provided by third parties to the Office of the United Nations High Commissioner for Refugees	30-Sep-15	Partially Satisfactory	3	0
5	2015/129	Audit of the arrangements for implementing partner personnel costs in the Office of the United Nations High Commissioner for Refugees	26-Oct-15	Partially Satisfactory	6	0
6	2015/145	Audit of entitlements on appointment, reassignment and separation of staff at the Office of the United Nations High Commissioner for Refugees	24-Nov-15	Partially Satisfactory	5	0
7	2015/173	Audit of the Regional Bureau for Middle East and North Africa at the Office of the United Nations High Commissioner for Refugees	16-Dec-15	Partially Satisfactory	5	0
8	2016/024	Audit of ICT support provided to the Office of the United Nations High Commissioner for Refugees field	23-Mar-16	Partially Satisfactory	7	0

	<i>Report Number</i>	<i>Assignment Title</i>	<i>Date of Final Report</i>	<i>Rating</i>	<i>Important Recommendations</i>	<i>Critical Recommendations</i>
		operations				
9	2016/027	Audit of water, sanitation and hygiene programmes in the Office of the United Nations High Commissioner for Refugees	28-Mar-16	Partially Satisfactory	5	0
10	2016/034	Audit of the arrangements for procurement undertaken by partners using the Office of the United Nations High Commissioner for Refugees funds	25-Apr-16	Unsatisfactory	1	4
				Total	49	4

Annex II

Final reports issued from 1 July 2015 to 30 June 2016: Field operations

	<i>Report Number</i>	<i>Assignment Title</i>	<i>Date of Final Report</i>	<i>Rating</i>	<i>Important Recommendations</i>	<i>Critical Recommendations</i>
1	2015/071	Audit of the operations in Ukraine for the Office of the United Nations High Commissioner for Refugees	14-Jul-15	Unsatisfactory	4	3
2	2015/098	Audit of the operations in Lebanon for the Office of the United Nations High Commissioner for Refugees	22-Sep-15	Unsatisfactory	4	3
3	2015/101	Audit of the operations in Somalia for the Office of the United Nations High Commissioner for Refugees	24-Sep-15	Partially Satisfactory	7	0
4	2015/111	Audit of the operations in Algeria for the Office of the United Nations High Commissioner for Refugees	30-Sep-15	Partially Satisfactory	8	0
5	2015/114	Audit of the operations in Indonesia for the Office of the United Nations High Commissioner for Refugees	30-Sep-15	Partially Satisfactory	6	0
6	2015/118	Audit of the regional operations in Panama for the Office of the United Nations High Commissioner for Refugees	13-Oct-15	Partially Satisfactory	6	0
7	2015/121	Audit of the operations in the Democratic Republic of the Congo for the Office of the United Nations High Commissioner for Refugees	14-Oct-15	Unsatisfactory	3	3
8	2015/130	Audit of the operations in Sudan for the Office of the United Nations High Commissioner for Refugees	27-Oct-15	Partially Satisfactory	6	0
9	2015/134	Audit of the operations in Montenegro for the Office of the United Nations High Commissioner for Refugees	02-Nov-15	Partially Satisfactory	4	0

	<i>Report Number</i>	<i>Assignment Title</i>	<i>Date of Final Report</i>	<i>Rating</i>	<i>Important Recommendations</i>	<i>Critical Recommendations</i>
10	2015/142	Audit of the operations in the Central African Republic for the Office of the United Nations High Commissioner for Refugees	24-Nov-15	Partially Satisfactory	6	0
11	2015/156	Audit of the operations in Liberia for the Office of the High Commissioner for Refugees	02-Dec-15	Partially Satisfactory	5	0
12	2015/159	Audit of the operations in Cameroon for the Office of the United Nations High Commissioner for Refugees	03-Dec-15	Unsatisfactory	3	4
13	2015/165	Audit of the operations in Bangladesh for the Office of the United Nations High Commissioner for Refugees	08-Dec-15	Partially Satisfactory	6	0
14	2015/166	Audit of the operations in Myanmar for the Office of the United Nations High Commissioner for Refugees	08-Dec-15	Partially Satisfactory	4	0
15	2015/164	Audit of the Regional Office in Thailand for the Office of the United Nations High Commissioner for Refugees	08-Dec-15	Partially Satisfactory	3	0
16	2015/168	Audit of the operations in Thailand for the Office of the United Nations High Commissioner for Refugees	10-Dec-15	Partially Satisfactory	5	0
17	2015/182	Audit of the operations in Iran (Islamic Republic of) for the Office of the United Nations High Commissioner for Refugees	17-Dec-15	Partially Satisfactory	6	0
18	2015/192	Audit of the operations in the Russian Federation for the Office of the United Nations High Commissioner for Refugees	29-Dec-15	Partially Satisfactory	6	0
19	2016/009	Audit of the operations in the United Republic of Tanzania for the Office of the United Nations High Commissioner for Refugees	29-Feb-16	Partially Satisfactory	7	0

	<i>Report Number</i>	<i>Assignment Title</i>	<i>Date of Final Report</i>	<i>Rating</i>	<i>Important Recommendations</i>	<i>Critical Recommendations</i>
20	2016/025	Audit of the operations in Zambia for the Office of the United Nations High Commissioner for Refugees	24-Mar-16	Partially Satisfactory	5	0
21	2016/031	Audit of the operations in Libya for the Office of the United Nations High Commissioner for Refugees	14-Apr-16	Unsatisfactory	3	2
22	2016/039	Audit of the operations in Djibouti for the Office of the United Nations High Commissioner for Refugees	03-May-16	Partially Satisfactory	8	1
23	2016/047	Audit of the operations in Egypt for the Office of the United Nations High Commissioner for Refugees	16-May-16	Satisfactory	3	1
24	2016/049	Audit of the operations in South Sudan for the Office of the United Nations High Commissioner for Refugees	18-May-16	Unsatisfactory	5	2
25	2016/063	Audit of the operations in Nepal for the Office of the United Nations High Commissioner for Refugees	02-Jun-16	Satisfactory	3	0
				Total	126	19

Annex III

Recommendations open for more than two years

<i>Assignment Number</i>	<i>Assignment Title</i>	<i>Report Date</i>	<i>Important Recommendations</i>	<i>Critical Recommendations</i>	<i>Total Recommendations</i>	<i>Linked to Policy and System Changes</i>
AR2012/110/01	Audit of UNHCR operations in Burundi	05/12/2012	1	0	1	
AR2011/111/02	Audit of UNHCR operations in Guinea	18/12/2012	1	0	1	
AR2011/165/01	Audit of UNHCR Private Sector Fundraising	18/12/2012	3	0	3	3
AR2012/112/03	Audit of UNHCR operations in Ethiopia	25/03/2013	1	1	2	
AT2012/166/01	Audit of the security of the Managing Systems Resources and People (MSRP) system	25/03/2013	1	0	1	1
AR2012/112/02	Audit of UNHCR operations in Uganda	27/03/2013	1	0	1	
AR2012/110/03	Audit of UNHCR operations in the Democratic Republic of Congo	31/10/2013	1	0	1	
AR2012/163/01	Audit of UNHCR Division of Programme Support and Management technical specialists network	18/11/2013	1	0	1	1
AR2013/112/02	Audit of UNHCR operations in the United Republic of Tanzania	18/12/2013	1	0	1	
AR2013/131/01	Audit of UNHCR operations in Iraq	30/12/2013	1	0	1	1
AR2013/113/03	Audit of UNHCR operations in Angola	22/04/2014	1	0	1	
AR2013/113/02	Audit of UNHCR operations in Malawi	13/05/2014	1	0	1	
AR2013/141/03	Audit of UNHCR operations in Afghanistan	30/05/2014	1	1	2	
AR2013/113/01	Audit of UNHCR Regional Office in South Africa	27/06/2014	4	0	4	
AR2013/111/04	Audit of UNHCR operations in Niger	30/06/2014	1	0	1	
AR2013/162/01	Audit of the management of the affiliated workforce at UNHCR	30/06/2014	3	0	3	3
Total number of recommendations open for over two years			23	2	25	9

Annex IV

Past due critical recommendations

<i>Assignment Number</i>	<i>Assignment Title</i>	<i>Recommendation</i>	<i>Last Update</i>	<i>Report Date</i>	<i>Target Date</i>	<i>New Estimated Completion Date</i>
AR2012/112/03	Audit of UNHCR operations in Ethiopia	The Office of the High Commissioner should engage the Government of Ethiopia to seek redress for the breaches of the Country Agreement, the Implementing Partner (IP) agreement, and the provisions of the Right of Use Agreements by the Government IP.	In May 2016, UNHCR forwarded to OIOS the formal communication from the partner that they had returned number plates to the Government of Ethiopia. OIOS would continue to monitor this recommendation subject to: (a) confirmation that UNHCR no longer covers any of the running costs (e.g. fuel, service, maintenance) of the transferred vehicles; and (b) receipt of copies of the Transfer of Ownership Agreements.	25/03/2013	31/12/2013	31/12/2016
AR2013/141/03	Audit of UNHCR operations in Afghanistan	The UNHCR Representation in Afghanistan, in conjunction with the Bureau for Asia and the Pacific, should: (a) undertake a review of the project implemented by the partner to ascertain the extent to which project objectives were achieved and whether value for money was obtained; and (b) review payments made to the partner, in the context of the deliverables actually provided, and recover any payments that are considered to be excessive.	In May 2015, UNHCR stated that the Controller had sent a letter to the partner's Regional Office with a copy to its Headquarters with regard to the claimed amount. The partner responded to the letter by email on 7 April 2015 by again objecting to the claim. UNHCR then requested the partner to provide a reply to the Controller's letter by the designated officer in the partner's Headquarters and, in addition, asked the partner to provide clear documentation to substantiate the direct cost charged over and above the budget.	30/05/2014	30/09/2014	31/12/2016
AR2014/112/01	Audit of UNHCR Regional Support Hub in Kenya	The UNHCR Regional Support Hub in Kenya should establish appropriate local procedures to ensure that: (a) the regional officers' work plans are focused on high-risk areas and operational priorities, and include specific mission plans to the countries in the region together with the	In December 2015, UNHCR stated that with effect from 1 January 2016, parent units at Headquarters would be responsible for the planning and approval of field support missions to be conducted by global officers hosted at the Regional Service Centre. The responsibility to monitor mission related	30/12/2014	31/03/2015	31/12/2016

<i>Assignment Number</i>	<i>Assignment Title</i>	<i>Recommendation</i>	<i>Last Update</i>	<i>Report Date</i>	<i>Target Date</i>	<i>New Estimated Completion Date</i>
		required travel resources; (b) for every support mission, a report is prepared, reviewed and sent to the respective country representative; and (c) the status of implementation of recommendations contained in the regional officers' mission reports is systematically monitored.	recommendations would be transferred to the parent units where applicable. OIOS requested the latest and complete recommendation follow-up matrix for the period until December 2015, which is still awaited.			
AR2014/131/06	Audit of UNHCR operations in Lebanon	The UNHCR Representation in Lebanon should establish procedures for: (a) test checking hospital bills for accuracy before releasing payments; (b) monitoring that hospitals systematically extend the benefit of discounted rates to refugees; (c) ensuring that the Third Party Administrator has regular validation checks built into its computerized system used for billing; and (d) monitoring and enforcing the requirement of the Third Party Administrator to provide proof of payment for all audited and paid bills in a timely manner.	In April 2016, UNHCR stated that the former vendor submitted proof of all the payments. The payments had been reviewed for reconciliation, and a number of discrepancies identified were being addressed. OIOS awaits confirmation that action has been taken in this regard.	22/09/2015	31/12/2015	31/12/2016
AR2015/110/01	Audit of UNHCR operations in the Democratic Republic of Congo	The UNHCR Regional Representation in the Democratic Republic of the Congo should: (a) install adequate infrastructure in all locations to allow effective measurement of receipt, issuance and stock taking of fuel; and (b) implement procedures for accounting for fuel transfers between locations, assessing monthly fuel consumption reports and ensuring that reported consumption rates are based on functioning odometers.	In May 2016, UNHCR stated that 94 vehicles and motorcycles (53 light vehicles, 2 trucks and 39 motorcycles) had functioning odometers. Vehicle Tracking System (VTS) training was also conducted, and each vehicle was equipped with VTS to facilitate the tracking of vehicles' movements and the fuel consumption. In order to close the recommendation, OIOS would still need to receive evidence of the procedures implemented for accounting for fuel transfers between locations; and assessment of monthly fuel consumption rates in all offices.	14/10/2015	31/03/2016	31/12/2016

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AR2015/131/02	Audit of UNHCR operations in Libya	The UNHCR Mission in Libya should: (a) develop a protection and operations strategy, including performance targets that take into account the most likely operating environment as well as alternative targets based on one or more other possible operational scenarios; (b) implement procedures to accurately report on its performance indicators in FOCUS, the UNHCR tool for results-based management; and (c) at mid-year, assess the relevance of the strategy in place and if necessary revise the strategy and the related targets and indicators.	At the time of the final audit report, UNHCR stated that: (a) the Mission had developed targets for the 2016 Operations Plan for Libya in line with the protection and operations strategy based on the status quo scenario; (b) in order to improve the monitoring and reporting of the implemented activities, the best practices of UNHCR on remote management had been adopted in Libya; and (c) the Mission would assess the relevance of the strategy in place and revise the strategy and the related targets and indicators as of May 2016. OIOS looks forward to obtaining an update on the last point.	14/04/2016	31/05/2016	31/12/2016
AR2015/112/02	Audit of UNHCR operations in South Sudan	The UNHCR Representation in South Sudan should develop and implement an action plan that assigns adequate resources and clear responsibilities, including for monitoring by management and oversight by the Local Asset Management Board, to ensure that all assets are physically verified, records are updated and missing items are accounted for.	In June 2016, the Representation stated that the Property, Plant and Equipment (PPE) status as at 23 June 2016 stood at 821 items that were fully verified. The Representation had established reasonable assurance that its PPE records were up to date and reflected the current status. Regarding Serially Tracked Items (STIs), the current status stood at 2,185 items as compared to 4,229 items prior to the audit. To date, the Representation had written off 2,044 items representing 48 per cent of clean-up of the STI database. OIOS continues to record this recommendation as in progress pending receipt of supporting documentation for the finalization of the STI verification exercise, including the accounting for differences, such as for the apparent loss of 2,044 STIs, and submission in this regard to the Local Asset Management Board.	18/05/2016	30/06/2016	31/12/2016