

69th Meeting of the Executive Committee

October 2018

Speech of the Inspector General

Mme Chairperson

Excellencies, Distinguished Delegates

The Inspector General's office is an independent internal oversight body, which supports effective, efficient and accountable management of UNHCR operations and plays a key role in upholding an environment of integrity in UNHCR.

My presentation today will focus on key activities of the Inspector General's Office and complements the document entitled "Report on activities of the Inspector General's Office", covering the period July 2017 to June 2018.

Distinguished Delegates,

My presentation will begin with an update of the **core activities** of the Inspector General's Office, specifically the activities of the Investigation Service and Strategic Oversight, as well as of our efforts to implement oversight reforms. The second part of my presentation will focus on the **advisory activities** of the Inspector General's Office, particularly the provision of expertise and inputs to management initiatives in areas relevant to our work. Finally, I will conclude my

presentation with an overview of **management and resources** of the Inspector General's Office, and some reflections on future trends.

The Investigation Service undertakes investigations into possible misconduct by UNHCR personnel and other persons or entities with a contractual link to UNHCR. During the reporting period, the Investigation Service comprised eleven investigation specialists, three of whom joined us on a temporary basis in response to high profile and resource intensive investigations in East Africa. Almost 900 misconduct complaints were received, compared to some 500 received in the previous reporting period. This represents an increase of almost 80 per cent year on year and merits reflection. Has the overall integrity of our personnel and partners diminished so significantly in the last twelve months? We do not believe this is the case. Rather, that the increase in alleged misconduct is likely the result of several factors that include: visible and consistent messaging from the leadership emphasizing our zero tolerance towards fraud, corruption and other misconduct such as sexual exploitation and abuse, and sexual harassment; strong encouragement for people to come forward and speak up; improved policies and clarity on protection from retaliation for those who do; increased trust in the organization's response mechanisms; and a more focused approach of support to survivors and affected persons. Global media campaigns and the changing political climate around the issues of sexual exploitation and abuse and

sexual harassment have also raised global awareness, thus also contributing to the increase in complaints.

The three most common categories of misconduct complaints remained the same as in the last reporting period, namely: fraud with financial implications, refugee status determination and resettlement fraud, and sexual exploitation and abuse. 108 new investigations were opened after assessment, a number similar to the previous reporting period. Currently the ratio of opened investigations to misconduct complaints is 1:9 whereas three years ago the ratio was 1:4. This is the direct result of more in-depth analysis of misconduct complaints to establish their credibility prior to opening an investigation, and the referral of complaints relating to dysfunctional working environments in the first instance to the Ethics Office and management. All referrals are monitored and should clear indications of misconduct emerge, an investigation is opened.

The largest category of opened investigations concerned fraud with financial implications, followed by sexual exploitation and abuse and sexual harassment. The increase in the number of investigations in the latter two categories is explained by a growth in misconduct complaints and the application of a lower threshold to open an investigation based on plausibility. Investigations into refugee status determination and resettlement fraud was in fourth place with nine investigations opened in the reporting period.

Responding to complaints concerning sexual exploitation and abuse and sexual harassment has been a priority for the Inspector General's Office and UNHCR. A total of 120 complaints of sexual exploitation and abuse were received in the reporting period, up by 140% from 2016-2017. In approximately half of the cases we had sufficient information to advance the case further. One third of these cases concerned UNHCR personnel and two thirds concerned partner personnel. We referred 24 cases to our partners for investigation, opened 16 investigations into UNHCR personnel, and 25 complaints were still under assessment. Two investigations established misconduct and disciplinary proceedings are on-going. Another 5 investigations were closed as unfounded or not substantiated, and 9 are still ongoing.

In reference to sexual harassment, the complaints increased nearly six-fold from 6 to 34 in the current reporting period. 14 investigations were opened by the Inspector General' Office out of which 5 were unsubstantiated and 6 are on-going. Three investigations were substantiated and referred to the Division of Human Resources for disciplinary action. One staff member was dismissed and disciplinary proceedings are still on-going for the two other cases.

I now turn to an update on Kenya. You will recall that the IGO was conducting several investigations into allegations of misconduct in Kakuma and Dadaab. In

Kakuma, six UNHCR staff members were found to have intimidated UNHCR personnel and refugees, and to have sought and accepted bribes from the latter. Five are no longer working for UNHCR as they were dismissed or resigned. Disciplinary proceedings are pending in one case. UNHCR has referred four former staff members to national authorities for prosecution and to date, no one has been prosecuted. In Dadaab, complaints were substantiated against four staff members. Two were separated from service, a third left UNHCR, and disciplinary proceedings are pending in the fourth case. Two investigations in Dadaab are also still pending.

Kenya has also seen a 65% increase in misconduct complaints in the last year which we largely attribute to the innovative activities being undertaken in the operation to further strengthen the integrity of systems, processes and people. The IGO has been working closely with the Risk Management, Compliance and Quality Unit in Nairobi, pooling our knowledge and working together to improve trust in organizational prevention and response mechanisms. Reporting misconduct has been made simpler and more accessible to refugees, partner personnel and host communities. While these initiatives have proven successful in encouraging people to speak up, it has resulted in a spike in complaints and challenges for the safety of personnel and investigators.

In Uganda, the IGO is conducting several investigations primarily related to financial fraud, corruption, procurement fraud, registration fraud and fraud in food distribution. Since January this year 11 cases were closed and six were substantiated and forwarded to the Division of Human Resources for disciplinary action. Seven investigations are currently ongoing. The IGO and our country office in Kampala have also been assisting the Inspector Generals of Government and Police in their internal investigations into corruption by government officials, irregularities in land allocation to refugees, bridge construction, theft of food and non-food items, and fuel mismanagement. We are monitoring the outcome of these investigations. Finally, we are working very closely with the World Food Programme and have referred several complaints concerning our partners or other UN agencies to their respective investigative departments.

Turning to Sudan, we have opened two investigations into complaints of fraud and corruption in resettlement processing, which bear some similarities to the investigations in Kenya. The operation has temporarily suspended all resettlement from Sudan pending corrective action. The investigations are complex as we balance the need for testimonials and evidence with the need to protect refugee and other witnesses. The investigations are expected to be concluded by year end.

Finally, proactive investigations were conducted into UNHCR-funded construction activities in four countries. Although no fraud was discovered, recommendations to reform and restructure the management of construction projects in UNHCR were provided to management and are currently being implemented.

Mme. Chair,

The investigation function is a key activity in the organization's ability to quickly and efficiently respond to complaints that affect our reputation and ultimately our ability to deliver on our mandate. The past year has been characterized by increasing misconduct complaints, many of which have resulted in high profile investigations; increasing numbers of investigations that are complex and resource-intensive due to the nature of the complaints and/or the security of personnel and witnesses; and shorter timelines to complete investigations that are required either by policies or moral imperative. These trends and parameters, which are expected to continue in the coming years, call for new ways of working both in the IGO and across the organization.

Distinguished delegates,

In 2017 the High Commissioner approved the creation of a new capacity in the Inspector General's Office that would perform Strategic Oversight. The Service is now fully staffed following the arrival of the Head of Service and a Senior

Oversight Officer, both experts in their field of work. The role of the Service is to strengthen the continuum of oversight functions in UNHCR and foster consistency and coherence between their respective activities. Through such interaction and cooperation with oversight entities and the risk management community, Strategic Oversight will analyze recurring risks, emerging trends and areas of vulnerability, and will bring them to management's attention for action. It will also strengthen the IGO's oversight capacity and profile by helping to embed risk management into UNHCR's decision-making processes and structures. The Service will also perform "deep dive" inquiries into recurring issues of significance as identified by management and oversight functions, seek their root causes and propose structural remedial measures. Two inquiries have recently been initiated, one into the selection and controls over partners in three countries where related fraud cases were uncovered, and a second one into refugee registration in Uganda.

To support the coherence of oversight functions and the development of a holistic view of critical control issues, a shared data management platform is being developed. I am pleased to report that the first phase of the project has been completed and a low-cost tool to collect and analyze oversight planning information is being populated. The second phase, which is more complex, is scheduled for completion in 2019 and includes the development of a capability

to collect, analyze and present data on oversight findings and related management action using innovative data management technology and data visualization.

Strategic Oversight is also hosting the secretariat for the Independent Audit and Oversight Committee, which is mutually beneficial in facilitating access to information and positioning the Service to better support the mission of the Inspector General's Office. During the reporting period, the Service provided support to two committee meetings and coordinated the recruitment of three new committee members for 2018, and two for 2019, in consultation with the Executive Committee Bureau. The three new members for 2018 are currently undergoing orientation, and will be participating in the next session of the IAOC taking place in October 2018.

Finally, the Service worked with relevant UNHCR entities to close outstanding inspection compliance cycles, with one remaining inspection cycle expected to be closed by year end.

Turning to oversight reform you will recall that a review of UNHCR's oversight functions, conducted in 2016, called for rationalization to maximize efficiency and bring greater coherence and coordination among the different oversight entities. The majority of the recommendations pertaining to the Inspector General's Office have been implemented and have resulted in significant changes

in the structure, roles, responsibilities and relationships of my Office. A detailed overview of the progress made to date is outlined in the “Report on activities of the Inspector General’s Office” No. A/AC.96/1182. Highlights from the report include: a new Memorandum of Understanding between UNHCR and OIOS which better outlines respective roles and responsibilities in the provision of internal audit services; improved coverage of protection related risks by the OIOS UNHCR Audit Service whereby 80% of the audits of field operations covered one or more protection areas as a stand-alone area of focus; the development and launch of three learning programmes on changes in audit processes arising from the oversight reforms to improve the understanding, knowledge and skills of UNHCR managers and personnel in audit matters; and improved communication and collaboration on oversight matters with the Senior Executive Team and senior management through regular briefings and strategic meetings.

Distinguished Delegates,

In addition to our core activities, the Inspector General’s Office is also increasingly engaging with management, in an advisory capacity, on key organizational initiatives that have a direct bearing on strengthening integrity, embedding risk management, improving oversight coherence, addressing issues of trust, and improving accountability to persons of concern, personnel, donors and host communities.

During the reporting period the IGO team worked closely with the Senior Coordinator on Sexual Exploitation and Abuse providing input into the preparation of the prevention and response strategy. We actively participated in various work streams on protection from retaliation and protection of witnesses and survivors, and have taken part in several meetings and panel discussions. The Investigation Service also contributed to UNHCR's new retaliation policy and to the Speak Up helpline that was launched in September this year. The Speak Up helpline is now available to all colleagues to obtain confidential advice including in the context of reporting misconduct.

Our collaboration and cooperation also extended to several external entities. In the course of our investigations in Uganda, we collaborated closely with the World Food Programme in order to ensure effective coordination of our activities and a harmonized approach towards our partners. We continued to pursue cooperation agreements in the conduct of investigations with several entities, four of which are in the final stages of deliberations.

Distinguished Delegates, Mme. Chair,

In the conduct of its work, the Inspector General's Office has received the full support of the High Commissioner and senior management. The Investigation Service currently has eight investigation specialists based in Geneva, Nairobi and

Bangkok. We recently received additional resources to: open an office in Pretoria with two investigation specialists; to strengthen our capabilities in Bangkok with an intake officer; and to improve reporting through the creation of a reporting officer in Geneva. Recruitment is underway and positions are expected to be filled by early 2019.

However, these are challenging times for UNHCR and the Inspector General's Office. Over the next two years we expect to see an increase in misconduct complaints as "Risk Management 2.0" is implemented and emphasis is sustained both internally and externally on the prevention of sexual exploitation and abuse, sexual harassment, fraud and corruption. These investigations are complex, resource-intensive and often-times dangerous for the survivors, the witnesses, UNHCR and partner personnel, and for the investigators. With a wealth of relevant experience and expertise the IGO will also necessarily remain engaged in several organizational change initiatives that are underway. In closing, I would therefore be remiss if I did not express my concern that in the short and medium term we may still need additional resources if we are to continue to meet collective expectations.

I would like to express my appreciation to the Executive Committee for the interest you have shown in the work of the Inspector General's Office. We

continue to look to you for support and advice and will keep you and members of the Independent Audit and Oversight Committee regularly informed of our work.

Thank you.