

REPORT ON INTERNAL AUDIT IN THE OFFICE OF THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES

1 July 2011 to 30 June 2012

**Statement by Mr. Christopher F. Bagot
Chief, Geneva Audit Service, Office of Internal Oversight Services (OIOS)**

Chairman, distinguished delegates, ladies and gentlemen,

I have the pleasure of introducing the report providing an overview of internal audit activities during the period 1 July 2011 to 30 June 2012. Areas I would like to draw your attention to are:

- The vacancy situation improved significantly from 40 to 5 per cent.
- OIOS continued to receive good support from the audit co-ordination unit and work was ongoing with IGO to minimize duplication and reduce gaps in oversight coverage.
- Advisory work included involvement in the following exercises: strengthening procurement fraud prevention, the introduction of a risk based approach to Implementing Partner Certification, and guidance on responsibility for gross negligence and financial responsibility.
- OIOS introduced a new reporting format that included an overall rating on the adequacy of internal controls in the area audited as satisfactory, partially satisfactory or unsatisfactory. For audits in the draft and final reporting stage at the end of the period the majority of areas audited (76 per cent) had a rating of partially satisfactory, which means that no significant deficiencies in controls were identified. However, failure to take timely action in recovering amounts owed to UNHCR was a recurring significant deficiency, in some audits which requires management attention.
- Effective controls were found to be in place to ensure the integrity of the registration stage of the resettlement process and work is underway to strengthen management and supervisory controls. However, effective management of Implementing Partners (IPs)

remains the primary weakness observed in field audits, which OIOS hopes the ongoing review of the IP audit certification process will help to address.

- Whilst UNHCR has good mechanisms in place for follow up and monitoring of open recommendations, concern exists at slow rate of setting in place of policies on information security and payment of retrenchment benefits.

Chairman, distinguished delegates, ladies and gentlemen, with this overview, I present the report for the consideration of the Executive Committee and am ready to provide any additional information or clarification as may be required.