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Programme, the United Nations  
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**UNFPA – Internal audit and investigation****United Nations Population Fund****Report of the Office of Audit and Investigation Services  
on UNFPA internal audit and investigation activities in 2023***Summary*

In response to Executive Board decisions 2015/2, 2015/13, 2022/15, 2022/22 and earlier pertinent Board decisions, the Director of the Office of Audit and Investigation Services (OAIS) of UNFPA presents herewith the report on internal audit, investigation and advisory services for the year ending 31 December 2023.

The report includes information on: (a) the OAIS mandate; (b) internal audit opinion on the governance, risk management and internal controls of UNFPA; (c) the statement on the independence of OAIS and conformance to professional standards; (d) OAIS resources in 2023; (e) results of the implementation of the risk-based audit plan for 2023; (f) report ratings, significant audit issues, and recommendations; (g) internal audit activities and results; (h) investigations, including information on the nature of cases received, investigated, and actions taken; (i) advisory services rendered in 2023; (j) other activities undertaken in 2023; and (k) a suggested way forward for the coming year and beyond.

Annexes to this report are available separately on the UNFPA website.

As required by the Executive Board in decision 2022/22 and as appropriate, potential red flags, emerging risks, internal control issues, audit findings, and the status of investigations, which emerged from the work of OAIS in 2023 and which require specific attention from the Executive Board, are as follows:

(a) UNFPA policies and standard operating procedures that guide humanitarian response predominantly focused on actions that constitute an immediate response at the start of emergencies. There was no overarching framework to guide country offices in fully integrating and operationalizing their humanitarian response interventions in existing country programme documents. As a result, country offices navigated through fragile humanitarian contexts without a structured approach to plan, implement, monitor and report on humanitarian interventions.

(b) Inadequate results planning and reporting was a pervasive issue that was noted in 15 of the 24 audits concluded in 2023, necessitating a strengthening of existing quality assurance review processes to ensure the formulation of quality results plans, improvement in programmatic monitoring and reporting, and better accountability for results by aligning staff members' individual performance goals with office results plans.

(c) In 8 of the 24 audits concluded in 2023, the organizational structures and staffing arrangements of country offices were not optimized for programme delivery and operations, owing to delays in the conduct of realignment reviews or assessments, particularly following the start of new programme cycles which typically necessitate such reviews or assessments to optimize human resources. The issue was exacerbated by prolonged recruitment processes that resulted in increased vacancies in key positions.

(d) There was a need for six of the country offices audited in 2023 to leverage the provisions of the new enterprise risk management policy to develop, implement and report on action plans that identify, assess and mitigate critical or high risks, using the corporate enterprise risk management tool.

(e) In 12 of the country office audits concluded in 2023, there were significant gaps in implementing partner selection and management processes, presenting a need to strengthen the process through use of competitive methods for the selection of implementing partners, effective use of the United Nations Partner Portal to register and manage implementing partners, and timely transfer of funds to partners.

(f) Weaknesses in planning, assessment, management, distribution and monitoring of programme supplies were noted in 15 country office audits. There is a need to strengthen programme supplies management by training personnel on applicable policy and procedures, including those related to the formulation and inclusion of supplies-related outputs (and attendant measures such as targets and milestones) in office results plans, distribution of programme supplies based on needs assessments, and optimal commodity storage conditions.

(g) On investigations, the total caseload in 2023 was 474 compared to 404 in 2022. At 167, the number of new cases received in 2023 was comparable to those in 2022 (166). A total of 160 cases were closed by the end of 2023 compared to 98 in 2022. The higher number of cases, both received and closed in 2023, reflects OAIS efforts and its strategy in addressing incoming high-priority cases to prevent a build-up of future backlogs while, at the same time, addressing open cases carried over from prior years.

(h) The intake of new cases (167) across UNFPA geographical regions included 8 from headquarters (5 per cent), 27 from the Arab States region (16 per cent), 48 from the Asia and Pacific region (29 per cent), 43 from the East and Southern Africa region (26 per cent), 12 from the Eastern Europe and Central Asia region (7 per cent), nine from the Latin America and the Caribbean region (5 per cent), and 20 from the West and Central Africa region (5 per cent).

(i) As of 31 December 2023, the types of cases in OAIS overall caseload (474) concerned allegations of fraud/financial irregularities (250 cases, 52 per cent of overall caseload), prohibited conduct (85 cases, 18 per cent), sexual misconduct (75 cases, 16 per cent), other wrongdoing (61 cases, 13 per cent) and retaliation (three cases, 1 per cent). Of the 160 cases closed in 2023, the top three types of allegations closed were workplace harassment/abuse of authority (29 cases, 18 per cent of overall cases closed); implementing partner fraud (24 cases, 15 per cent); and proscribed practices (24 cases, 15 per cent).

(j) The causes of the internal audit issues noted in 2023 were insufficient or inadequate 'guidance' at 62 per cent, followed by inadequate 'resources' (i.e., human or financial, including training) at 16 per cent. 'Guidelines' (i.e., lack of or inadequate policies) ranked third at 13 per cent. The proportion of 'errors' (i.e., human or intentional) and 'other factors beyond UNFPA control' was 9 per cent.

#### *Elements of decision*

The Executive Board may wish to:

*Take note* of: (a) the present report (DP/FPA/2024/6), which is harmonized with those of other funds and programmes, in line with Executive Board decision 2020/10; (b) the OAIS opinion on the adequacy and effectiveness of the UNFPA governance, risk management and control processes, as set out in this report; (c) the annual report of the Oversight Advisory Committee (DP/FPA/2024/6/Add.1); and (d) the management response thereto and to the present report (DP/FPA/2024/CRP.2); and

*Express* its continuing support for the strengthening of OAIS functions in discharging its mandate and for the way forward presented in this report to improve the performance and effectiveness of OAIS.

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2. Basis of the 2023 OAIS opinion on the UNFPA governance, risk management and internal control processes
3. Summary of common and high-risk issues noted in the 2023 audit reports
4. Summary of investigation and closure reports issued in 2023, by type of allegation, as of 31 December 2023
5. Detailed overview of cases registered in 2023 and cases carried over to 2024
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7. OAIS key performance indicators
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## Appendices

1. Annual report of the Oversight Advisory Committee for 2023
2. Management responses to the OAIS annual report and the annual report of the Oversight Advisory Committee

(Annexes and appendices are available on the UNFPA [website](#))

## I. Introduction

1. This report provides the Executive Board with a summary of internal audit, investigation and advisory services delivered by the UNFPA Office of Audit and Investigation Services (OAIS) in 2023. It also provides a confirmation of OAIS organizational independence and an overall opinion on the adequacy and effectiveness of the governance, risk management and control processes of the organization. The report further provides: (a) highlights of other OAIS activities in 2023; (b) an overview of the 2024 OAIS annual workplans; and (c) a brief overview of planned activities and initiatives for 2024 and beyond.

## II. Mandate

2. The OAIS mandate is based on article XVII of the UNFPA financial regulations and rules, the UNFPA oversight policy,<sup>1</sup> and the UNFPA accountability framework.<sup>2</sup> These set out that OAIS solely performs and manages or authorizes others to carry out the following oversight functions: (a) independent internal audit services (adequacy and effectiveness of governance, risk management and internal control processes, and economic and efficient use of resources); and (b) investigation services (allegations of wrongdoing). OAIS may also provide advisory services to UNFPA management, to the extent that its independence and objectivity are not compromised.

3. The UNFPA Executive Director approved a revised OAIS charter on 1 August 2023. The charter, which took immediate full effect upon its approval, will be further reviewed, and updated as needed, to reflect critical matters and changes brought about by the new Global Internal Audit Standards, released by the Institute of Internal Auditors on 9 January 2024, and which will become effective 9 January 2025. The current charter is included in annex 1.

## III. Opinion

### A. Responsibilities of UNFPA management and OAIS

4. UNFPA management is responsible for adequately designing, implementing and maintaining adequate and effective governance, risk management and control processes to ensure that organizational objectives are achieved. OAIS is responsible for independently assessing the adequacy and effectiveness of these processes, based on the scope of work it undertakes, as well as – where appropriately tested for operating effectiveness – reliance on second line controls instituted by UNFPA management and by third parties to whom UNFPA outsources some of its business processes.

### B. Basis for internal audit opinion

5. The opinion is based on the following (details are provided in annex 2):

- (a) Results of OAIS audits concluded between 1 January and 31 December 2023 and cumulative audit knowledge and experience stemming from OAIS audits completed in previous years, as considered relevant;
- (b) Status of implementation of internal audit recommendations;
- (c) Second line controls based on reports obtained from management;
- (d) Consideration of material deficiencies in the overall UNFPA framework of governance, risk management, and controls that might, individually or collectively, diminish the achievement of the organization's objectives, as noted in the following:

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<sup>1</sup> <https://www.unfpa.org/admin-resource/unfpa-oversight-policy>.

<sup>2</sup> See document DP/FPA/2007/20.

- (i) Audits of implementing partners under the harmonized approach to cash transfers (HACT) framework;
- (ii) Findings and recommendations reported by the United Nations Board of Auditors in its observation memoranda for the audit of the UNFPA financial statements for 2023;
- (iii) Substantiated investigation cases in 2023 involving allegations impacting UNFPA financial resources, personnel and beneficiary well-being, as well as overall reputational risks; and
- (iv) Results of strategic and fraud-risk assessments completed as part of the enterprise risk management (ERM) process implemented by management, to the extent available, when preparing this opinion.

### **C. Exclusions from the internal audit opinion**

6. In 2023, as in previous years, UNFPA outsourced significant functions to other United Nations system organizations, including: (a) selected human resources management activities; (b) payroll preparation and payment for staff and service contract holders; (c) payment processing; (d) treasury management; (e) hosting and management of the enterprise resource planning (ERP) system; and (f) other information technology services. UNFPA management relied on the management and fiduciary oversight activities undertaken by the United Nations organizations to which these functions were outsourced, as regards the adequacy and effectiveness of the related governance, risk management and internal control processes. These outsourced functions are subject to the provisions on internal audit provided for in the respective United Nations organizations' policies and procedures and are not covered by OASIS opinion. OASIS received confirmation from the UNDP Office of Audit and Investigations that most of these outsourced functions have been covered by its audits in recent years ranging from 2017 to 2023. UNDP is the main provider of outsourced services to UNFPA.

7. UNFPA also outsourced numerous information and communications technology functions, including the hosting of significant systems (e.g., email, cloud storage, website hosting), to third-party service providers. These are subject to the provisions on internal audit provided for in the respective third parties' policies and procedures and are also not covered by the OASIS opinion.

### **D. Overall internal audit opinion**

8. Based on the scope of work undertaken, the overall opinion of OASIS is that the adequacy and effectiveness of the UNFPA governance, risk management and control processes were 'partially satisfactory, with some improvement needed', which means that the assessed processes were adequately designed and operating effectively but needed some improvement to provide reasonable assurance that the objectives of the audited entity/area should be achieved. The issues and improvement opportunities identified did not significantly affect the achievement of the audited entity/area objectives. Management action is recommended to ensure that identified risks are adequately mitigated.<sup>3</sup>

## **IV. Statement of OASIS independence and conformance to internal audit standards and investigation principles**

9. The OASIS Director hereby confirms to the Executive Board that OASIS maintained its organizational independence in 2023. Within the resources made available by management and authority delegated to its Director, OASIS was free from interference in determining its audit scope and in performing and communicating the results of its work.

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<sup>3</sup> The rating for 2023 is the same as that in the previous year. The UNFPA audit rating definitions are harmonized with those of UN-Women, UNICEF and UNOPS. UNDP has adopted different rating definitions.

10. OAIS conducts its internal audit work in conformity with the International Standards for the Professional Practice of Internal Auditing (the Standards) and the code of ethics of the Institute of Internal Auditors, which were adopted for use by the Representatives of the Internal Audit Services of the United Nations system organizations (UN-RIAS) in June 2002.

11. OAIS conducts investigations in compliance with the staff rules and regulations of the United Nations, the OAIS charter, the UNFPA disciplinary framework, the UNFPA oversight policy, and the uniform principles and guidelines for investigations, as endorsed by the 10th Conference of International Investigators, held in June 2009. It is also guided by jurisprudence of the United Nations dispute and appeals tribunals and best practices for investigation, as adopted by counterpart investigative bodies.

12. The OAIS charter and the Standards<sup>4</sup> mandate the Director of OAIS to maintain a quality assurance and improvement programme (QAIP) that involves ongoing and periodic assessments of the entire spectrum of internal audit and consulting work performed by the internal audit function. These ongoing and periodic assessments comprise: (a) rigorous, comprehensive processes; (b) continuous supervision and testing of internal audit and consulting work; (c) periodic validations of conformance with the definition of internal auditing, the code of ethics, and the Standards; and (d) ongoing measurements and analyses of performance metrics (internal audit plan accomplishment, cycle time, recommendations accepted, and customer satisfaction). If the assessment results indicate areas for improvement by the internal audit function, the Director of OAIS implements the improvements through QAIP.<sup>5</sup> A dedicated Quality Assurance, Policy, and Reporting (QAPR) Unit in the Office of the OAIS Director monitors compliance with the requirement and manages QAIP to ensure that OAIS provides high-quality services and formulates its audit programmes and procedures, including the preparation of its reports, in conformance with the Standards.

13. Maintenance and faster delivery of high-quality investigative outputs within the Investigation Branch is achieved through UNFPA investigation staff and recruitment of quality assurance-focused consultants, who are tasked with reviewing the evidentiary bases of investigative findings, the soundness of investigative methodology, the thoroughness of inquiries, adherence to due process obligations, and conformity with internationally accepted investigative practices and standards.

## V. OAIS staffing and budget

14. OAIS had 30 approved posts, as of 31 December 2023: four in the Office of the Director; 13 in the Internal Audit Branch; and 13 in the Investigation Branch. Of the 30 posts, seven were vacant.<sup>6</sup> The seven vacancies comprised three in the Internal Audit Branch and four in the Investigation Branch.

15. The OAIS staff complement was augmented by consultants hired at various points during the year as follows: three in the Directorate; 14 in the Internal Audit Branch; and eight in the Investigation Branch.

16. The overall 2023 vacancy rate of 23 per cent in OAIS represented a slight decrease from 27 per cent in 2022 (see table 1 below). The decrease was occasioned by the filling, in 2023, of one post that was vacant in 2022. The other vacancies in 2022 remained as of 31 December 2023. Given lengthy recruitment processes and an intensely competitive market for posts, securing and retaining the best candidates for the posts under recruitment remains a challenge.

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<sup>4</sup> International Standards for the Professional Practice of Internal Auditing 1300 series 'Quality Assurance and Improvement Programme'.

<sup>5</sup> Practice Advisory 1310-1: 'Requirements of the Quality Assurance and Improvement Programme'.

<sup>6</sup> As of 14 March 2024, three P3 positions were vacant.

**Table 1. Staffing and budget at year-end 2022 and 2023, by OAIS unit**

	Internal audit		Investigation		Directorate		Total	
	2022	2023	2022	2023	2022	2023	2022	2023*
D2 and professional posts – approved	12	12	12	12	3	3	27	27
Professional posts – filled	9	8	8	9	2	3	19	20
Support posts – approved	1	1	1	1	1	1	3	3
Support posts – filled	1	1	1	1	1	1	3	3
<b>Vacant posts</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>8</b>	<b>7</b>
Budget allocation ( <i>thousands of \$</i> )	4 743	4 995	4 022	4 797	1 062	2 222	9 827	12 014
Budget utilization ( <i>thousands of \$</i> )	3 949	4 159	2 820	3 713	949	1 469	7 718	9 341
<b>Budget remaining (<i>thousands of \$</i>)</b>	<b>794</b>	<b>836</b>	<b>1 202</b>	<b>1 084</b>	<b>113</b>	<b>753</b>	<b>2 109</b>	<b>2 673</b>

<sup>(c)</sup>Note: 2023 figures may not be final, subject to finalization of the accounts closure.

17. The OAIS budget for 2023 to support its activities was \$9.9 million (\$9.8 million in 2022) consisting of \$0.9 million for the Office of the Director, \$4.9 million for the Internal Audit Branch, and \$4.1 for the Investigation Branch. Following recommendation by the UNFPA Resource Management Committee and approval by the Executive Director, unspent budget balances of \$2.1 million in 2022, occasioned mainly through savings from vacant posts and operational costs, were carried forward to 2023, in accordance with the revised applicable policy and procedures adopted by management to reinforce the independence of OAIS in response to Executive Board decisions – bringing the 2023 budget to \$12.0 million (i.e., initial \$9.9 million plus \$2.1 million carried over).

18. The unspent budget balance from 2022 was used, in the interim, to create 11 temporary posts in 2023. The Executive Director's approval included an additional \$2.7 million to fund the temporary posts to December 2025 (also included in the midterm review of the UNFPA integrated budget 2022-2025). All 11 temporary posts remained vacant on 31 December 2023, with recruitment processes in progress.

19. Other than the \$2.7 million additional resources indicated above, no further budgetary resources were allocated to OAIS during the midterm review of the UNFPA Strategic Plan, 2022-2025, undertaken in 2023. OAIS continues to assess its resourcing with a view to presenting any necessary requests for additional budgetary allocations at the next UNFPA strategic plan.

## VI. Implementation of the 2023 risk-based audit plan

20. OAIS conducts its assurance activities by means of an audit plan that is based on a documented risk assessment of the audit universe. The audit plan is reviewed by the Oversight Advisory Committee (OAC), which recommends it for approval by the Executive Director. Risk is measured through a set of indicators representing the potential impact and likelihood of events that might adversely affect the achievement of objectives of the business units, processes and systems assessed.

21. The 2023 audit plan comprised 33 engagements, including 13 carried forward from 2022 or prior years and 20 new engagements, including a joint audit with UNDP and the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women).

22. Of the 13 engagements carried forward from 2022 and prior years, 12 were completed with all reports issued in 2023. Only one engagement, a business process audit, was still underway as of 31 December 2023, delayed by a lengthy procurement process for hiring a professional services firm that led to a late start of the fieldwork in December 2023.

23. The status of the 20 engagements planned for 2023 is as follows: (a) 15 engagements were completed, with the resultant reports issued within the year; (b) contractual processes for the joint business process audit were completed in January 2024 and the audit is underway; (c) one planned audit engagement issued an advisory note in July 2023, with the audit phase moved to the 2024 audit plan; (d) a process audit engagement was at the report drafting stage at the time of writing this report; (e) one country office audit was replaced by another country office

audit due to security concerns (report drafting for the new replacement audit is underway); and (f) one advisory engagement was underway as at the end of 2023 and was concluded in early 2024.

24. As of 31 December 2023, OAIS had issued 24 audit reports pertaining to the 2023 audit workplan, compared to nine issued in 2022. Of the 24 audit reports, the majority (15) were issued in the last four months of the year, following the appointment of a new OAIS Director.

25. The outcome of the 2023 risk-based audit plan and the status of its implementation are presented in table 2.

**Table 2. Status of implementation of the 2022 audit plan**

Type of engagement	#	Engagement	Status (21 March 2024)
<b>ENGAGEMENTS STARTED IN 2021 &amp; 2022 AND TO BE COMPLETED IN 2023</b>			
<i>Business process</i>	5	Fast track procedures	Report #4 issued in May 2023.
		Prepositioning of supplies	Report #12 issued in September 2023.
		Third-party procurement	Report #15 issued in October 2023.
		Implementing partner management	Report # 21 issued in December 2023.
		Fraud risk management process	Audit fieldwork commenced in December 2023. Engagement carried forward to the 2024 audit plan.
<i>Programme</i>	1	Spotlight initiative	Report #3 issued in May 2023.
<i>Country office</i>	7	Somalia	Report #17 issued in October 2023.
		Bolivia	Report #2 issued in May 2023.
		Burundi	Report #1 issued in April 2023.
		India	Report #11 issued in September 2023.
		Madagascar	Report #8 issued in August 2023.
		Indonesia	Report #14 issued in September 2023.
		Eritrea	Report #6 issued in August 2023.
<b><i>SUBTOTAL</i></b>	<b>13</b>		
<b>ENGAGEMENTS STARTED AND COMPLETED IN 2023</b>			
<i>Business process</i>	4	ERP “Quantum” (joint audit with UNDP and UN-Women)	Audit fieldwork underway.
		Supply chain management and procurement strategy	Advisory note on restructuring of the Supply Chain Management Unit completed and issued in July 2023. A full scope audit is included in the 2024 audit plan.
		ICT transformation project (advisory)	Advisory report issued to management in February 2024.
		Human resources (headquarters recruitment)	Draft report under preparation.
<i>Country office</i>	16	Cote d’Ivoire	Report #5 issued in July 2023.
		Latin America/Caribbean Regional Office	Report #7 issued in August 2023.
		El Salvador	Report #9 issued in August 2023.
		Liberia	Report #13 issued in September 2023.
		Cambodia	Report #16 issued in October 2023.



		Syrian Arab Republic	Report #10 issued in October 2023.
		Sri Lanka	Report #18 issued in November 2023.
		Ethiopia	Report #20 issued in December 2023.
		Zambia	Report #19 issued in November 2023.
		Kazakhstan	Report #23 issued in December 2023.
		Moldova	Report #22 issued in December 2023.
		Occupied Palestine Territories	Engagement cancelled due to Gaza conflict.
		Papua New Guinea	Draft report under preparation.
		Chad	Report #24 issued in December 2023.
		South Africa	Report #3 of 2024 issued in March 2024.
		Venezuela	Report #1 of 2024 issued in January 2024.
<b><i>SUBTOTAL</i></b>	<b>20</b>		
<b><i>GRAND TOTAL</i></b>	<b>33</b>		

## VII. Internal audit activities and results

### A. Good practices

26. Based on 24 audit reports issued in 2023, OAIS identified and shared with management 68 good practices at the strategic, operational and compliance levels, which could be adopted by other business units in the organization. Good practices common among country offices included the following:

- (a) Six country offices held and documented periodic staff meetings on management, programme, or operational matters, enhancing their ability to share information, effectively monitor programme implementation, and better coordinate decision-making processes;
- (b) Six country offices made effective use of the corporate Global Programming System, as well as in-house developed tools and checklists to standardize and streamline programme planning, implementation and monitoring;
- (c) Seven country offices used technology and other innovative solutions to maximize the impact of their programmatic interventions on beneficiaries;
- (d) Two country offices implemented innovative initiatives to foster work-life balance for their personnel in the context of stressful operating environments;
- (e) Five audits of country offices identified effective use of long-term agreements (LTAs), either by establishing their own LTAs or by using LTAs of other United Nations organizations, enabling a more efficient and timely procurement of supplies, services, and other goods;
- (f) Four country offices made concerted efforts at resource mobilization, maintaining close engagement with both existing and potential donors, and raising significant resources in the process;
- (g) Three country offices developed in-house tools and checklists to streamline their operational processes, improve audit trail, and implement cost reduction measures; and
- (h) Three country offices established mechanisms to improve efficiency in their personnel recruitment processes, helping reduce vacancies;

27. Good practices identified from audits of corporate business processes included the following:

- (a) Three headquarter units established good programme structures for efficient and effective implementation of activities, complete with clear and detailed job descriptions;

(b) Two headquarter units made good use of technology and innovative solutions to maximize the impact of their programmatic interventions. In one case, an online service tool was established with a private sector partner to support country offices in managing and resolving supply chain bottlenecks. In the other case, a business unit conducted a survey to identify countries interested in bridge funding to speed up procurement processes; and

(c) Two headquarter units used tailored tools to streamline their operational processes. One unit established account closure guidelines to meet a specific donor's expenditure eligibility requirements and manage financial risk. The other unit used a spreadsheet-based application to reconcile billings, purchases, and expense recording for a programme.

## B. Report ratings, audit issues, and recommendations

28. For individual assurance<sup>7</sup> engagements, OAIS assigns an overall audit rating based on its assessment of the relevant governance, risk management and control processes at the business unit or process level. In 2017, consistent with a UN-RIAS working group proposal in 2016 on the harmonization of engagement-level audit ratings, OAIS adopted a four-scale audit rating system.<sup>8</sup> Ratings by each audit area are summarized in table 3 below.

29. OAIS issued 24 audit reports in 2023, four of which were rated 'satisfactory', 12 rated 'partially satisfactory, with some improvement needed', seven rated 'partially satisfactory, with major improvement needed', and one 'unsatisfactory'.

**Table 3. Distribution of audit conclusions by region and thematic area for 2023**

Audited area	Number of audits	Satisfactory	Partially satisfactory, with some improvement needed	Partially satisfactory, with major improvement needed	Unsatisfactory
<b>Country office audits</b>					
Arab States	2		1	1	
Latin America and the Caribbean	2		2		
East and Southern Africa	5		3	2	
Asia and the Pacific	4	2	2		
Eastern Europe and Central Asia	2	2			
West and Central Africa	3			3	
<b>Subtotal – country office audits</b>	<b>18</b>	<b>4</b>	<b>8</b>	<b>6</b>	<b>-</b>
<b>Regional office audits</b>					
Latin America and the Caribbean	1		1		
<b>Subtotal – regional office audits</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>

<sup>7</sup> Assurance services involve an objective examination of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organization.

<sup>8</sup> See audit ratings and definitions at <https://www.unfpa.org/admin-resource/standard-definition-audit-terms>.

<b>Audited area</b>	<b>Number of audits</b>	<b>Satisfactory</b>	<b>Partially satisfactory, with some improvement needed</b>	<b>Partially satisfactory, with major improvement needed</b>	<b>Unsatisfactory</b>
<b>Process audits</b>					
Audit of the UNFPA fast track policy and procedures for the procurement of humanitarian supplies	1			1	
Audit of the UNFPA prepositioning of supplies process	1				1
Audit of third-party procurement	1		1		
Audit of the UNFPA Spotlight initiative	1		1		
Audit of the UNFPA management of implementing partners	1		1		
<b>Subtotal – process audits</b>	<b>5</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>
<b>Total</b>	<b>24</b>	<b>4</b>	<b>12</b>	<b>7</b>	<b>1</b>

**a. Business unit audits**

30. OAIS concluded 18 audits of country offices and one regional office in 2023. The results of the audits identified some common themes in audit issues and recommendations across the audited offices, as outlined below by thematic area.

31. Under the governance area:

- (a) Train personnel in results planning, monitoring and reporting, and strengthen quality assurance processes to formulate quality results plans and improve monitoring and reporting;
- (b) To enhance accountability for results, align staff members' individual performance goals with office results plans;
- (c) Country offices should conduct timely review of their organizational structures and staffing arrangements to align them to programme delivery and operational requirements in new programme cycles and expedite recruitment processes for vacant positions; and
- (d) Develop, implement and report on action plans to identify, assess and mitigate critical or high risks using the corporate enterprise risk management tool.

32. In the programme management area:

- (a) Train personnel on preparation of quality workplans and revision of project budgets and workplans in accordance with applicable guidelines;
- (b) Improve programme monitoring by preparing monitoring plans or calendars and tracking monitoring findings to their logical conclusion;
- (c) Strengthen implementing partner management by using competitive methods to select non-governmental organization implementing partners, using the United Nations Partner Portal to register and manage implementing partners;
- (d) Transfer funds to implementing partners in a timely manner;
- (e) Document findings from HACT micro-assessments and assurance activities in a detailed and structured manner that allows their effective follow-up; and

(f) Strengthen programme supplies management by training personnel on formulation and inclusion of programme supplies-related outputs in office results plans and workplans, distribution of supplies based on needs assessments, and improvement of commodity storage conditions.

33. In operations management:

(a) Enhance compliance with procurement procedures, particularly those related to the development of comprehensive procurement plans, proper documentation of receipt and inspection of goods using the correct policy-mandated reports, and establishment of LTAs for goods and services that are purchased on a regular basis;

(b) Train staff to correctly record financial transactions and implement supervisory controls to prevent the charging of expenses to erroneous account codes.

34. In addition to the common themes in audit issues and recommendations identified above, several other high-risk issues, which require the specific attention of the Executive Board, were identified in audits completed in 2023, mainly pertaining to individual business units, as follows:

(a) UNFPA policies and standard operating procedures that guide humanitarian response were predominantly focused on actions that constitute immediate response at the start of emergencies. There was no overarching framework to guide country offices in fully integrating and operationalizing their humanitarian response interventions, which are typically unpredictable in their timing and scope, in existing country programme documents. Management undertook to develop guidance on integrating a framework to guide operationalization of humanitarian response plans into country offices' overall programmatic processes;

(b) Existence of contaminated water-based lubricants in El Salvador and 18 other countries caused by non-compliance of the manufacturer's quality management system and manufacturing practices with international standards. Although all the concerned country offices disposed the contaminated batches in accordance with the respective national laws, the occurrence exposed UNFPA to reputational and financial risk. UNFPA management performed onsite inspections at the manufacturing site in question and at other lubricant manufacturing sites, and instituted corrective and preventative actions to prevent recurrence of the issue;

(c) There was a need for enhanced operational and strategic frameworks within UNFPA, especially concerning humanitarian preparedness, response, and supply repositioning;

(d) UNFPA needed to expedite implementation of the Humanitarian Capacity Development Initiative and humanitarian supplies strategy. This will require coordinated efforts among relevant divisions and committees, revision and development of policies, and a defined strategy and accountability mechanisms to operationalize critical preparedness and response processes;

(e) There was a crucial need for a structured approach to developing key performance indicators and a reporting dashboard to monitor and report on the effectiveness of humanitarian response activities and reporting of results against the key performance indicators.

35. Details on common and high-risk issues and recommendations are provided in annex 3.

## **b. Process and programme audits**

36. OAIS concluded four business process and one programme audit engagements in 2023. These were audits of the UNFPA fast-track policy and procedures for the procurement of humanitarian supplies, the UNFPA prepositioning of supplies process, third-party procurement, the UNFPA management of implementing partners, and the UNFPA Spotlight initiative (programme audit).

37. The audit of the UNFPA fast-track policy and procedures (FTP) for the procurement of humanitarian supplies<sup>9</sup> resulted in an overall rating of 'partially satisfactory, with major improvement needed', with three high priority recommendations out of a total four issued. OAIS recommended that UNFPA expedite implementation of the Humanitarian Capacity Development (HCD) initiative and the humanitarian supplies strategy (HSS) within a time-bound and milestones-specific plan. UNFPA should develop key performance indicators with baselines and

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<sup>9</sup> Audit report number: [IA/2023-04](#) - Audit of the UNFPA Fast Track Policy and Procedures for the Procurement of Humanitarian Supplies.

targets to measure FTP activation, address gaps in information technology systems and data requirements, develop a dashboard for FTP users to report results, and action plans to address service delivery issues.

38. The audit of the UNFPA prepositioning of supplies process<sup>10</sup> resulted in an overall rating of ‘unsatisfactory’. The audit issued 24 recommendations designed to help UNFPA improve its programme delivery and operations. Of the 24 recommendations, 16 were of high priority. From a strategic perspective, OASIS recommended that the UNFPA Humanitarian Response Division (HRD) needs to develop policies and procedures on prepositioning supplies. There was also a need to define and differentiate prepositioning of supplies from other programme and non-programme supplies. Periodic updates of policies and procedures are necessary, taking into consideration documented lessons learned from UNFPA emergency preparedness and response actions. On funding policy and strategy, HRD was required to clarify the strategy and accountability mechanisms for raising funds at the country, regional and headquarters levels for prepositioning of supplies. Operationally, HRD should prepare an implementation plan for prepositioning of supplies.

39. The audit of third-party procurement (TPP)<sup>11</sup> resulted in an overall rating of ‘partially satisfactory, with some improvement needed’. Six high-priority recommendations were issued to assist in the achievement of UNFPA strategic objectives. OASIS recommended that UNFPA refine the strategic objectives of the TPP services and align them with the UNFPA strategic plan and mandate to demonstrate value to internal and external stakeholders and provide a framework for evaluating the modality’s effectiveness and efficiency. In relation to risk management, conduct a strategic-level risk assessment of the TPP service to identify critical risks and establish corresponding mitigation measures. Lastly, there is a need to urgently evaluate, approve and immediately implement a suitable information technology solution that satisfies the needs of TPP business operations.

40. The audit of the UNFPA management of implementing partners<sup>12</sup> resulted in an overall rating of ‘partially satisfactory, with some improvement needed’. Two high priority recommendations were made out of a total four, summarized in three parts as follows: (a) UNFPA should review the implementing partner management process to strengthen its governance structure and promote a more cohesive approach by adopting a framework to enhance cross-functional collaboration that facilitates risk analyses and responses across all the business units responsible for the process; (b) integrate existing tools and legacy systems to create a unified implementing partner management process to support a comprehensive management framework; and (c) ensure consistent and comprehensive risk monitoring and streamlined, efficient second-line controls. Furthermore, OASIS recommended to develop a dynamic, customizable micro-assessment questionnaire that can be adjusted according to implementing partners’ profiles, scale of operations, and types of activities.

41. The audit of the UNFPA Spotlight initiative<sup>13</sup> resulted in an overall rating of ‘partially satisfactory, with some improvement needed’. Three high priority recommendations were issued. It was recommended that a more rigorous programme-specific risk assessment be performed, and comprehensive coordination plans developed, in collaboration with other United Nations organizations, to support country and regional programmes. The programme should develop a business case detailing realignment strategies and action plans for implementation by all UNFPA business units implementing the initiative. Finally, there is a need to enhance the global central platform for gender-based violence to include the good practices and lessons learned from the Spotlight initiative.

42. In 2023, management took action to address matters raised in the 2022 OASIS opinion on the organization’s governance, risk management and control processes, and recommendations provided in the internal audit reports issued in 2023. Several of the recommendations that were due for implementation in 2023 were already closed by year end. Details of actions taken by management in 2023 are outlined in annex 2.

### **c. Internal audit strategy**

43. Based on the results of work concluded in implementing the 2023 audit plan and in conformance with the Standards,<sup>14</sup> OASIS took into consideration the ratings it rendered, at the individual engagement level, on the

<sup>10</sup> Audit report number: [IA/2023-12](#) – Audit of the UNFPA prepositioning of supplies process.

<sup>11</sup> Audit report number: [IA/2023-15](#) – Audit of the UNFPA third-party procurement process.

<sup>12</sup> Audit report number: [IA/2023-21](#) - Audit of the UNFPA management of implementing partners.

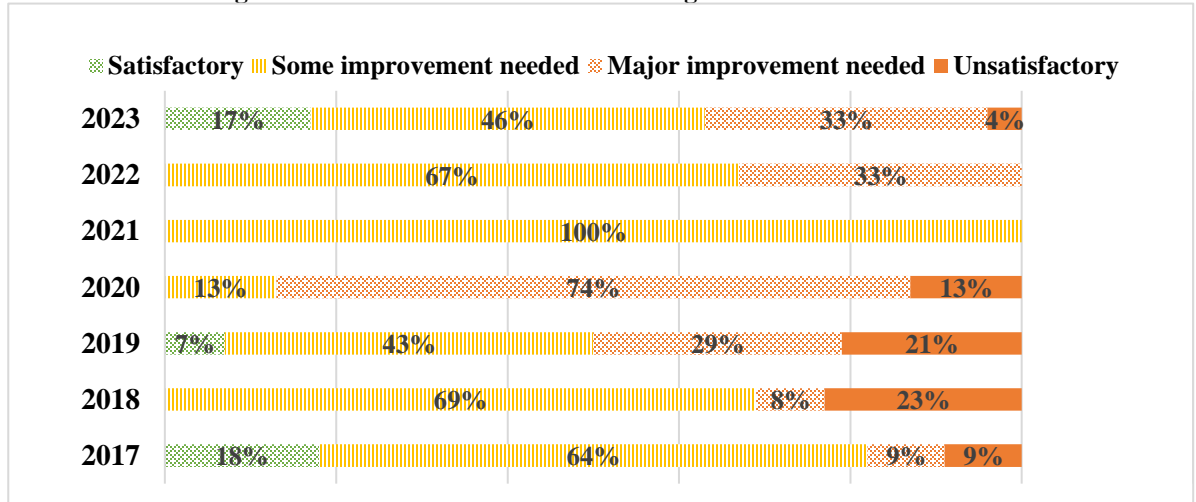
<sup>13</sup> Audit report number: [IA/2023-03](#) – Audit of the UNFPA Spotlight initiative.

<sup>14</sup> ISPIIA 2410.A1 – Opinion at the engagement level.

24 internal audit reports issued in the formulation of its overall opinion on UNFPA governance, risk management and control processes. Although 4 per cent (nil in 2022) of the 24 reports had a rating of ‘unsatisfactory’ and 33 per cent ‘partially satisfactory, with major improvement needed’ (33 per cent in 2022), none of the issues identified in the reports (the more prevalent ones of which are highlighted in the subsections above) were assessed as being significant enough as to significantly affect the achievement of UNFPA objectives.

44. Figure 1 below provides an overview of internal audit ratings on audit reports issued for 2017-2023.

**Figure 1. Overview of internal audit ratings for 2017-2023**

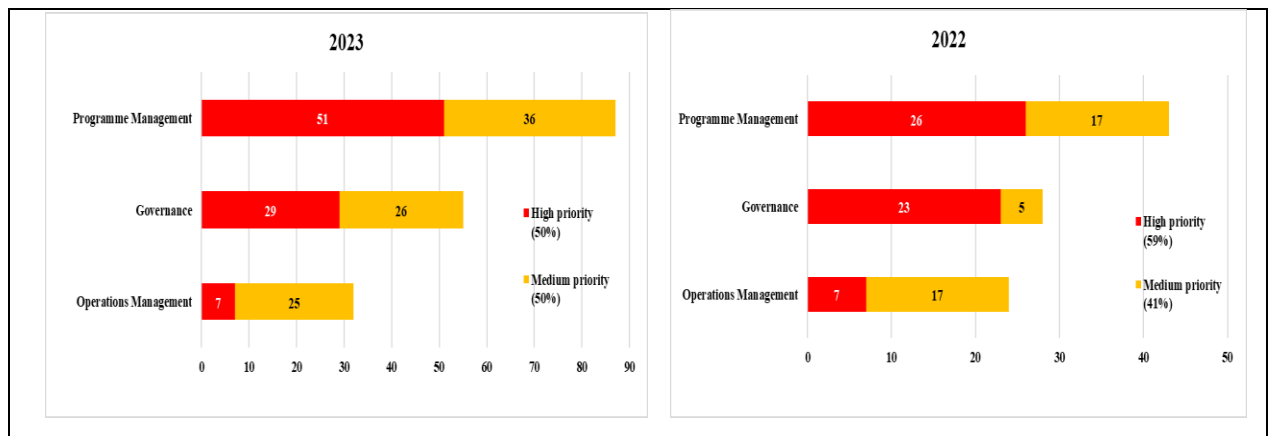


**d. New internal audit recommendations**

45. The 24 audit reports issued in 2023 resulted in 235 recommendations, 123 (52 per cent) of which were ranked ‘high priority’.

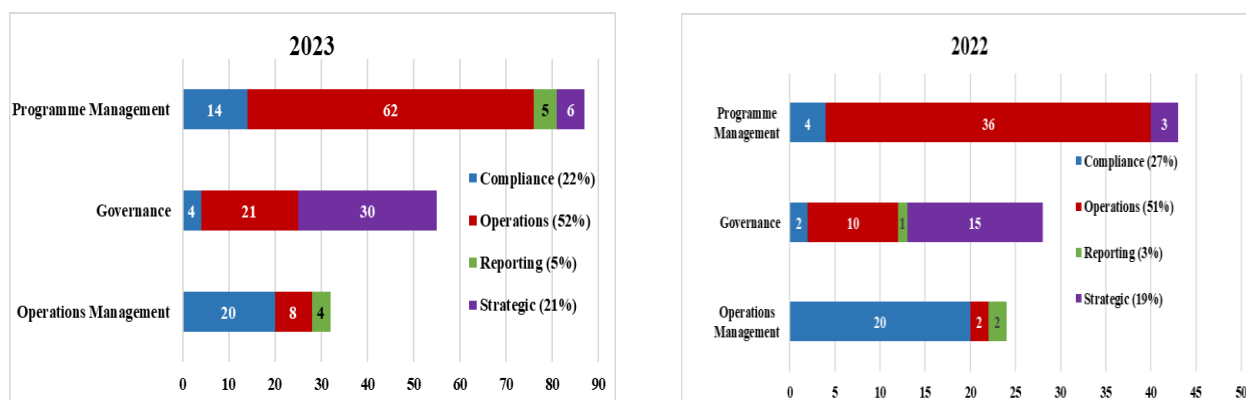
46. Overall, 174 recommendations were issued to country offices in 2023 (95 in 2022). The pattern in 2023 was consistent with that of 2022, with ‘programme management’ being the largest category, followed by ‘governance’. The proportion of ‘high’ priority recommendations decreased in 2023 compared to 2022 (see figure 2).

**Figure 2. Country offices – recommendations by priority level**



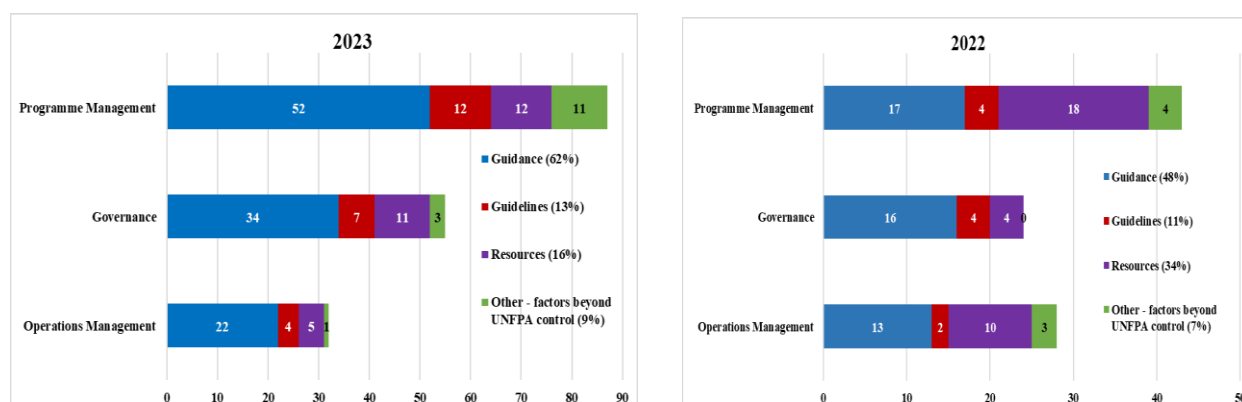
47. The pattern by type showed a decrease (in proportion) of ‘compliance’ issues, with ‘operations’ remaining the highest category (see figure 3).

Figure 3. Country offices – recommendations by type



48. Insufficient ‘guidance’ remained the main cause of issues, followed by inadequate ‘resources’ (human or financial, including training) which decreased in proportion in 2023. ‘Guidelines’ (lack of or inadequate policies) ranked third. The proportion of ‘errors’ (human or intentional) and ‘other factors beyond UNFPA control’ stayed similar between 2023 and 2022 (see figure 4). As part of its regular root cause analyses, OAI will continue exploring the causes of audit issues.

Figure 4. Country offices – recommendations by cause



49. The one regional office audit concluded in 2023 had 13 recommendations of which six were ‘strategic’, five ‘operations’ and two ‘compliance’. No regional office audit was undertaken in 2022. Therefore, no comparison of patterns was made.

50. The remaining 48 out of 235 recommendations issued in 2023, related to business process audits, where patterns could not be established due to the unique nature of the audited areas and auditing procedures followed for each engagement.

### C. Implementation of internal audit recommendations

51. The implementation rate of internal audit recommendations issued prior to 2023 was 78 per cent (86 per cent in 2022). Eighty-eight per cent of the recommendations issued in 2023 are due for implementation in 2024 and 2025. UNFPA management agreed with all internal audit observations and recommendations in the reports issued in 2023. No recommendation was closed during the year based on management disagreement, management’s acceptance of risks, or being overtaken by events and therefore no longer applicable.

52. There were 15 (nil in 2022) long outstanding audit recommendations,<sup>15</sup> as shown in table 4, over 18 months old. Of the 15, twelve were of high priority and three of medium priority. Six long outstanding audit recommendations related to a country office (five high priority, one medium priority), eight to business process audits (six high priority, two medium priority), and one to a regional remote audit and monitoring exercise (high priority). Detailed information on the long overdue recommendations is set out in annex 8.

**Table 4. Aging status of recommendations, as of 31 December 2023**

Priority	Total outstanding recommendations	<12 months	12-18 months	>18 months
High	165	122	31	12
Medium	129	103	23	3
<b>Total</b>	<b>294</b>	<b>225</b>	<b>54</b>	<b>15</b>
Due in 2024 and beyond	212	203	6	3*
Overdue	82**	20	47	15***

\*These represent recommendations where the implementation timelines provided by management were more than 18 months beyond 31 December 2023. Their implementation is, therefore, due in the future.

\*\*Sixty-five of the overdue recommendations were closed in the first quarter of 2024.

\*\*\*Thirteen of the long outstanding audit recommendations were closed in the first quarter of 2024. Only two were open at the time of writing this report.

#### D. Issuance and publication of internal audit reports<sup>16</sup>

53. All internal audit reports issued against the audit plan for 2023 were publicly disclosed, in accordance with Executive Board decision 2012/18, and are available on the UNFPA audit disclosure website: <https://www.unfpa.org/internal-audit-reports-listing-page>. No requests for redaction of audit reports were received in 2023 from either the Executive Director or the permanent missions of the Member States where the audited country offices are located.

### VIII. Investigation activities and results

54. OAIS is responsible for conducting investigations into allegations of wrongdoing, including but not limited to:

- 'Internal' investigations*: misconduct by UNFPA staff, interns, junior professional officers (JPO), United Nations Volunteers (UNV), and UNFPA service contractors, ranging from fraud and corruption to harassment, sexual harassment, abuse of authority, retaliation, sexual exploitation and abuse (SEA), and other violations of applicable regulations, rules and administrative or policy issuances;
- 'External' investigations*: wrongdoing, including proscribed practices and SEA by independent contractors, implementing partners, suppliers and other third parties committed to the detriment of UNFPA; and
- 'Third-party'-led investigations*: OAIS follows investigations conducted by UNFPA implementing partners, particularly in relation to fraud and SEA, that implicate implementing partner personnel and sub-contractors. In addition, OAIS reviews third-party investigation dossiers from other United Nations organizations concerning UNFPA personnel for potential endorsement.

55. The investigation process adopted by OAIS, as previously described (see document [DP/FPA/2018/6](https://www.unfpa.org/publications/2018/6), paragraph 29), did not change in 2023. The process involves the receipt of a complaint or report of wrongdoing,

<sup>15</sup> The term long-outstanding recommendation is used in the harmonized approach for those that remain open beyond 18 months from the issuance of a report.

<sup>16</sup> Publication refers to the uploading of issued audit reports in the Audit and Investigation webpage of the UNFPA website (<https://www.unfpa.org/audit-and-investigation>).



which is immediately screened to determine whether the matter falls within the OAIS mandate. If the matter falls within its mandate, OAIS opens a case in the preliminary review stage. If the case involves a referral of retaliation from the Ethics Office, it is immediately opened in the investigation stage. Any matter not opened as a case by OAIS is registered as a non-case. At the preliminary review stage, OAIS determines whether the reported matter constitutes a prima facie case of wrongdoing. If it does not, OAIS closes the matter with a case closure note and, if needed, sends a referral to the appropriate office to address the issue. If it does, OAIS opens an investigation case during which all avenues of inquiry are pursued and available evidence – testimonial, documentary, digital or otherwise – is collected. If, during an investigation, OAIS determines that a prima facie case of wrongdoing can no longer be sustained, or that the matter no longer warrants investigation, it may close the matter with a case closure note and inform the complainant of the investigative outcome. At the conclusion of a full investigation process, both the complainant and the subject of the allegation are informed of the investigative outcome. For cases not involving retaliation, if substantiated, the matter is referred to the UNFPA Legal Unit via an investigation report; or, if not substantiated, an investigation closure report is retained on file by OAIS. For cases involving retaliation, whether the allegations are substantiated or not, OAIS prepares appropriate investigation work products and submits these to the Ethics Office. When OAIS closes a case, it can also, if needed, send a referral to the appropriate UNFPA business unit or other United Nations agency to address the issue/ take further action. OAIS reserves the right to reopen a case should new information about the allegation(s) be received and warrant reopening of the matter.

**a. Case carryover from 2022 and previous years**

56. At the start of 2023, OAIS carried over 306 open cases from previous years. Of these, 225 (74 per cent) were at the preliminary review stage and 81 (26 per cent) were in full investigation. In line with harmonized definitions and reporting of the relevant United Nations funds and programmes, of the 306 open cases at the beginning of 2023: 170 (55 per cent) concerned fraud and financial irregularities; 39 (13 per cent) concerned sexual misconduct (sexual exploitation and abuse, sexual misconduct or sexual harassment); 57 (18 per cent) concerned prohibited conduct (i.e., abuse of authority, discrimination or workplace harassment); 39 (13 per cent) concerned other misconduct/wrongdoing (such as abuse of privileges and immunities, favouritism, unauthorized disclosure, and unethical practices); and one (one per cent) case concerned retaliation. As of 1 January 2023, with reference to the harmonized categories, the 306 carryover cases were at different stages of the investigation process,<sup>17</sup> as follows:

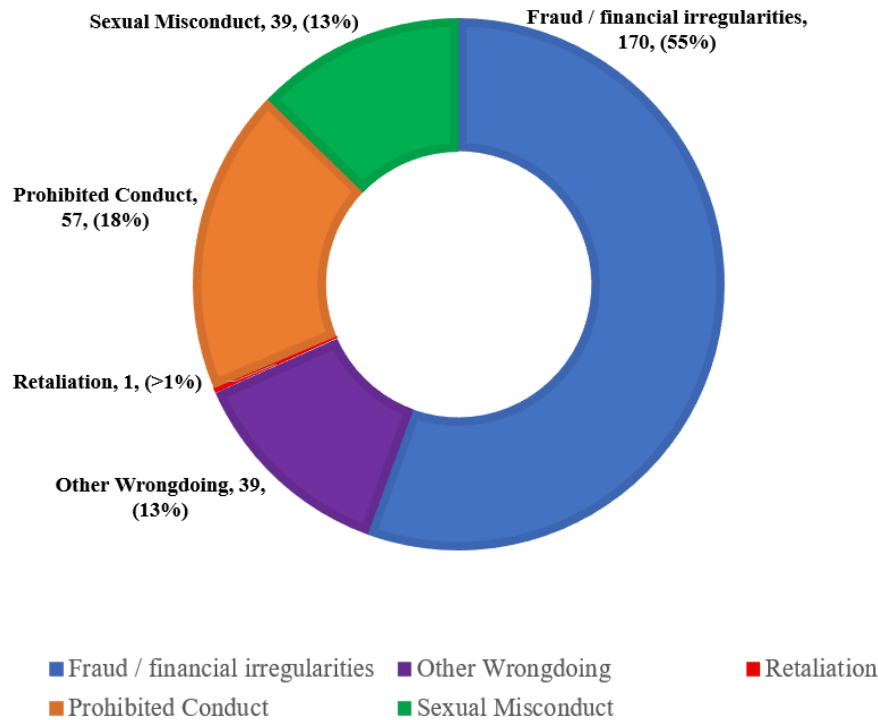
- (a) Of the 170 fraud and financial irregularities cases, 124 were in preliminary review and 46 were in full investigation;
- (b) Of the 57 cases involving prohibited conduct, 44 were in preliminary review and 13 in full investigation;
- (c) Of the 39 cases concerning sexual misconduct, 27 were in preliminary review and 12 in full investigation;
- (d) Of the 39 other misconduct/wrongdoing cases, 30 were in preliminary review and nine in full investigation;
- (e) The sole retaliation case was in full investigation.

57. Figure 5 shows a breakdown of cases carried over from 2022 and previous years using the above-mentioned harmonized categories.

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<sup>17</sup> As the 306 cases progressed in 2023, some of their primary allegations (the categorization under which the case is registered) may have changed.

**Figure 5. Breakdown of the 306 cases carried over from 2022 and previous years**



**b. Intake in 2023**

58. In addition to the 306 carryover cases, OASIS reopened a case which had previously been closed in 2022 and registered 405 new matters in 2023. Of these 405 new matters, 238 were registered as non-cases after initial screening and triage. The remaining 167 were opened as new cases. The number of new cases in 2023 is in line with the 2022 figures (166) but represents a sharp increase from new case levels in 2021 (118), 2020 (116), and 2019 (112).

59. Of the 167 new cases opened, 92 cases (55 per cent) concerned internal subjects. These involved UNFPA staff (85 cases, 92 per cent); service contractors (five cases, 5 per cent), United Nations Volunteers (one case, 1 per cent), and an unknown internal subject (one case, 1 per cent).

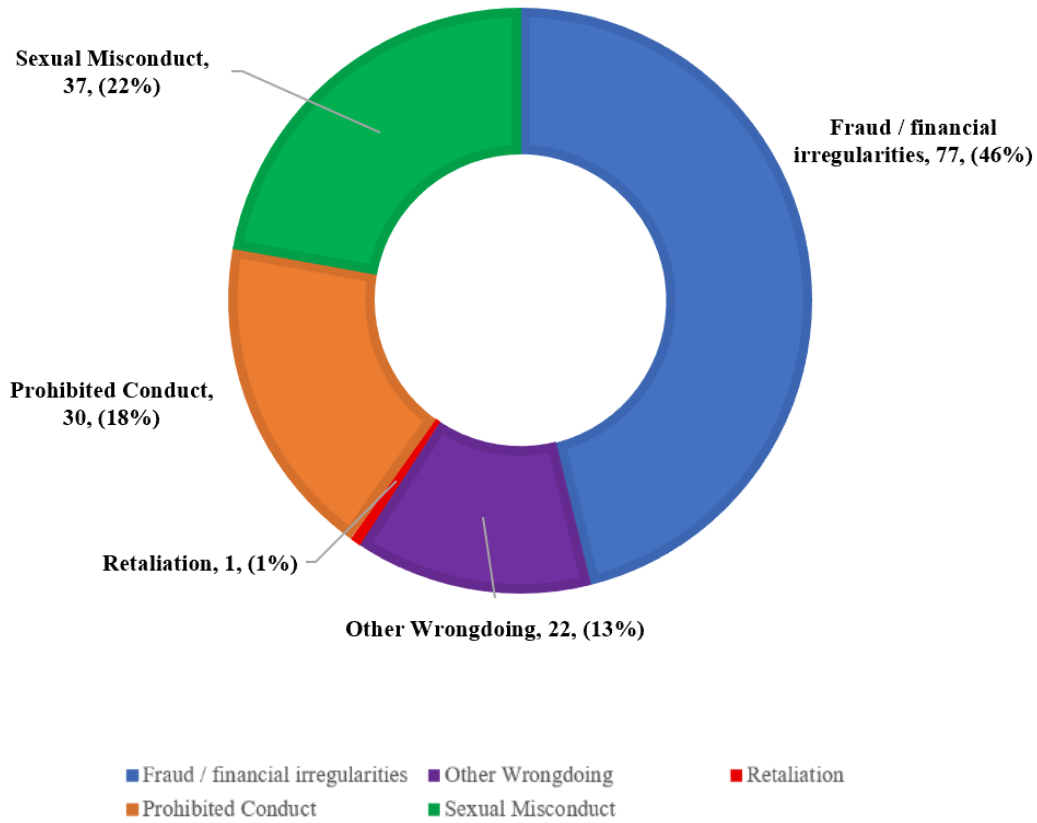
60. Sixty-five (65) of the new cases (39 per cent) related to allegations against external persons or entities. These involved implementing partners and their staff members (52 cases, 80 per cent); consultants and former consultants (six cases, 9 per cent); suppliers (five cases, 8 per cent); former UNFPA staff members (one case, 2 per cent); a government official (one case, 1 per cent).

61. Ten of the new cases (6 per cent), concerned a subject where it is unknown if the subject is internal or external to UNFPA. This increase in unknown subjects compared to previous years, results, in part, from OASIS focus on product/commodity diversion cases in which the subject of the allegation is not always immediately clear.

62. Overall, 26 (16 per cent) of the 167 new cases concerned current and former senior officials at the P-5 level and above.

63. Figure 6 and table 5 below show the breakdown of new cases opened in 2023 using the above-mentioned harmonized categories. Annex 5 shows a more detailed breakdown of the new cases registered in 2023 by allegation type.

**Figure 6. Breakdown of the 167 cases received in 2023**



**Table 5. Case intake category, by year**

Case intake, by category, for 2019-2022					
Allegation category	2019	2020	2021	2022	2023
Fraud and financial irregularities	62	58	45	63	77
Prohibited conduct	21	18	27	42	30
Sexual misconduct	19	23	20	27	37
Retaliation	1	1	3	8	1
Other wrongdoing	9	16	23	26	22
<b>Total</b>	<b>112</b>	<b>116</b>	<b>118</b>	<b>166</b>	<b>167</b>

64. As stated above, in addition to the 167 cases registered in 2023, OAIS opened 238 non-cases that comprised reports of wrongdoing that do not fall within the mandate of OAIS or requests for advice, both of which required further review and action.<sup>18</sup> This represents a 48 per cent increase compared to 2022 (161 non-cases), a 116 per cent increase, compared to 2021 (110 non-cases), a 396 per cent increase, compared to 2020 (48 non-cases), and a 580 per cent increase, compared to 2019 (35 non-cases). The increase in non-cases can be attributed to a better structured and more adequately resourced intake team due to increases in staffing from the initial phase of OAIS restructuring in 2022, which has led to the “screening out” of more cases. The team applies a more rigorous intake process to screen complaints thoroughly, to determine whether they fall within OAIS mandate, before opening a case.

#### c. Case intake at headquarters and by region

65. Table 6 below depicts the breakdown of cases opened in 2023, compared to 2022, 2021 and 2020, at headquarters and by region.

**Table 6. Yearly case intake, at headquarters and by region, for the past four years**

UNFPA headquarters/region	2020		2021		2022		2023	
	Number of cases	Percentage of the total	Number of cases	Percentage of the total	Number of cases	Percentage of the total	Number of cases	Percentage of the total
Headquarters	9	8	4	3	5	3	8	5
Arab States	33	28	31	26	33	20	27	16
Asia and the Pacific	23	20	14	12	42	25	48	29
East and Southern Africa	19	16	37	32	31	19	43	26
Eastern Europe and Central Asia	7	6	4	3	12	7	12	7
Latin America and the Caribbean	7	6	5	4	13	8	9	5
West and Central Africa	18	16	23	20	30	18	20	12
<b>Total</b>	<b>116</b>	<b>100</b>	<b>118</b>	<b>100</b>	<b>166</b>	<b>100</b>	<b>167</b>	<b>100</b>

#### d. Total caseload and case closure in 2023

66. In 2023, OAIS had a total caseload of 474 cases (306 carried over from 2022 and prior years, one case re-opened from previous years and 167 new cases), which represents a 17 per cent increase compared to 2022 (404 cases) and a 40 per cent increase compared to 2021 (339 cases). One-hundred-and-sixty (160) of the 474 cases were closed by year-end 2023 (see table 7 and figures 7 and 8 below).

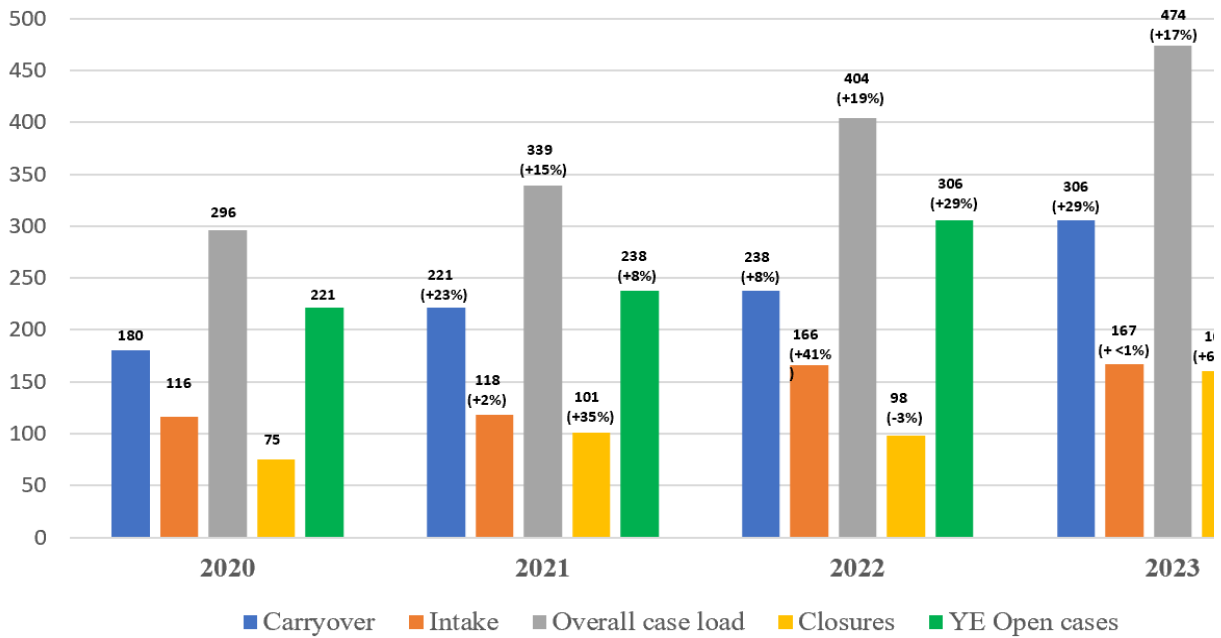
67. Of the 160 cases closed at year-end 2023, 135 (84 per cent) consisted of backlog cases (considered as cases received by OAIS prior to 2023). Of these 135 cases, nine (6 per cent of the total cases closed) were registered in 2017; five (3 per cent) were registered in 2018; 15 (9 per cent) in 2019; 20 (13 per cent) in 2020; 31 (19 per cent) in 2021; and 55 (34 per cent) in 2022. Twenty-five (16 per cent) of the 160 cases closed in 2023 were received in the same year of closure (2023). The higher number of cases, both received and closed in 2023, reflects OAIS efforts and its strategy in addressing incoming high-priority cases to prevent a build-up of future backlogs while, at the same time, addressing open cases carried over from prior years.

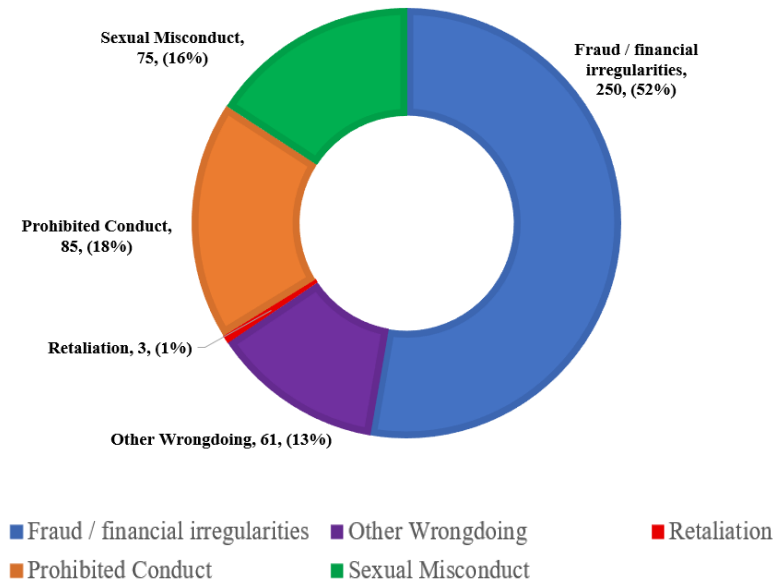
<sup>18</sup> OAIS sent 11 referrals/advisory memoranda concerning 42 of these non-cases back to the relevant UNFPA office or to another United Nations organization, where appropriate. Where possible and appropriate, OAIS acknowledged receipt of the non-cases and advised the complainant, if contactable, on the jurisdictional limitations of OAIS.

**Table 7. Breakdown of cases handled in 2023**

Status of cases	Number of cases
Carryover, as of 1 January 2023	306
Intake during the year	167
Reopened from previous years	1
<b>Total cases during the year</b>	<b>474</b>
Closed during 2023	160
Reopened from current year	(0)
<b>Total cases closed by 31 December 2023</b>	<b>160</b>
Cases ongoing, as of 31 December 2023	314

**Figure 7. Yearly intake, carryover, overall caseload, closures, and open cases**



**Figure 8. Caseload at year-end 2023 (474 cases)**

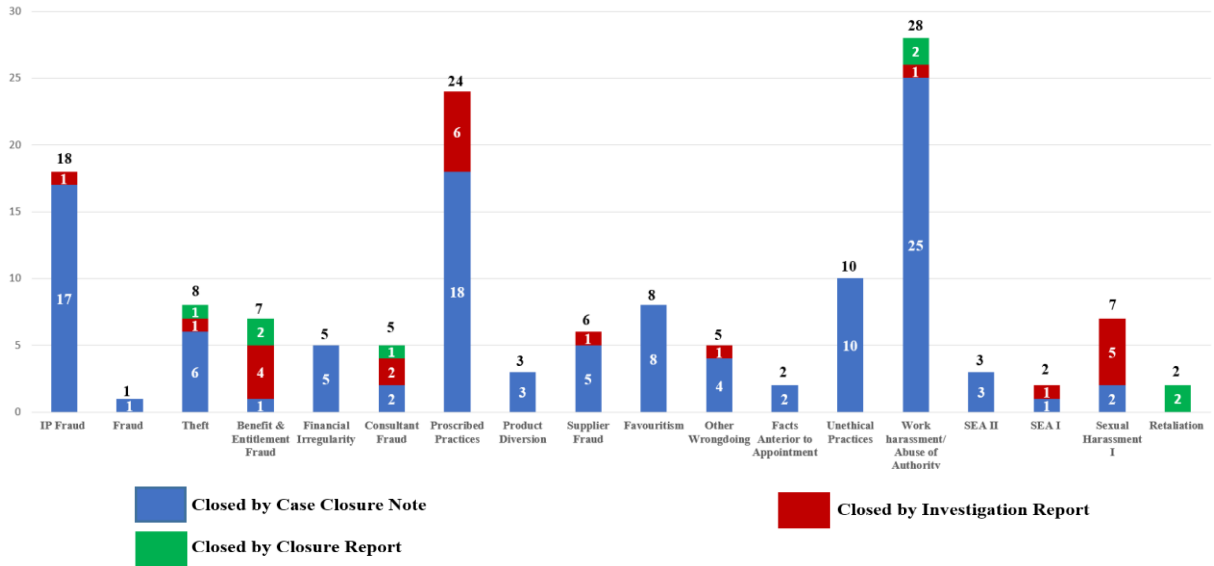
68. Overall, as stated above, 160 cases were concluded by year-end in 2023. These 160 cases represent a 63 per cent increase over the cases closed in 2022 (98), a 58 per cent increase over the number of cases closed in 2021 (101), a 113 per cent increase over 2020 (75), and a 357 per cent increase over the number of cases closed in 2019 (35).

- (a) Of the 160 cases, 144 (90 per cent) concerned internal or external OAI investigations, i.e., OAI-led investigations, and 16 (10 per cent) concerned third-party investigations in which OAI reviewed the investigation dossier for possible endorsement.
- (b) Of the 160 cases, 126 (79 per cent) were closed through case closure notes after preliminary review or prior to the conclusion of a full investigation.<sup>19</sup> These 126 cases also encompassed 13 (8 per cent) third-party investigations. Of these 13 third-party investigations, which were closed prior to a full OAI investigation, nine (6 per cent) were endorsed and four (two per cent) were not endorsed (see figure 9 below).
- (c) Thirty-four cases (21 per cent) were closed via an investigation report or investigation closure report after a full investigation, i.e., after the subject was notified, all relevant witnesses interviewed, and all relevant evidence reviewed (see figures 9 and 10).
- (d) Of the 34 cases closed following a full investigation, 31 concerned investigations carried out by OAI. Twenty-three (23) of these OAI-led investigations had at least one substantiated allegation. This represents 14 per cent of the total cases closed and 74 per cent of the full investigations carried out by OAI. Eight of the OAI-led investigations were substantiated. This represents 5 per cent of the total cases closed and 16 per cent of the full investigations carried out by OAI. Three third-party investigation dossiers (2 per cent of total cases closed) were endorsed by OAI following the opening of a full OAI investigation (see figure 10 below).

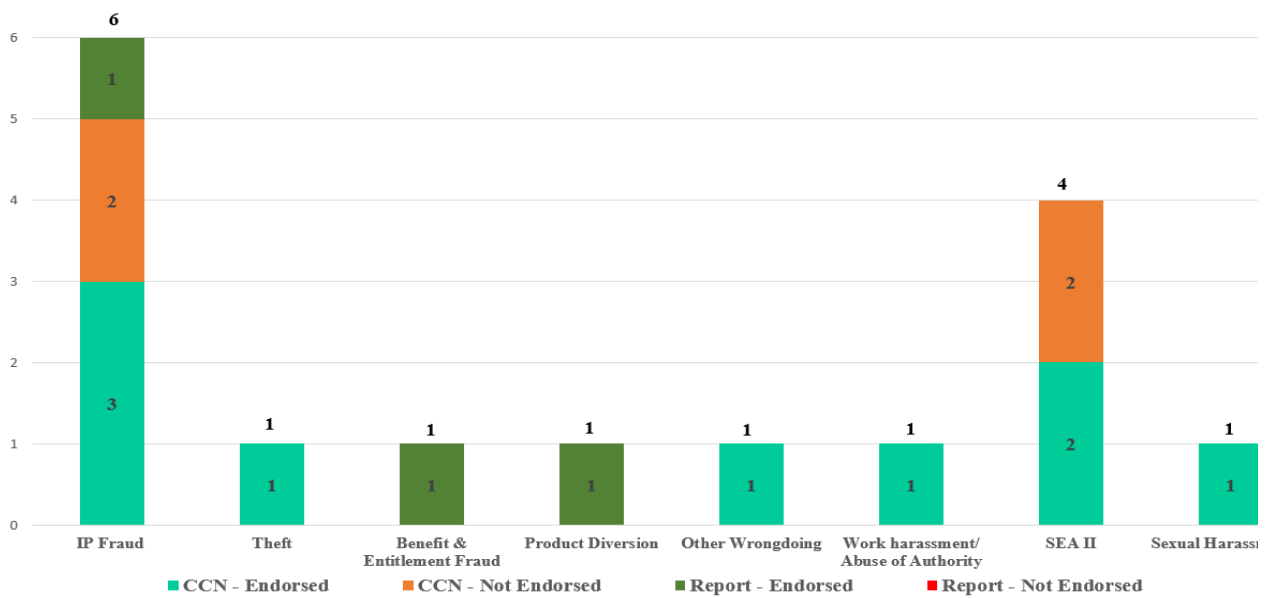
<sup>19</sup> For cases closed by case closure note, OAI collected evidence and determined that: (a) the matter does not fall within OAI mandate; (b) there are no reasonable indications that wrongdoing may have occurred; (c) there is no specific information to warrant and form the basis of a formal investigation; (d) the conduct complained of did not rise to the threshold or meet the definition as enshrined in policy; (e) an investigation was otherwise not the most appropriate action; or (f) one of more of the expanded case closure criteria enshrined in OAI 2023 workplan applies.

- (e) Thirty-four (21 per cent) of the 160 cases concluded concerned current or former senior UNFPA officials at the P-5 level or above. Thirty (19 per cent of the total cases closed) of these cases were closed by a case closure note, one (<1 per cent) was substantiated following a full investigation, and three (2 per cent) were unsubstantiated after full investigation.
- (f) OASIS sent 19 case-related referrals/advisory memoranda concerning 25 cases to the appropriate UNFPA offices or other United Nations organization for action, as deemed necessary.

**Figure 9. Breakdown of OASIS-led cases closed in 2023, by category and outcome**



**Figure 10. Breakdown of third-party investigations reviewed by OASIS in 2023, by category and outcome**



69. Of the 34 cases that were closed after a full investigation in 2023, 23 were substantiated in full or in part and three third-party investigation dossiers endorsed following a full OAIIS investigation (see figures 9 and 10, table 8 and details in annex 4). For retaliation investigations, OAIIS closes the case by submitting an appropriate work product to the Ethics Office for further action, regardless of whether the allegations are substantiated or unsubstantiated. In all other cases, if an OAIIS-led investigation results in at least one substantiated allegation, OAIIS closes the case by submitting an investigation report to the UNFPA Legal Unit for further action. If no allegations are substantiated, the case is closed by OAIIS with a closure report (see figures 9 and table 8).

70. In relation to third-party led investigations, OAIIS reviews the investigation dossier for possible endorsement. Typically, third-party investigations are closed by case closure note where they can be endorsed without any further investigation/action needed or where OAIIS is unable to endorse but there are cogent reasons for not opening a full investigation. OAIIS opens a full investigation for third-party dossiers when there is follow-up action needed, such as OAIIS or the third party having to carry out further investigative action or where it is considered that the matter should be referred to the Legal Unit or Implementing Partner Review Committee (see figure 10 and table 8).

71. Of the 26 substantiated cases and endorsed third-party investigation dossiers, the primary allegations could be broken down as follows:

- (a) Most cases (18 cases, 69 per cent) concerned fraud and financial irregularities, which are broken down to six cases of proscribed practices (23 per cent), five cases of benefit and entitlement fraud (19 per cent), two cases of consultant fraud (8 per cent), two cases of implementing partner fraud (8 per cent), one case each of product diversion (4 per cent), theft (4 per cent), and supplier fraud (4 per cent);
- (b) Sexual misconduct (six cases, representing 23 per cent) comprising five cases of sexual harassment (19 per cent) and one case of sexual exploitation and abuse (4 per cent);
- (c) Prohibited conduct (one case representing 4 per cent) comprising workplace harassment/abuse of authority; and
- (d) Other wrongdoing (one case representing 4 per cent) of misuse of UNFPA assets.

72. Of the cases involving financial matters, closed following full investigation, 10 had financial consequences for UNFPA, and in each case, OAIIS was able to determine the estimated loss. The aggregate value of substantiated cases involving a loss for UNFPA, through fraudulent practices or financial irregularities, amounted to \$1,047,527<sup>20</sup> (\$45,523 in 2022).

73. At year-end 2023, 314 cases – primarily implementing partner fraud at UNFPA (71 cases) (22 per cent); workplace harassment/abuse of authority (56 cases) (18 per cent); proscribed practices (52 cases) (16 per cent); sexual exploitation and abuse (35 cases) (11 per cent) – were carried over to 2024 (see annex 5 and figure). This represents a 3 per cent increase in cases carried over, compared to 2022 (306 cases), as OAIIS continued to deal with a large backlog of cases that had accumulated in recent years due to an increase in reporting of misconduct and previous vacancies in the Investigation Branch.

74. Of the 314 outstanding cases at year-end, 46 (15 per cent) involve cases against current or former senior UNFPA officials at the P-5 level and above. Of the outstanding cases, 250 (79 per cent) were at the preliminary review stage and the remaining 64 were either at the investigation (49 cases) (16 per cent) or report-writing stages (15 cases) (5 per cent). In accordance with the harmonized definitions and reporting of the funds and programmes, the 250 outstanding cases at the preliminary review stage concerned: fraud/financial irregularities (65 per cent); sexual misconduct (23 per cent); prohibited conduct (22 per cent); other wrongdoing (14 per cent); and retaliation (<1 per cent).

75. The cases concluded in 2023 were, on average, closed in 24.3 months (from receipt to closure). Within these, OAIIS prioritized time-bound cases and those concerning retaliation, sexual misconduct, fraud, and theft of large sums. The portfolio of outstanding cases at year-end was aged, on average, over 18.7 months; 69 per cent of which were above the six-month target, being, on average, 26.1 months old.

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<sup>20</sup> Eighty (80) per cent of the amount related to just one case.



76. In conducting its investigative activities in 2023, OASIS issued eight requests for placement/extension of administrative leave against UNFPA staff members, which were all approved. OASIS also issued six notices of seizure of ICT equipment and served 26 notices of formal investigation against UNFPA personnel, vendors and implementing partners. It should be noted that the issuance of notices of formal investigation generally occurs at the end of an investigation and shortly prior to interviewing a subject of allegations, and not necessarily upon opening a full investigation case.

**Table 8. Disposition of cases completed in 2023**

Type of closure	Number of cases
<b>Disposition of investigation reports</b>	
(a) Submitted to the Legal Unit	23
(b) Submitted to the Ethics Office (retaliation)	0
<i>Subtotal</i>	<b>23</b>
<b>Disposition of investigation closure reports</b>	
Submitted to the Ethics Office (retaliation)	2
(a) Allegation not substantiated / the conduct did not reach the threshold or definition required by the policy	6
(b) Allegation in which no perpetrator was identified	0
<i>Subtotal</i>	<b>8</b>
<b>Disposition of third-party investigation dossiers closed by report</b>	
(a) Dossier endorsed and submitted to the Legal Unit by Report following full investigation by	3
(b) Dossier not endorsed and submitted by report to the Legal Unit	0
<i>Subtotal</i>	<b>3</b>
<b>Total disposition of investigation and closure reports in 2023</b>	
Closure note (insufficient actionable information to conduct a full investigation / other cogent reason for not opening full investigation)	113
<i>Subtotal</i>	<b>113</b>
<b>Disposition of third-party investigation dossiers closed by closure note</b>	
(a) Dossier endorsed and closed via a closure note	9
(b) Dossier not endorsed and closed via a closure note	4
<i>Subtotal</i>	<b>13</b>
<b>Total disposition of cases closed in 2023</b>	
Referrals/advisory memoranda to other internal/external departments	30 <sup>21</sup>

77. At the time of writing this report, the status of the 23 investigation reports and three endorsed third-party investigation dossiers that were submitted to the UNFPA Legal Unit, Implementing Partner Review Committee (IPRC) or Vendor Sanctions Review Committee (VRC) in 2023 was as follows (see table 8 and annex 4 for details):

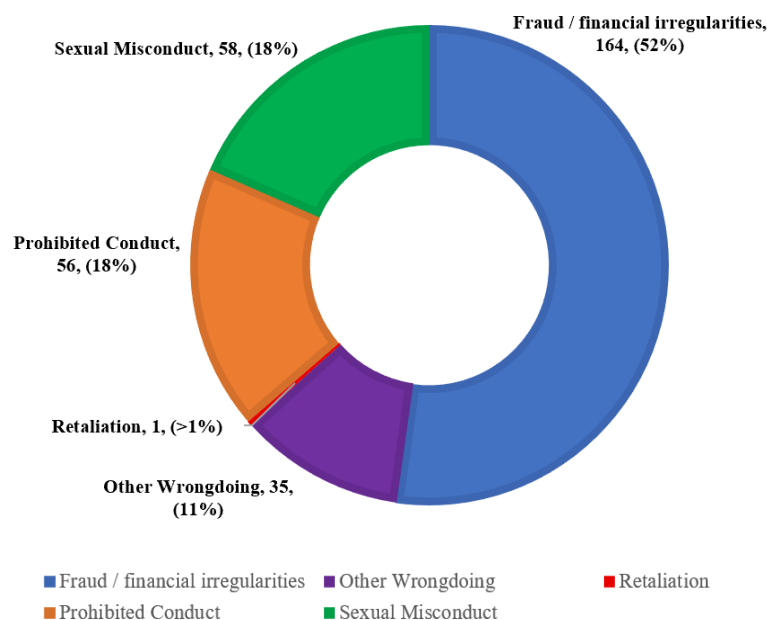
(a) Twelve cases involved former UNFPA personnel, personnel whose contracts had not been renewed, or personnel who had resigned or otherwise separated from service before issuance of investigation reports or during the disciplinary stage:

- (i) Six of these cases were closed with an appropriate note placed in the personnel file;
- (ii) Two cases were closed by referral to the national authorities, in addition to the placement of appropriate note in the personnel file;

<sup>21</sup> Many of these referrals/advisory memoranda encompassed multiple non-cases/cases in a single referral/memorandum.



**Figure 11. Breakdown of open cases (314), as of year-end and to be carried forward to 2024**



## IX. Advisory services rendered in 2023

78. In accordance with its charter, OAIS may provide advisory services to UNFPA management, to the extent that its independence and objectivity are not compromised. The advisory services provided are based on its knowledge of governance, risk management and internal control processes and on lessons learned from audits and investigations conducted. In providing these services, OAIS does not participate in the decision-making process or determine which actions UNFPA should undertake.

79. In 2023, OAIS continued to provide consulting services in diverse business areas. The demand for OAIS advisory services, principally requested on an ad hoc basis, continued to grow, especially in the review of funding agreements. Given its capacity, OAIS could only selectively fulfil some requests, with several requiring significant investment of time, especially at the OAIS management team level.

80. Advisory services delivered in 2023 were as follows:

(a) *Review of funding agreements.* OAIS reviewed 23 funding agreements and two service contracts in 2023. This is a service area that continues to grow in complexity as the shift from traditional structures of agreements to non-standard agreements continues, particularly regarding clauses on audit, sexual exploitation and abuse, sexual harassment, and general investigation;

(b) *Policies and other activities.* To improve the organization's risk management processes, OAIS continued discharging its observer role on the Policy Committee and provided inputs in the review of seven policies and procedures;

(c) *Support to UNFPA senior management.* In addition to providing ad hoc advice to UNFPA senior management when called upon, OAIS continued its participation, as an observer, in various committees, including the Executive Committee, the ERP Project Board, ICT Governance Board, the Humanitarian Steering Committee, the Oversight Compliance Monitoring Committee, and the Policy Committee;

(d) *General support to UNFPA personnel and management.* This continued to include ad hoc requests for information from various business units, responses to requests for assistance received through the corporate integrated service desk, and provision of monthly data for inclusion in UNFPA information dashboards;

- (e) *Consultancy services.* OAIS provided consulting services during implementation of the new ERP system (Quantum) following the system's 'go live' date in early 2023;
- (f) *Joint advisory engagement.* OAIS participated in planning and reporting meeting sessions held for an inter-agency advisory assessment of business operations strategies – BOS – led by the Internal Audit Division of the United Nations Office of Internal Oversight Services (OIOS), jointly with some members of UN-RIAS. The participation was with a view to engaging in future joint audits and similar advisory engagements from 2025 onwards, when joint assurance is set to be revamped;
- (g) *Assessments of UNFPA by external parties and participation in donor visits.* In 2023, OAIS provided inputs to reviews or assessments conducted by the Joint Inspection Unit and other stakeholders, including donor missions to UNFPA. OAIS also participated in the 2023 United Nations System-wide Action Plan on Gender Equality and Empowerment of Women (United Nations Gender SWAP) and carbon footprint reporting;
- (h) *Sexual exploitation and abuse and sexual harassment.* OAIS, particularly the Investigation Branch, continued to provide training support to management and participated in the review of sexual exploitation and abuse and sexual harassment clauses in donor agreements. OAIS pursued internal and inter-agency coordination on sexual exploitation and abuse and sexual harassment matters, notably with the Expert Panel on Victim-Centric Approach in Sexual Exploitation and Abuse Investigations, the Inter-Agency Standing Committee, the High-level Committee on Management, and the United Nations Representatives of Investigation Services (UN-RIS). As part of its investigative activities, OAIS continued to recommend the inclusion of subjects in ClearCheck for substantiated cases of sexual exploitation and abuse and sexual harassment; and
- (i) *Lessons learned from investigations.* As part of investigative activities conducted in 2023, OAIS advised specific UNFPA divisions, branches and country offices on measures to take for increased protection of the reputation, programming, funds, beneficiaries and staff members of UNFPA. This included, but was not limited to, measures for the prevention of rehire of specific staff members or consultants proven to have committed wrongdoing, identification to management of repeated behaviours by staff members which – while not rising to the definition of harassment – impacted UNFPA operations, ad hoc or interim measures for the protection of beneficiaries, victims and staff in the course of an investigation, and implementation of controls for the protection of organizational assets or funds.

## **X. Oversight, monitoring and coordination of audit and investigation activities**

### **a. Internal monitoring, coordination, and consultation**

81. OAC continued to oversee the work of OAIS in 2023 and to advise the Executive Director in fulfilling her responsibilities for accountability, risk management, internal controls, financial management and reporting, and the fiduciary oversight process, including external audit matters, the internal audit, investigation and evaluation functions and ethics. In 2023, OAC provided advice to the OAIS Director on the: (a) 2023 OAIS annual workplan and its implementation; (b) OAIS budget and staffing; and (c) OAIS annual report to the Executive Board. Consistent with previous years, OAC received all audit reports issued by OAIS in 2023. Notably, the Chairperson of OAC participated, as an observer, in the recruitment process for the new OAIS Director.

82. The United Nations Board of Auditors coordinated with OAIS to maximize audit coverage, avoid duplication of effort, and determine the extent of reliance it could place on the internal audit work of OAIS. In conducting its annual risk assessment as the basis for preparing its 2023 audit plan and schedules, OAIS coordinated with the Board of Auditors and took into consideration its planned activities and the results of external audit work. In 2023, commenced implementation of audit recommendations issued to it by the Board of Auditors and regularly reported to the Oversight Compliance Monitoring Committee on progress made. All audit reports issued in 2023 were shared with the Board of Auditors; and, through both formal and informal meetings, consultations were held on matters of mutual interest and significant issues arising from audit and investigation work.

83. As an observer member of the Oversight Compliance Monitoring Committee, OAIS periodically reviewed and validated the adequacy and timely implementation, by management, of all internal audit recommendations and, where appropriate, closed them. The attendance of the OAIS Director, in ex-officio capacity, at monthly meetings of the committee throughout 2023, enabled timely review of progress made by management in the implementation of internal audit recommendations and, where necessary, helped provide advice on how to implement recommendations efficiently and appropriately. Also, OAIS discharged its role of validating, for closure, actions taken by management to implement recommendations issued by the Joint Inspection Unit in past reports.

84. As a member of the ‘Integrity Working Group’, OAIS worked closely with other concerned UNFPA offices, such as the Legal Unit, the Protection from Sexual Exploitation and Abuse and Sexual Harassment Unit, the Ethics Office, the Division of Human Resources, the Office of the Executive Director, as needed, in its work.

#### **b. External coordination and consultation**

85. In 2023, OAIS continued its involvement in inter-agency activities and meetings on internal audit matters by participating in sharing of practices and experiences among the internal audit services of United Nations organizations, multilateral financial institutions, and other associated intergovernmental organizations, e.g., UN-RIAS and Representatives of Internal Audit Services (RIAS). OAIS attended a meeting of Heads of Internal Audit in New York hosted by the Office of Internal Oversight Services (OIOS) of the United Nations to explore opportunities for collaboration, information-sharing, interorganizational exchanges, and a new staff training scheme.

86. Similarly, OAIS remained active in multiple inter-agency activities and meetings on investigation matters, including participation in meetings of UN-RIS, UN-RIS-convened working groups focused on specific investigative topics, meetings with international financial institutions and the Conference of International Investigators. OAIS also continued to actively participate in inter-agency activities regarding sexual exploitation and abuse, sexual harassment, and digital forensics, including, but not limited to, drafting of position papers and presentations on specific investigative topics of common concern. This included a position paper on best practices in addressing allegations of abusive conduct.<sup>22</sup>

## **XI. Other activities undertaken in 2023**

87. Following the appointment of a new Director of OAIS in September 2023, OAIS undertook several initiatives to improve its services and adopted good practices in discharging those services. Below are some highlights of OAIS achievements in 2023 that it will continue to build on:

- (a) Adoption of more efficient report preparation and quality assurance processes, particularly through a now fully functional Quality Assurance, Policy, and Reporting Unit;
- (b) Successful launch of a client satisfaction survey for internal audits undertaken by OAIS, with very positive initial results for 2023. An 83 per cent response rate was achieved;
- (c) Adoption and integration of data analytics in internal audit work, following the recruitment of a Data Management Specialist;
- (d) In August 2023, OAIS presented an information note to the Executive Board on the status of implementation of recommendations included in a self-assessment of the independence of OAIS conducted in 2022. The information note concluded that significant progress had been made both by OAIS and UNFPA management in implementing the recommendations of the self-assessment;
- (e) OAIS held a closed session with the Executive Board in February 2024 to present its 2024 audit plan and key emerging issues from audits undertaken in 2023;

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<sup>22</sup> Position Paper on Best Practices in Addressing Allegations of Abusive Conduct, endorsed by UN-RIS on 21 March 2024.

- (f) Launch of a monthly newsletter to give regular guidance on the role of OAIS and to keep the organization apprised of its activities and initiatives;
- (g) Progress in updating the existing internal audit manual to reflect current practices and the development of standard operating procedures and report templates to realize efficiencies, some of which, like timely issuance of reports, are now coming to fruition;
- (h) The OAIS Intake Unit became fully functional, reviewing and triaging more than 400 reports received in 2023;
- (i) OAIS successfully concluded recruitments for Chief of Investigations Unit 2 and vacant P-4 investigation specialist positions;
- (j) OAIS contributed to the work of the UNFPA Protection from Sexual Exploitation, Sexual Abuse and Sexual Harassment Unit and interagency efforts to improve SEAH investigative practice across the sector; and
- (k) OAIS put in place key digital forensic capability, enabling remote forensic review of seized ICT assets, and started exploring use of Artificial Intelligence in investigations.

## **XII. Overview of the 2024 OAIS annual workplans**

### **A. Internal audit workplan**

88. In 2024, OAIS will continue to improve its audit risk assessment methodology as a basis for the preparation of its four-year rolling plan and 2024 audit plan by: (a) identifying and measuring risk factors that affect auditable entities; (b) taking account of the results of external audits and audits/assurance undertaken of business units within the organization, including an evaluation of trends in investigation cases filed and completed; (c) considering the assurance needs of stakeholders and decisions of the Executive Board; and (d) giving priority to offices that have either never been audited before or were audited 15 or more years ago.

89. A four-year rolling internal audit workplan for both field and headquarter business units and corporate business processes was developed in 2023 for 2023-2026. As envisaged at the time of its preparation, the rolling audit workplan was revisited and updated in 2024, based on the results of the annual risk assessment exercise conducted in October 2023. The updated four-year rolling plan is for 2024-2027 and forms the basis for the 2024 audit plan.

90. The 2024 audit plan comprises 32 engagements, including two carried forward from 2023 and 30 new audit engagements. Of the 30 new engagements, six are business process audits (all high risk), one a regional office audit (medium-low risk), and 23 country office audits (five high risk, five medium-low risk, and 13 low risk). The mix of engagements in the 2024 plans (annual plan and four-year rolling plan) takes account of the requirement for OAIS to:

- (a) Fulfil and achieve its current audit strategy, in line with senior management and stakeholder needs and Executive Board decisions to audit high-risk business units over a three-year cycle and medium-high and medium-low risk business units over a 7-to-10-year cycle. Low risk business units will be covered using various approaches such as desk reviews, remote audit and monitoring (if and when revamped, depending on the capabilities of the new ERP system), hybrid audits and contiguous audits;
- (b) Cover high-risk core business processes and ICT using tailored approaches, as appropriate; and
- (c) Leverage the available staffing or human resources and financial allocation from the institutional budget for OAIS.

### **B. Investigation workplan**

91. In 2024, the Investigation Branch of OAIS will focus its efforts on four areas of work and objectives to be achieved by 31 December 2024: (a) reduction of case backlog and aging reduction; (b) consolidating the Investigation Branch's staffing complement; (c) establishment of an OAIS Digital Forensic Service; and (d) codification of the OAIS sexual misconduct investigative approach.

92. These objectives, outlined below, are not only distinct individual targets for the branch but are also mutually reinforcing. It is anticipated that work on each objective will facilitate completion of the others. The objectives are based on the current caseload, staffing situation, UNFPA organizational priorities and strategic direction, and evolving practices and standards in international investigations.

(a) *Case backlog reduction and case assessment acceleration.* Reduction of aged backlog (defined for the purposes of the OAIS annual workplan as cases received in 2021 or prior years and still under assessment or investigation) by 50 per cent (61 cases), with closure of all cases received prior to 2021 prioritized, and closure of a total of 150 new or old cases by 31 December 2024;

(b) *Consolidating the Investigation Branch staffing complement.* Building on the investigative positions recruited for in 2023, OAIS will endeavour to have all available posts encumbered by 31 March 2024. Furthermore, individual investigators will be assigned specific focal point roles, including sexual misconduct, prohibited conduct, legal frameworks and jurisprudence, commodity diversion, digital forensics, training and learning, and witness protection;

(c) *Establishment of an OAIS Digital Forensic Service.* OAIS digital forensic capability grew significantly in 2023, with the addition of a dedicated digital forensic expert, procurement of a data analysis tool, purchase of a forensics licence, and computer servers enabling remote processing and analysis of ICT assets seized during investigations. OAIS will by 31 December 2024 draft terms of reference defining the digital forensic support that can be provided to investigations on a regular basis which will help solidify OAIS digital forensic framework and capacity. OAIS will likewise examine its staffing arrangements or structure to best incorporate digital forensic expertise to best serve OAIS investigations moving forward; and

(d) *Codification of a sexual misconduct investigative approach.* Continuing the work conducted in 2023, OAIS will articulate and codify survivor-centred practices and standards for safeguarding during investigations. Specifically, by 31 December 2024, OAIS will draft provisions in the OAIS case work manual, which will incorporate the need to offer and track victim assistance, coordinate, as necessary, with in-country PSEA networks and register allegations of sexual exploitation and abuse in the iReport Tracker. OAIS will also continue its work from 2023 in drafting investigative strategies and associated investigative standard operating procedures for registration, special considerations, and reporting requirements in relation sexual misconduct cases.

93. In 2024, the Investigation Branch will also begin developing a framework for investigating diversion of programme supplies, or sexual and reproductive health commodities – an area which can present significant investigative challenges, notably in terms of tracking and tracing batches at service delivery points, locations and number of potential end users, presence of private platforms for resale, identification of diversion points, identification of key players in their transportation, and defining of jurisdictional responsibilities. OAIS will determine and define additional skillsets needed to better investigate product diversion and the kind of partnerships that need to be in place to tackle the issue more effectively. Also, given the jurisdictional challenges that often arise when UNFPA works with implementing partners to deliver sexual reproductive health commodities or engage in TPP modalities, it is necessary for OAIS to define what it will and will not investigate when receiving reports of commodity diversion.

### **XIII. Way forward**

94. Given the existing competitive market for talent, securing and retaining the best candidates for the posts that are under recruitment, especially for posts within the field of investigations, remains a challenge. To prevent the investigation caseload from growing and aging further, OAIS will, in 2024, seek to finalize outstanding recruitments and develop its consultant and support capacity. OAIS will also continue to engage a specialist investigations firm to augment its capacity.

95. An increase in OAIS capacity to investigate (i.e., through recruitment of staff, consultants and external assistance) will likely lead to an increase in the number of work products requiring review at OAIS management level. This will be addressed through additional resourcing, delegation of authority, quality assurance services, and establishment of further posts using budgets carried over from 2023, on a cost-neutral basis.

96. OAIS will further refine the streamlining of incoming cases and its strategy of identifying and closing legacy matters and new cases involving lesser misconduct that are not in the interests of the organization to investigate, placing the focus on the highest priority cases in 2024.
97. With preparations for the next UNFPA strategic plan now in sight, OAIS will continue reviewing its resource needs for consideration in the next quadrennial budget.
98. OAIS will aim to complete ongoing recruitments under internal audit, revamp its audit consultants' roster in 2024, and continue streamlining its reporting processes to further ensure timeliness of its audit reports and other deliverables.
99. OAIS will continue improving its working relationships with other oversight entities (United Nations Board of Auditors, funds and programmes of the United Nations based in New York, the Joint Inspection Unit, among others), audit and investigation professional groups within the United Nations system and the wider network of professionals (the Internal Audit and Investigation Group, the Institute of Internal Auditors, among others). One initiative that OAIS aims to undertake in 2024 is the development of a common training curriculum towards the establishment of an UN-RIAS Academy, as agreed at the heads of internal audit meeting held in 2023 in New York.
100. In view of the impending adoption of the new Global Internal Audit Standards in January 2025, OAIS will commence a review of its current charter in 2024 to align it to the new standards and, similarly, complete the revision of both its internal audit manual and Investigation case work manual.
101. OAIS wishes to thank the Executive Board, the UNFPA Executive Director, senior management, and staff who assisted and cooperated with it throughout 2023. OAIS also extends its thanks to OAC for its continuous support, which enabled OAIS to successfully fulfil its mandate in 2023.
102. Through its responses to audit and investigation reports and advice, as well as decisions made to enhance the independence of OAIS, UNFPA management continued to demonstrate, in 2023, its commitment to increasing the effectiveness of the governance, risk management and control processes at UNFPA.
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