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Report on the activities of the Office of Internal Oversight Services

Activities of the Office of Internal Oversight Services for the period from 1 July 2020 to 30 June 2021**

Report of the Office of Internal Oversight Services

Summary

The present report is submitted pursuant to General Assembly resolutions [48/218 B](#) (para. 5 (e)), [54/244](#) (paras. 4 and 5), [59/272](#) (paras. 1 and 3), [66/236](#) (II, para. 5) and [74/263](#) (VIII.A, para. 14). During the reporting period, from 1 July 2020 to 30 June 2021, the Office of Internal Oversight Services issued 188 oversight reports (excluding those relating to peace operations), including 8 reports to the General Assembly. The reports included 418 recommendations designed to improve risk management, governance and operations, of which 7 were classified as critical. The financial implications of the recommendations issued by the Office during the period led to savings and recoveries amounting to \$3,587,855. The addendum to the present report provides an analysis of the status of implementation of the recommendations and a list of reports issued.

* [A/76/150](#).

** Excluding oversight activities relating to peace operations. Oversight results pertaining to peace operations for the period from 1 January to 31 December 2020 are presented in document [A/75/301 \(Part II\)](#). Those relating to the period from 1 January to 31 December 2021 will be presented in document [A/76/281 \(Part II\)](#).



I. Introduction

1. The Office of Internal Oversight Services (OIOS) was established by the General Assembly pursuant to resolution [48/218 B](#) to enhance oversight in the Organization. It is operationally independent and assists the Secretary-General in fulfilling internal oversight responsibilities in respect of the resources and staff of the Organization through the provision of internal audit, inspection, evaluation and investigation services.

2. The present report provides an overview of OIOS activities during the period from 1 July 2020 to 30 June 2021. It does not include oversight results pertaining to peace operations. In addition to the results of activities relating to the Secretariat, this report also includes an overview of results relating to the activities of the Office of the United Nations High Commissioner for Refugees (UNHCR) and the United Nations Joint Staff Pension Fund, for which OIOS provides separate annual reports to the respective governing bodies. The addendum to the present report ([A/76/281 \(Part I\)/Add.1](#)) provides an analysis of the recommendations and a list of the reports issued during the period.

II. General trends and strategic challenges regarding internal oversight at the United Nations

Programmatic priorities

3. OIOS aims to add value in the areas of risk management, governance and operations in entities covered by its activities. During the report period, the Office prioritized the following areas: (a) implementation of reforms; (b) organizational culture; (c) procurement and supply chain; and (d) missions in transition. In order to align its work with the decentralization strategies implemented in the Secretariat and other United Nations organizations, the Office continued to focus on strengthening the second line of defence, which includes the centralized, business-enabling functions responsible for enterprise risk identification, risk response (through strategy, policy and systems development) and Organization-wide performance monitoring and reporting.

Impact of the coronavirus disease pandemic

4. As a result of the coronavirus disease (COVID-19) pandemic, from March 2020, OIOS conducted its activities remotely. Thanks to the preparedness and business continuity arrangements of the Secretariat and other organizations to which it provides internal oversight, OIOS was able to finalize most of the activities that had been initiated before the crisis. Nonetheless, since the Organization was focused on crisis management and business continuity, the Office was forced to cancel or postpone several internal audits and evaluations that had been expected to start during the reporting period, although in some cases it was possible to replace them with advisory assignments in support of risk management.

Internal audit

5. The Internal Audit Division updated its risk-based work plan to respond to risks arising from both the COVID-19 pandemic and the liquidity crisis experienced by the Organization that had an impact on the availability of its audit staff, the access needed to conduct audits, the validity of pre-pandemic assessed entity risks and audit coverage, and the relevance of audit recommendations in the changed environment. As a result of those updates, the Division was able to ensure that its staff and other

resources remained productive and directed towards activities with the potential to add the most value, in particular by issuing audit recommendations and advice in relation to emerging high-risk areas.

6. The Division conducted performance audits to identify risks or impediments to improving the performance of audited entities in the areas of economy, efficiency and effectiveness of mandate implementation. The scope of performance audits included, for example, aspects of results measurement and reporting systems and the cost-effectiveness of working practices. Compliance audits were conducted in areas where risk management and policies were deemed generally adequate, but the residual non-compliance risk in areas such as staff entitlement administration was deemed high.

Inspection and evaluation

7. During the reporting period, the Inspection and Evaluation Division launched a new evaluation approach which focused on prioritizing subprogrammes under the sustainable development pillar. The Division developed a new subprogramme outcome evaluation approach; while the combination of the COVID-19 pandemic and the liquidity crisis experienced by the Organization resulted in a delayed start to two of the five planned regular budget evaluations and the postponement of one evaluation to the following reporting period, by April 2021 four subprogramme outcome evaluations on the Economic Commission for Africa (ECA), the Economic Commission for Latin America and the Caribbean (ECLAC), the Economic and Social Commission for Western Asia (ESCWA) and the Economic and Social Commission for Asia and the Pacific (ESCAP) were under way. The Division also completed two new synthesis reports – one on coordination and the other on strategic planning – based on information from past OIOS assignments.

8. In 2021, the Inspection and Evaluation Division established a strategy and a work plan to provide evaluation support to Secretariat entities in line with the expected accomplishments for the 2021 programme budget. The Division collaborated with the Business Transformation and Accountability Division of the Department of Management Strategy, Policy and Compliance to finalize the new administrative instruction on evaluation ([ST/AI/2021/3](#)). It was also scheduled to lead the production of accompanying guidelines. In line with the results of the OIOS report on strengthening the role of evaluation and the application of evaluation findings on programme design, delivery and policy directives ([A/76/69](#)), the Inspection and Evaluation Division, with support from the Business Transformation and Accountability Division, prepared evaluation workshops for entities that lacked organizational arrangements for evaluation. The Inspection and Evaluation Division also initiated the first steps towards introducing an evaluation knowledge management platform that would serve as a single access point for Secretariat entities that required resources on evaluation. In addition, it reviewed and provided input to an evaluation training module designed by the United Nations System Staff College for the United Nations Secretariat, which was in the process of being finalized.

Investigations

9. The Investigations Division has been agile in its response to the COVID-19 pandemic, making use of technology to conduct remote interviewing of victims, witnesses and subjects to ensure continued delivery. While the onset of the pandemic coincided with an initial reduction in reporting to OIOS, the 2020/21 reporting cycle saw a continuation of the upward trend in the number of reports received that had been observed over the preceding years. After evaluation through the intake process, 146 (22 per cent) of the 675 non-peacekeeping matters reported to OIOS were assigned for investigation; 266 (40 per cent) had been or were in the process of being

referred to other entities; 182 (27 per cent) were filed for information; 18 were closed after assessment; and 63 remained under review. The Division issued 59 investigation reports, 39 closure notices (including closure reports, completion memoranda and investigations closed with a note-to-file) and 13 advisory reports, excluding outputs relating to peace operations.

10. The timeliness of investigations remained a challenge, however, primarily owing to the impact of the pandemic on the investigation process (including the ability to conduct interviews and gather other evidence). This was further exacerbated by increased vacancies resulting from liquidity measures and the absence of any appreciable decrease in investigation demand and workload. At the end of the reporting period, investigations were taking an average of 11.7 months to be completed, representing an increase of around two months (23 per cent) compared with pre-pandemic timelines. Sexual harassment investigations – a continued priority for the Division – were taking an average of 10.1 months to complete.

III. Cooperation and coordination

11. OIOS received effective cooperation from the management and staff of entities covered by its oversight activities during the reporting period. The Independent Audit Advisory Committee and the audit committees pertaining to UNHCR and the United Nations Joint Staff Pension Fund continued to provide guidance and best practices that helped to improve the results of the work of the Office.

12. The Office coordinated with the Board of Auditors and the Joint Inspection Unit to enhance synergies and efficiencies in the discharge of their respective mandates.

13. The Office also shared knowledge on good practices and innovations in oversight methodologies with the other internal oversight functions of the United Nations system through the meetings of the Representatives of Internal Audit Services of the United Nations Organizations, the United Nations Representatives of Investigative Services and the United Nations Evaluation Group.

14. In the area of investigations, the Investigations Division participated in the Task Force on Addressing Sexual Harassment of the United Nations System Chief Executives Board for Coordination (CEB), specifically as part of the subgroup on improving the investigation of sexual harassment. The subgroup produced the *Investigators' Manual: Investigation of Sexual Harassment Complaints in the United Nations*, which was released in March 2021 after endorsement by the High-level Committee on Management of CEB.

15. In the area of evaluation, as part of the follow-up to the publication of a synthesis of guidelines for evaluation of the United Nations response to the COVID-19 pandemic, the Inspection and Evaluation Division produced a protocol for assessing the responses of Secretariat entities. The protocol offers a conceptual framework for conducting assessments, with common questions, criteria, standards, performance indicators and methods. The Division also supported the evaluation function of the United Nations Relief and Works Agency for Palestine Refugees in the Near East in conducting a real-time evaluation of the Agency's operational response to the COVID-19 outbreak, across several of its field offices, and of the support that had been provided by its headquarters. The evaluation provided an opportunity for OIOS and the Agency to cross-pollinate their technical and operational knowledge and skills.

IV. Impediments

16. There was no inappropriate limitation of scope that impeded the work or independence of OIOS during the reporting period.

V. Recommendation trend analysis

17. OIOS issued 188 internal audit, inspection, evaluation and investigation reports, containing 418 recommendations, to Secretariat entities and organizations covered by its work (excluding those relating to peace operations). All but one of the recommendations were accepted. During the period, 624 recommendations were implemented (454 of which had carried over from preceding reporting periods). A detailed analysis of recommendation trends is presented in the addendum to the present report ([A/76/281 \(Part I\)/Add.1](#)).

VI. Summary of oversight activities and results

A. Selected results in priority areas

Procurement and supply chain management

18. In its audits of demand and source planning issued to the Department of Operational Support (2020/059) and of select peacekeeping missions, OIOS found that systematic demand and source planning had improved the visibility of the requirements of field missions regarding goods and services. However, further efforts were needed to ensure that missions developed more realistic demand plans based on an appropriate forecasting model and quantitative and qualitative analyses and derived their budget proposals from those plans. There was insufficient granularity in demand plans, which, on occasion, rendered them difficult to use effectively for global acquisition, delivery planning and category management. The Department of Operational Support has initiated action to implement the recommendations, such as by issuing business guidance for the planning cycle 2021–2022, with instructions for all entities regarding the optimal granularity of demand to be developed through the demand and acquisition planning tool.

Organizational culture

19. The relevance and effectiveness of the prevention, response and victim support efforts against sexual exploitation and abuse by United Nations Secretariat staff and related personnel between 2015 and 2018 were assessed ([A/75/820](#)). The evaluation concluded that the Organization has made clear progress in the fight against sexual exploitation and abuse and in bringing together different parts of the system in this effort. Nonetheless, sexual exploitation and abuse prevention efforts in entities outside peace and humanitarian contexts did not adequately address relevant risks during the reporting period. However, since the management reform conducted in 2019, the Department of Management Strategy, Policy and Compliance has worked to standardize the guidance and tools available to all Secretariat entities to manage sexual exploitation and abuse risks.

20. While every step of processing sexual exploitation and abuse allegations took longer than required, the measures for prevention and response were found to be relevant and effective. Administrative sanctions imposed by the Organization for substantiated sexual exploitation and abuse allegations demonstrated the Secretary-General's zero-tolerance policy; sanctions were imposed in 85 per cent of

substantiated cases, and the remainder of cases were still in progress. Efforts to ensure criminal accountability for sexual exploitation and abuse crimes committed by officials and experts on mission by referring such incidents to Member States were mostly unsuccessful.

21. Although the Office of the Victims' Rights Advocate was not established in the regular budget until 1 January 2019, the Victims' Rights Advocate contributed to the evaluation. Some progress has been made in providing adequate support to victims, but more needs to be done.

22. In addition, various audits during the period produced recommendations designed to address organizational culture in areas such as the completion rates of mandatory training and of staff and management performance assessments, the financial disclosure forms and declaration of interest statements filed with the Ethics Office, accountability mechanisms and the control environment.

23. Moreover, in the audit of governance mechanisms and related processes in the Office of Investment Management of the United Nations Joint Staff Pension Fund (A/75/215), OIOS focused specifically on issues of organizational culture, identifying the need to develop and implement a culture transformation programme to cultivate a harmonious, high-performing and ethical culture in the Office of Investment Management.

Implementation of reforms

Development pillar

24. OIOS provided advice and support to the management of the Development Coordination Office to improve its risk management processes through an initial assessment of the risks to global and regional coordination of the United Nations resident coordinator system. Eleven entity-level risks were identified and assessed, eight of which were rated as high risk and three as medium risk.

Management pillar

25. **Strengthening the second line of defence to support the decentralization of authority.** This is a key strategy of the management reform pursued by the Secretariat and plays a crucial role in enhancing compliance and risk management in the Organization. During the reporting period, the Internal Audit Division issued 78 audit recommendations to strengthen governance, risk management, strategic planning and performance management (25 per cent of the total 310 audit recommendations). Some recommendations on governance included improving the effectiveness of established committees and boards in discharging their oversight responsibilities.

26. **Data classification and strategy.** OIOS issued an advisory report to the United Nations Secretariat on the management of data classification and privacy. The review assessed the adequacy and effectiveness of controls across the Secretariat (including in OIOS) designed to protect the confidentiality and integrity of personally identifiable information and sensitive data. It provided critical and important observations to inform the Secretariat's current initiatives on data strategy and data privacy. The Secretariat has yet to develop a binding and universally accepted definition of, or framework for, data privacy and data protection and has not yet implemented a privacy programme that defines appropriate governance mechanisms and the use of technology for effective and secure data management, data classification and data protection. The Secretariat has instituted a data governance group and, in alignment with the personal data protection and privacy principles adopted by the High-level Committee on Management, has taken steps to implement a data privacy programme that encompasses the areas of people, processes and technology.

27. **Information and communications technology.** Information and communications technology (ICT) audits help to assess governance arrangements and risk management in ICT and the functions supported by ICT. In its audit of document management systems and related processes in the Secretariat (2020/034), OIOS noted that, as the Office of Information and Communications Technology was in the process of drafting an information management framework, it was an opportune time to better define the standards for capturing and integrating document management requirements to facilitate collaboration, knowledge management and technological solutions, as well as to clarify the enterprise solution for the management and the storage of strictly confidential documents. Owing to resource limitations, a digital preservation programme had not been implemented. Guidance on business continuity, including the identification of vital documents and necessary tools, was required to ensure that operations continued in unforeseen situations. The Secretariat accepted the recommendations.

28. **Staff security.** In its audit of the implementation of the training mechanism for the United Nations security management system (2021/001), OIOS noted that the Department of Safety and Security, with its mandate to lead and support the improvement of staff security, training and awareness among entities participating in the system, faced challenges in keeping pace with security training demands, mainly because there was no overall governance and prioritization mechanism to ensure that the system-wide security training programme and the management processes met the safety and security training objectives. The current policy on training and certification for the United Nations security management system sets out the role of the Department in developing and delivering training programmes, but not that of participating organizations. Owing to the divergence of opinions, the global training strategy for the system has never been adopted. Additionally, the Department did not have adequate tools to monitor and report on training activities and related costs and had ceased to issue an annual comprehensive report on safety and security training to the Inter-Agency Security Management Network. A safety and security training evaluation framework to assess the effectiveness of training activities related to the United Nations security management system had not been developed. The Department, in coordination with the Inter-Agency Security Management Network where applicable, was in the progress of implementing the OIOS recommendations.

29. **The accountability system of the Secretariat.** At the request of the Department of Management Strategy, Policy and Compliance, OIOS is conducting an evaluation of the accountability system of the Secretariat to assess whether its components are functioning efficiently and effectively. OIOS is in the advanced stages of the evaluation, which has included: (a) mapping the objectives and mandated requirements for the accountability system of the Secretariat; (b) conducting interviews with some 250 staff members, Member States and officials of United Nations system organizations; (c) performing an analysis of the workings of the accountability system in a sample of eight Secretariat entities representative of the three pillars of work (peace and security, development and human rights), including entities both within and outside Headquarters; (d) conducting a survey of Secretariat staff; and (e) benchmarking some aspects of the accountability system against other intergovernmental organizations. The results of the evaluation will be set out in ten working-level reports on topics such as programme planning and budgeting, enterprise risk management, programmatic mandates and organizational performance management, delegation of authority, internal controls, and ethics and integrity. The information technology systems used by the Secretariat and the capacity and structure of the Business Transformation and Accountability Division to support accountability structures will also be covered. A consolidated report on the results is expected to be issued to the Department of Management Strategy, Policy and Compliance in the third quarter of 2021.

30. **Coordination.** The Inspection and Evaluation Division conducted a synthesis review of 32 inspection and evaluation reports published by the Office since 2017. In the analysis, the Division examined how coordination enhanced the relevance, effectiveness and efficiency of the United Nations system and provided lessons and insights that could be applied today. The synthesis confirms that convening power and creating and maintaining partnerships are a strength of the United Nations system, especially at global and regional levels. However, some shortcomings, such as insufficient coherence and alignment of strategies, programmes and policies, had the potential to undermine the performance of the United Nations system.

31. **Strategic planning.** The strategic planning synthesis report (IED-21-001) compiled evidence from 37 different inspections and evaluations conducted by the Inspection and Evaluation Division and published by OIOS since 2016. The good practices identified included the integration of lesson-learning in the context of exercise planning and the development of strategies focused on specific issues – such as advocacy or support for the Sustainable Development Goals or COVID-19 response – that linked effectively to the overarching strategic plans of entities. The shortcomings identified included insufficient joint planning and weak accountability mechanisms for strategic planning.

32. **Strengthening the role of evaluation.** In report [A/76/69](#), OIOS provided an assessment of the state of evaluation in 75 Secretariat entities during the 2018–2019 biennium. In line with the Secretary-General’s 2017 reform initiatives, the review covered all Secretariat entities for the first time. Overall, evaluation practice remained highly uneven across the Secretariat, with meaningful practice limited to just a handful of entities with established functions and dedicated resources, mostly under the development and human rights pillars. Evaluation practice was found to be largely project-focused and donor-driven. There was marginal or non-existent evaluation practice in most entities in the peace and security pillar and in management and support areas. Subprogramme evaluation by programme managers, as provided for in the Secretary-General’s bulletin on the regulations and rules governing programme planning, the programme aspects of the budget, the monitoring of implementation and the methods of evaluation ([ST/SGB/2018/3](#)), was limited across the Organization.

33. Inadequate resources, a lack of staff capacity and expertise, organizational culture, competing management priorities and the need for support and guidance for building evaluation capacities were the key challenges in developing stronger evaluation practices across the Secretariat. Entities undertook to implement all four important recommendations designed to strengthen evaluation across the Secretariat.

34. The Evaluation Study on the United Nations Secretariat Evaluation Dashboard 2018–2019 (IED-21-011), which accompanied OIOS report [A/76/69](#), provides an assessment of 75 Secretariat entities using 15 evaluation-related indicators across four areas: framework; resources; evaluation expenditure, outputs and coverage; and report quality. Sixteen (27 per cent) of the 60 non-peacekeeping entities examined had dedicated evaluation functions, although only six entities had stand-alone evaluation units. Over half (55 per cent) of the 60 entities did not have an evaluation policy in place, and only nine entities (15 per cent) had good quality evaluation plans. During the biennium, 26 entities produced a total of 250 evaluation reports. The detailed assessments for each entity are available in document IED-21-011.

B. Selected results by entity

Department of General Assembly and Conference Management

35. OIOS issued one investigation closure notice to the Department of General Assembly and Conference Management.

Department of Global Communications

36. OIOS issued one audit report (2021/023), one evaluation advisory report, four investigation reports and two investigation closure notices to the Department of Global Communications.

37. In its audit of the United Nations trust fund for economic and social information, OIOS noted that, as the fund evolved, activities were being added and, therefore, its terms of reference needed to be updated to provide clarity and transparency. The Partnerships and Resource Mobilization Committee did not have formal terms of reference outlining its oversight responsibilities, nor a system to follow up on and document the implementation of action points arising from meetings. The Department of Global Communications did not have project guidelines for the systematic budgeting of funds for project evaluation, including criteria for selecting projects for evaluation. Due diligence checks relating to non-United Nations donors were not always performed. There were also no measurable indicators or targets to assess whether projects were achieving the desired impact. The Department has initiated action to implement the recommendations.

38. The Department requested OIOS to help assess the quality of results from the “Talkwalker” social media listening tool with a view to updating and refining the search criteria for tracking sources and trends of misinformation relating to the United Nations during the COVID-19 pandemic. Based on its assessment, OIOS provided advice to the Department on using search tools, monitoring specific Twitter hashtags and collaborating with internationally established fact-checkers.

39. OIOS received a report that a staff member of the Department had made unsolicited sexually explicit comments to a colleague. The OIOS investigation found that the staff member had engaged in unwelcome conduct, including of a sexual nature, which had been disturbing and traumatizing for the victim. OIOS transmitted its findings to the Office of Human Resources for appropriate action.

Department of Management Strategy, Policy and Compliance

40. OIOS issued two audit reports (2020/034 and 2021/030) to the Department of Management Strategy, Policy and Compliance.

41. The results of the audit of document management systems and related process in the Secretariat (2020/034) are summarized in paragraph 27 of the present report.

42. In the second audit (2021/030), OIOS examined the implementation of the Secretary-General’s bulletin on post-employment restrictions ([ST/SGB/2006/15](#)), which prevents staff who have been or are currently involved in the procurement process from seeking or accepting employment or any form of compensation or financial benefit from any United Nations contractor or vendor. The audit found that: (a) key terms in the bulletin were not well-defined, leaving their interpretation to the discretion of various stakeholders; (b) the bulletin covered a broad range of staff who participate in the procurement process without making a distinction regarding the type of role that they played or the value of the contracts with which they were involved; (c) procedures for reporting and referring violations of the provisions of the bulletin were not adequately stipulated; and (d) roles and responsibilities in relation to implementing and monitoring the post-employment restrictions were not defined. Training and other awareness-raising activities were also needed to apprise staff of the provisions of the bulletin and ensure that its objectives were met. The Department of Management Strategy, Policy and Compliance has initiated action to implement the recommendations.

Department of Operational Support

43. OIOS issued two audit reports (2020/059 and 2021/030), one audit advisory, one investigation report and two investigation closure notices relating to the Department of Operational Support.

44. The audit of post-employment restrictions (2021/030; see also para. 42 of the present report) found that, while vendors were informed of the one-year post-employment restriction that prevented separated staff from accepting employment or any form of compensation from vendors, they were not informed of the two-year post-employment restriction that prevented separated staff from representing a vendor before a current staff member. In addition, vendors were not informed of sanctions for violating the bulletin, which include suspension or termination of their registration. Given the difficulty of identifying staff who fall within the provisions of the bulletin owing to the range of activities and staff that it covers, and given the variety of information technology systems used to process the related activities, strong preventive controls such as training and awareness-raising activities could not be effectively implemented. The Department has initiated action to implement the recommendations.

45. The results of the audit of demand and source planning (2020/59) are described in paragraph 18 of the present report. The audit advisory was related to the recognition of dependency status and the administration of dependency benefits at United Nations Headquarters.

Department of Safety and Security

46. OIOS issued one audit report (2021/001) and one investigation closure notice to the Department of Safety and Security. The audit, on the implementation of the training mechanism for the United Nations security management system, is described in paragraph 28 of the present report.

Economic Commission for Africa

47. OIOS issued two audit reports (2021/021 and 2020/042), one investigation report and one investigation closure notice to ECA.

48. In its audit of the project to renovate Africa Hall and construct a visitor's centre in the ECA grounds (2021/021), OIOS noted that the project was 33 months behind schedule, as a result of the termination of the contract with the main contractor in February 2020 and the impact of the COVID-19 pandemic. Recent estimates indicated that there was only a 43 per cent chance that the project would be delivered within the approved budget. Although ECA was planning to embark on value engineering activities to reduce project costs, it was yet to nominate a risk owner to monitor mitigation activities related to additional risks caused by the COVID-19 pandemic. Owing to vacancies in its membership, the advisory board of the Africa Hall Renovation Project held only one of the four planned meetings in 2020; the project therefore did not benefit from the advice of Members States as envisaged by the General Assembly. Results from resource mobilization activities were slow, and ECA needed to push for unearmarked funding to increase available resources. ECA has initiated action to implement the OIOS recommendations.

49. In another audit (2020/042), OIOS assessed the adequacy and effectiveness of the organization and management of ECA assets and inventory. Six recommendations were issued, which were being implemented.

Economic and Social Commission for Asia and the Pacific

50. OIOS issued one audit report (2021/022) to ESCAP.

51. In its audit of the seismic mitigation retrofit and life-cycle replacement project (2021/022), OIOS noted that, although the swing space construction had been completed, the procurement of the general contractor had been so far unsuccessful, leading to delays in the start of construction. There was a risk that the project would exceed its approved budget, owing to the unfavourable impact on costs caused by the strengthening of the local currency since the project budget had been approved in 2016 and owing to the higher-than-expected costs for professional services and staffing. In view of this, ESCAP needed to enhance risk mitigation strategies to address potential budget overruns. ESCAP has initiated action to implement the OIOS recommendations.

Economic Commission for Latin America and the Caribbean

52. OIOS issued one investigation closure notice relating to ECLAC.

Economic and Social Commission for Western Asia

53. OIOS issued one investigation closure notice relating to ESCWA.

Executive Office of the Secretary-General

54. OIOS conducted an audit advisory engagement of senior travel management.

International Residual Mechanism for Criminal Tribunals

55. OIOS issued one audit report (2020/060) and one audit advisory to the International Residual Mechanism for Criminal Tribunals.

56. In its audit of interpretation and translation services at the International Residual Mechanism for Criminal Tribunals (2020/060), OIOS noted that the Mechanism used a translation tracking system to record translation requests and monitor the progress of execution. However, the Mechanism did not have a realistic action plan for addressing and monitoring the translation backlog on judgments and decisions rendered by the International Tribunal for the Former Yugoslavia and by the International Criminal Tribunal for Rwanda. The Mechanism has initiated action to implement the OIOS recommendations.

Office for the Coordination of Humanitarian Affairs

57. OIOS issued one audit report (2020/033), nine investigation reports, five advisory reports and 12 investigation closure notices relating to the Office for the Coordination of Humanitarian Affairs.

58. Having coordinated with members of the Representatives of Internal Audit Services of the United Nations Organizations to conduct audits of the United Nations humanitarian response in Yemen, OIOS issued a report summarizing the observations (2020/033). The audits found that, while inter-agency governance and coordination mechanisms had been established, these could be streamlined to minimize duplication of roles between traditional in-country coordination platforms, such as the humanitarian country team, and new platforms unique to Yemen, such as the emergency cell. Risk management and internal controls had, in general, been established but could be made more efficient and effective by optimizing the collective strength of the humanitarian country team with respect to its accountability towards affected communities, by managing partnership risk and by monitoring programme implementation. To better assess the impact of the United Nations

humanitarian response in Yemen, the humanitarian country team needed to facilitate an inter-agency humanitarian evaluation. Since the completion of the audit, inter-agency governance arrangements have been streamlined, risk management and internal controls have been strengthened, and the Inter-agency Humanitarian Evaluation steering group has launched an inter-agency humanitarian evaluation in Yemen.

Office of Counter-Terrorism

59. OIOS issued one investigation report relating to the Office of Counter-Terrorism.

Office of the United Nations High Commissioner for Human Rights

60. OIOS issued one audit report (2020/027), one investigation report and one investigation closure notice to the Office of the United Nations High Commissioner for Human Rights (OHCHR).

61. In case 0076/19, OIOS received a report that an OHCHR staff member had approved a major construction project in Yemen without approval, contract or purchase order. The OIOS investigation found that the project did not follow established procedures or the Financial Regulations and Rules of the United Nations governing procurement exercises. The findings were referred to the Office of Human Resources for appropriate action.

62. In a review of recurring recommendations pertaining to the management of field offices by OHCHR (2020/027), OIOS noted that OHCHR was updating its Field Administrative Manual and streamlining the structure of its field offices. However, OHCHR needed to strengthen its guidance and oversight of strategic planning and performance management and to disseminate its policy on human rights methodology and training to its field offices to ensure consistency in implementation. OHCHR has initiated action to implement the OIOS recommendations, including publishing an updated Field Administrative Manual and developing a training package.

Office of Internal Oversight Services

63. OIOS issued two investigation reports relating to OIOS.

Office of the Special Adviser on Africa

64. OIOS issued five investigation reports and one investigation advisory report relating to the Office of the Special Adviser on Africa.

Special Adviser on Human Security and Human Security Unit

65. OIOS issued one audit report (2020/053) to the Human Security Unit.

66. In its audit of the United Nations trust fund for human security (2020/053), OIOS noted that the Unit complied with donor reporting requirements and had initiated action to mainstream the Sustainable Development Goals in its programme of work. However, the Advisory Board did not have frequent meetings to address trust fund activities, including the sustainability of the fund. Programme risks were not adequately considered and mitigated, which resulted in inaccurate expectations and delays in the implementation of projects. Due diligence checks on non-United Nations implementing partners also needed to be more thorough and properly documented.

United Nations Compensation Commission

67. OIOS issued one audit report (2021/027) to the United Nations Compensation Commission.

68. In its audit (2021/027), OIOS found that, as at 30 April 2021, \$50.7 billion of the \$52.4 billion compensation awarded had been paid, leaving an outstanding balance of \$1.7 billion. The Commission projected that the outstanding balance would be fully paid in the first half of 2022, which would bring its mandate to a conclusion. Arrangements for the accounting of revenue deposited into the Compensation Fund and the processing of claims payments continued to be adequate and effective. Once the outstanding compensation is paid in full, a decision of the Governing Council will trigger the closure of the Commission. Although the Commission had developed a liquidation plan, it needed to define specific timelines for the remaining liquidation activities. The Commission accepted the OIOS recommendation to update its plan.

Secretariat of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa

69. OIOS issued one investigation report relating to the secretariat of the United Nations Convention to Combat Desertification.

United Nations Conference on Trade and Development

70. OIOS issued one audit report (2021/013) and one closure notice relating to the United Nations Conference on Trade and Development.

71. In the audit of the Automated System for Customs Data programme (2020/013), OIOS noted that, although the Conference had established a Programme Management Board to govern the programme, the Board was not operating as intended and its composition and operational arrangements needed to be strengthened. The long-term strategic plan for the programme had also not yet been submitted for endorsement by governing bodies, and there was no fundraising strategy or model for the research and development requirements of the programme, which were essential to its sustainability. The programme did not have dedicated resources with the necessary analytical skills to conduct social and economic analyses, which had an impact on the work delivered in that area. Project management guidelines on mainstreaming gender, human rights and environmental considerations also needed strengthening, and the evaluation policy for the programme was not consistently applied. The Conference has initiated action to implement the OIOS recommendations.

Development Coordination Office

72. OIOS issued one audit advisory report, one evaluation advisory report and one investigation closure notice to the Development Coordination Office.

73. At the request of the Development Coordination Office, the Inspection and Evaluation Division conducted an internal advisory engagement to assess the early implementation of the resident coordinator system reform (see also para. 24 of the present report). The assessment found that progress in the reform was being made, with the new resident coordinator role having been established successfully and widely seen as legitimate and valuable. The new resident coordinator system architecture, comprising structures and instruments, was also in place and was supporting the reform as intended, but it needed some refinements. While overall buy-in was still evolving, unclear accountability and inadequate funding arrangements persisted as obstacles to effective reform. The data from this advisory engagement were referenced in the report of the Secretary-General on the review of the

functioning of the resident coordinator system (A/75/905), submitted to the General Assembly at its seventy-fifth session.

United Nations Environment Programme

74. OIOS issued two audit reports (2020/018 and 2020/021) and two investigation reports to the United Nations Environment Programme (UNEP).

75. In case 0819/20, OIOS received a report that a retired UNEP staff member had submitted 36 false claims for the reimbursement of medical expenses to the United Nations medical insurance provider, totalling \$20,506.83. The OIOS investigation found that the prescriptions and invoices attached to the claims were not authentic and that the staff member had unduly received \$16,021.21 in reimbursed funds. The staff member subsequently returned these amounts to the insurance provider. OIOS transmitted its findings to the Office of Human Resources for appropriate action and to the Office of Legal Affairs for consideration for onward referral to the national authorities.

76. In its audit of grant management at the United Nations Office at Nairobi, UNEP and the United Nations Human Settlements Programme (UN-Habitat) (2020/018), OIOS found that the data available on grants were not complete and accurate, with quality issues impacting reliability. Each entity had issued grant management procedures, but they had not been harmonized, and key performance indicators for monitoring the efficiency of grant management processes were not in place. Guidelines for handling cash deficits and complying with cash availability controls in Umoja had not been implemented, with several grants recording negative balances. A mechanism to monitor and implement recommendations from donor verification missions to ensure timely implementation had not been established.

77. In its audit of the management of partnerships (2020/021), OIOS concluded that, while UNEP had a partnership policy and procedures, it did not systematically identify various risks (including fraud risks) in its engagement with partners and had not taken action to strengthen internal controls to mitigate such risks. There were also gaps in its oversight of partners, and due diligence and comparative assessments were not systematically conducted before partner selection. Moreover, UNEP did not have a mechanism to identify high-risk implementing partners for mandatory on-site financial reviews, follow-ups and spot checks to ensure accountability. There was no escalation mechanism to address persistent delays in project implementation, and projects being implemented were not always results-based with defined targets and expected deliverables. UNEP has initiated action to implement the OIOS recommendations.

Secretariat of the United Nations Framework Convention on Climate Change

78. OIOS issued one audit report (2021/029) to the secretariat of the United Nations Framework Convention on Climate Change.

79. In its audit of the organization of the twenty-fifth Conference of the Parties to the United Nations Framework Convention on Climate Change, OIOS noted that the last-minute change in the venue from Santiago to Madrid had been adequately managed. However, risk management had been informal and had led to gaps in identifying and managing some high risks. The project management tool and approach had not always been fit for purpose, and the required approvals for procurement actions had not always been obtained in a timely manner. The secretariat of the United Nations Framework Convention on Climate Change has initiated action to implement the OIOS recommendations.

Global Compact Office

80. OIOS issued one audit report (2020/015) to the Global Compact Office.

81. In its audit (2020/015), OIOS noted that the Global Compact Office had conducted an integrity review in 2017 and had developed eight recommendations to strengthen policies and procedures for cooperation between the United Nations and the private sector that adequately covered the concerns that had been raised. However, while the Global Compact Office had prepared strategic and annual work plans and various reports, those documents lacked key performance indicators to reliably assess whether targets had been met and whether the measures taken had had the desired impact for the integrity initiative. In response to the OIOS recommendations, the Global Compact Office has initiated remedial actions, including the development of key performance indicators. It has also developed a comprehensive risk register in accordance with United Nations guidance, which covers critical risks, key risk drivers, established controls and risk response strategies.

United Nations Human Settlements Programme

82. OIOS issued two audit reports (2020/018 and 2020/062), one investigation report, one investigation advisory report and one closure notice to UN-Habitat.

83. In its audit of programme support costs (2020/062), OIOS noted that UN-Habitat was updating its cost allocation and recovery policy. However, it was not applying the standard rates for programme support costs; furthermore, deviation from such rates was not adequately justified and the appropriate approvals were not sought. There were also inconsistencies between the programme support cost rates applied in Umoja and the agreements signed with donors. UN-Habitat was therefore at risk of under- or overcollection of revenue. UN-Habitat has initiated action to implement the OIOS recommendations.

Office of the United Nations High Commissioner for Refugees

84. OIOS issued 17 audit reports (2020/017, 2020/022, 2020/025, 2020/028, 2020/029, 2020/030, 2020/032, 2020/035, 2020/036, 2020/038, 2020/041, 2020/043, 2020/047, 2020/048, 2020/052, 2020/057 and 2021/026), seven audit advisory reports and two closure notices to UNHCR.

85. Audits of country operations showed the need for further and continuous improvement in the areas of: (a) prevention and response to sexual and gender-based violence; (b) registration and refugee status determination; (c) strategic planning and resource allocation to meet increasing needs in a resource-constrained environment; (d) implementing partner capacity-building; and (e) emergency preparedness.

86. In its audit of procurement in field operations during the COVID-19 pandemic (2021/026), OIOS noted that UNHCR had adapted swiftly to the new working arrangements and that procurement good practices had been adopted, including coordinating with United Nations agencies. However, procurement planning and risk management processes needed to be strengthened, and the development and monitoring of key performance indicators was necessary for process improvement. UNHCR has initiated action to implement the recommendations and suggestions for improvement.

87. In the audit of security strategic management and governance (2020/025), OIOS noted that the security culture and policy at UNHCR were not fully embedded in operational decisions and that the security advice and support for newly established regional bureaux and field operations needed to be further clarified.

88. In the audit of the prevention, detection and response to fraud committed by persons of concern in the context of resettlement activities (2020/035), OIOS noted that, while UNHCR was making significant progress, it needed to enhance its fraud accountability framework to clarify the roles, responsibilities and reporting lines of key stakeholders in order to drive the implementation of the policy. Tools to support the collection, analysis and reporting of fraud-related information were also needed.

89. In its audit of information technology (IT) continuity (2020/047), OIOS noted that UNHCR had accelerated the digitalization of its operational framework and ensured the continuity of IT services during the COVID-19 crisis. However, to sustain the significant progress made, UNHCR needed to establish and maintain an up-to-date IT continuity framework and business continuity and disaster recovery plans to ensure minimal disruption to critical business functions and IT systems in the event of a crisis.

90. In the context of the COVID-19 pandemic, OIOS provided advice concerning the remote monitoring of programme and protection interventions, the use of vendors and logistics partners for critical supply chain activities, and the effective use of cash-based interventions and distribution of core relief items to beneficiaries.

91. UNHCR has implemented 43 of the 98 audit recommendations made in the reporting period.

United Nations Interregional Crime and Justice Research Institute

92. OIOS issued one investigation report relating to the United Nations Interregional Crime and Justice Research Institute.

United Nations Institute for Training and Research

93. OIOS issued one investigation report and one investigation advisory report to the United Nations Institute for Training and Research.

United Nations Joint Staff Pension Fund

94. OIOS issued five audit reports ([A/75/215](#), 2020/020, 2020/050, 2020/056 and 2020/058), two investigation reports and one investigation closure notice relating to the United Nations Joint Staff Pension Fund.

95. In the General Assembly-mandated audit of governance mechanisms and related processes in the Office of Investment Management of the United Nations Joint Staff Pension Fund ([A/75/215](#)), OIOS found that governance mechanisms and related processes needed to be strengthened by: (a) revising the delegation of authority and terms of reference for the Representative of the Secretary-General regarding the investment of the assets in order to focus the responsibility and authority of the Representative on setting investment policy and strategy and providing oversight over investment management; (b) redefining the role of the Director of the Office to lead investment decision-making; and (c) developing and implementing a culture transformation programme to cultivate a harmonious, high-performing and ethical culture in the Office of Investment Management. Other ways in which governance could be improved included strengthening the operational independence of the Risk and Compliance Group and enhancing the effectiveness of the internal committees of the Office. The Executive Office of the Secretary-General has initiated action to implement the OIOS recommendations in coordination with the Office of Investment Management.

96. In the audit of disability benefits (2020/050), OIOS found that the Pension Administration of the United Nations Joint Staff Pension Fund needed to ensure the practical and consistent application of certain policies related to disability benefits.

For instance, controls concerning paid employment of beneficiaries of disability benefits needed to be strengthened to mitigate the risk of abuse. The Pension Administration needed to document the kind of activities that had an impact on eligibility for a disability benefit and to create awareness of the possible consequences for beneficiaries of failing to abide by the requirement to report all paid employment when receiving a disability benefit. There was also a need to establish an effective deterrent by signalling possible consequences in case of abuse to prevent “double-dipping”.

97. In the audit of data governance, management and reporting in the Pension Administration (2020/020), OIOS found that the Pension Administration needed to establish a data governance and data management framework that clearly assigned roles and responsibilities for data ownership and stewardship; address ICT security weaknesses; complete the documentation on business intelligence design and data models; and facilitate timely access to business intelligence.

98. In its audit of the information and communications strategy and implementation of the target operating model in the Office of Investment Management (2020/056), OIOS noted that the Office needed to enhance its ICT governance mechanisms and the management of its ICT programme. Notably, the Office needed to increase awareness within the ICT Steering Committee about its responsibilities with regard to the ICT strategy and the target operating model. The Office had also not brought its implementation of data governance, data warehouse and data quality operations into line with the United Nations system-wide data strategy.

99. The Pension Administration and the Office of Investment Management have initiated action to implement the OIOS recommendations.

United Nations Office on Drugs and Crime

100. OIOS issued two audit reports (2020/024 and 2020/019), five investigation reports and three closure notices to the United Nations Office on Drugs and Crime (UNODC).

101. In case 0499/19, OIOS received a report that a UNODC staff member had made material omissions in the personal history profiles that he had submitted for employment with the Organization. The OIOS investigation found that the staff member had embellished his work history and had failed to disclose his forced resignation from one previous employer after a disciplinary process and his termination from a second previous employer for not disclosing adverse anterior facts. OIOS transmitted its findings to the Office of Human Resources for appropriate action.

102. In case 0413/19, OIOS received a report that a UNODC staff member was providing intellectual property belonging to the Organization to a former staff member in order to assist the latter’s private company and commercial activities. The OIOS investigation found that the staff member had engaged in unauthorized outside activities using the IT resources of the Organization and had promoted the software of an outside entity to a Member State. OIOS transmitted its findings to the Office of Human Resources for appropriate action.

103. In its audit of implementing partners at the UNODC field office in Colombia (2020/024), OIOS noted that several initiatives had been implemented to strengthen the operational and policy framework on partners used by the office. However, local practices and guidelines adopted in the selection and management of partners were not always accurately documented and endorsed by UNODC headquarters to ensure consistency in their application. In line with the UNODC Framework for Engagement of External Parties, additional guidance was also needed on mainstreaming gender

and human rights issues in the selection and management of partners. Both issues have been addressed by UNODC and the corresponding recommendations have been fully implemented. An independent evaluation of alternative development activities to assess their impact and identify lessons learned had also not been conducted. UNODC has initiated action to implement the recommendation.

United Nations Office at Geneva

104. OIOS issued three audit reports (2021/008, 2020/037 and 2020/045) and one investigation report to the United Nations Office at Geneva.

105. In its audit of medical insurance claims at the United Nations Office at Geneva (2020/045), OIOS noted that adequate mechanisms to measure and monitor performance were in place, and established timelines for processing medical claims were generally achieved. However, the United Nations Office at Geneva had still to assess whether, considering the workload, there was a case for establishing a medical adviser post. It also needed to better document its strategy and the various initiatives that it was planning to undertake. Moreover, although the United Nations Office at Geneva had a fraud risk assessment and strategy, the strategy needed to be strengthened to ensure that adequate measures were in place to mitigate specific risks. The United Nations Office at Geneva has initiated action to implement the OIOS recommendations.

United Nations Office at Nairobi

106. OIOS issued two audit reports (2020/026 and 2020/018), four investigation reports, three investigation advisory reports and one closure notice to the United Nations Office at Nairobi.

107. In case 0503/18, OIOS received a report of procurement irregularities implicating a staff member of the Department of Safety and Security who was in Kenya. The OIOS investigation found that fraudulent quotations had been submitted and that the quote submitted by the eventual successful bidder was uncompetitive, resulting in an estimated loss to the Organization of \$4,560. OIOS found that the staff member provided inconsistent and contradictory explanations about the source of the fraudulent quotations and had not followed procurement processes. OIOS transmitted its findings to the Office of Human Resources for appropriate action and issued an advisory report to the United Nations Office at Nairobi in which it highlighted control weaknesses in the procedures for the approval and payment of low-value acquisitions.

108. In the audit of the United Nations Information Centre in Nairobi (2020/026), OIOS noted that, while the Centre had developed a communications strategy to enhance the profile of the United Nations with a view to building stronger, sustainable partnerships, the strategic objectives were not fully developed to include expected outcomes, and a performance management system had not been put in place to monitor and report on achievements. There was also no risk management framework to systematically identify and mitigate risks, nor a results-based system for allocating resources to ensure the efficient and effective delivery of services. The United Nations Information Centre in Nairobi has initiated action to implement the OIOS recommendations.

United Nations Office for Outer Space Affairs

109. OIOS issued one investigation report relating to the United Nations Office for Outer Space Affairs.

United Nations Research Institute for Social Development

110. OIOS issued one audit report (2021/002) to the United Nations Research Institute for Social Development.

111. In its audit (2021/002), OIOS noted that administrative controls were generally in place in the Institute. However, there was misalignment between its strategy and its logical framework for results-based management, which was being used to report performance against strategic objectives to the Board. In addition, the performance indicators in the log frame were mostly output-orientated and needed to be reviewed to allow for better measurement of outcomes and of the research undertaken. The Institute has initiated action to implement the OIOS recommendations.

Investigation reports, closure notice and advisory reports relating to other United Nations organizations

112. OIOS issued:

- (a) One closure notice relating to the United Nations Democracy Fund;
- (b) One closure notice relating to the United Nations Development Programme;
- (c) Four investigation reports relating to the International Civil Aviation Organization;
- (d) Two investigation reports relating to the International Trade Centre;
- (e) One investigation report relating to the Joint United Nations Programme on HIV/AIDS;
- (f) One investigation report relating to the United Nations Population Fund;
- (g) Two investigation reports relating to the United Nations Children's Fund;
- (h) One investigation report relating to the United Nations Office for Project Services;
- (i) Five investigation reports, two advisory reports and four closure notices to the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women);
- (j) One closure notice relating to the World Health Organization.

VII. Mandated reporting requirements

A. Construction activities

113. Pursuant to resolutions [71/272 A](#), [74/263 X](#) and [75/253 X](#), OIOS continues to provide oversight on the renovation of Africa Hall on the ECA premises and of the seismic mitigation retrofit and life-cycle replacements project at the ESCAP premises in Bangkok. Information on the key findings is contained in paragraphs 48 and 51 of the present report.

B. United Nations Compensation Commission

114. Pursuant to the relevant resolutions, including General Assembly resolutions [59/270](#) and [59/271](#), OIOS continues to provide internal oversight over the entire claims process of the United Nations Compensation Commission. Recent findings are discussed in paragraphs 67 and 68 of the present report.

C. United Nations Joint Staff Pension Fund

115. Pursuant to the relevant resolutions, including General Assembly resolutions [48/218 B](#), [74/263 A](#) and [75/246](#), OIOS remains the sole internal oversight body of the secretariat of the United Nations Joint Staff Pension Fund and its investments. Recent findings are discussed in paragraphs 94 to 103 of the present report.

D. Procurement

116. Pursuant to the relevant resolutions, including General Assembly resolutions [73/275](#), [74/256](#) and [75/247](#), OIOS continues to strengthen its focus on the monitoring of procurement activities. Recent findings are discussed in paragraphs 42 and 44 of the present report.
