



United Nations Population Fund

Charter of the Office of Audit and Investigation Services

Introduction

1. As set forth in the Oversight Policy and the Financial Regulations approved by the Executive Board of the United Nations Development Programme, the United Nations Population Fund (UNFPA) and the United Nations Office for Project Services (hereafter referred to as the "Executive Board"), the Office of Audit and Investigation Services (OAIS) of UNFPA is responsible for internal audit, investigation, and advisory services at UNFPA.
2. UNFPA Financial Regulation 17.1 provides that "[t]he Office of Audit and Investigation Services shall be responsible for the internal audit of UNFPA. It shall conduct independent, objective assurance and advisory activities in conformity with the International Standards for the Professional Practice of Internal Auditing. It shall assess and contribute to the improvement of governance, risk management and control processes, and report thereon. The Office of Audit and Investigation Services shall exercise operational independence in the performance of its duties."
3. UNFPA Financial Regulation 17.2 provides that "[t]he Office of Audit and Investigation Services shall be responsible for assessing and investigating allegations of wrongdoing, including fraud and corruption, committed by UNFPA personnel or by others to the detriment of UNFPA. It shall also be responsible for doing the same for allegations of harassment, sexual harassment, abuse of authority, and sexual exploitation."
4. UNFPA Financial Regulation 17.3 provides that "[t]he purpose, authority and responsibility of the Office of Audit and Investigation Services shall be further defined in the Charter of the Office of Audit and Investigation Services."
5. Paragraph 53 of the Oversight Policy stipulates that "[t]he detailed description of the mandate, responsibilities and authority of OAIS, including the relevant professional standards applied to its functions, are set forth in the OAIS Charter, which is reviewed by the Oversight Advisory Committee prior to being approved by the UNFPA Executive Director. The Charter is shared, for information, with the Executive Board."
6. In conformance with the above, this Charter sets out the purpose, authority and responsibility, policies, and procedures applicable to OAIS.

Purpose

7. The purpose of OAIS is to provide the Executive Director, the Executive Board and UNFPA with independent, objective assurance and advisory services designed to add value and improve UNFPA's operations.

Scope of Work

8. OAIS shall cover all programmes, operations and activities undertaken by UNFPA at its headquarters, country offices, regional offices, and liaison offices, and any other offices which may be in any other locations (hereafter collectively referred as "field offices"); or funded or paid by UNFPA, as per the corresponding agreements in place.
9. OAIS shall be the sole entity of UNFPA to perform, manage, or authorize others to perform or manage internal audit and investigation services, unless otherwise provided in the present Charter or directed by the Executive Director considering the advice of the Oversight Advisory Committee.

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10. Consistent with its operationally independent status as provided in UNFPA Financial Regulation 17.1, OAS shall determine the scope of all its internal audit, investigation and advisory services freely and independently, without undue interference from or influence by UNFPA Management.

11. In the fulfillment of its responsibilities, OAS may use its staff, independent contractors, or contracted firms.

A. Internal Audit

12. Internal auditing is an independent and objective assurance and advisory function designed to add value and help improve UNFPA's operations. OAS helps UNFPA accomplish its objectives by employing a systematic, disciplined approach in assessing the adequacy of governance, risk management, and control processes and providing advisory services, as needed.

13. OAS shall examine and assess UNFPA's governance, risk management and control processes to provide reasonable assurance to the Executive Director, the Oversight Advisory Committee, and the Executive Board that these processes are functioning as intended to ensure the:

- (a) Achievement of the organization's strategic objectives;
- (b) Reliability and integrity of financial and operational information;
- (c) Economy, effectiveness and efficiency of programmes and operations;
- (d) Safeguarding of assets; and
- (e) Compliance with legislative mandates, regulations and rules, policies and procedures, and contractual obligations, where relevant.

14. In doing so, OAS shall employ an audit risk assessment methodology that includes defining the UNFPA audit universe and disaggregating it into 'auditable entities' i.e., business processes and the organizational units that deliver them.

15. In addition, to strengthen governance, risk management and control processes, the Director of OAS also audits and submit reports to the Executive Director, the Oversight Advisory Committee and the Executive Board on cross-cutting or any other significant issues, such as those related to specific functions, processes and programmes, including any initiatives that are potential for improvement thereof.

16. OAS shall make recommendations for and promote the continuous improvement of governance, risk management, and control processes.

17. In examining and assessing UNFPA's governance, risk management and control processes, the internal audit function shall also assess risk exposures related to the organization's information systems, as well as evaluate the potential for the occurrence of fraud and how UNFPA manages fraud risk but is not expected to employ the expertise of persons whose primary responsibility is detecting and investigating fraud.

18. In order to provide the internal audit services efficiently and effectively, the Director of OAS shall, for the review and recommendation of the Oversight Advisory Committee and approval of the Executive Director, prepare:

- (a) Annually, prior to the implementation year, an audit plan for the delivery of internal audit services including the use of available staffing and budget resources. The audit plan is to be developed based on a prioritization of risks, using a risk-based assessment methodology of the audit universe and after consideration of inputs from senior management and key officers, the United Nations Board of Auditors, the Oversight Advisory Committee, and the Executive Board, as appropriate. The internal audit plan should be flexible and adaptable to respond to emerging needs and issues within available resources and required timeframe. Any significant deviation from the formally approved plan shall be communicated to the Executive Director and the Oversight Advisory Committee through periodic activity reports; and all eventualities, including when the workplan changes is impacted by the budget revision request.

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- (b) A rolling four-year internal audit plan aligned with the UNFPA Strategic Plan should also be prepared and revisited each year, taking into account the results of the latest audit risk assessment and the resources assigned to OAS, to the extent these are known. Implementation of the audit plan may include both onsite and remote auditing.

19. Pending the Executive Director's approval of the workplans or in the event the workplans are disapproved, deferred, rescheduled, or delayed by the Oversight Advisory Committee or the Executive Director, the Director of OAS has the prerogative to implement critical audit activities. The Executive Director and the Oversight Advisory Committee will be notified of any audit activity implemented prior to approval of the workplans.

20. In cooperation with the Internal Audit Services of other United Nations system organizations, OAS shall initiate and/or participate in joint audits of inter-agency activities including, but not limited, to Multi Partner Trust Funds, Joint Programmes and Delivering as One Programmes.

21. The approval requirement does not prevent OAS from auditing any other area within the purview of its mandate, which OAS deems necessary.

22. Following the conclusion of each internal audit engagement, the Director of OAS shall issue an internal audit report to the Executive Director, with a copy to the auditee(s), Members of the Executive Committee, Members of the Oversight Advisory Committee, the United Nations Board of Auditors, the relevant UNFPA divisions or offices, and the Oversight Compliance Monitoring Committee Secretariat. The internal audit report shall include the management response, agreement, and action timeline with regard to the specific findings and recommendations. It shall be made available to the public in accordance with the prevailing disclosure policy, as per the relevant Executive Board decision.

23. In the event that an auditee disagrees with an audit issue or recommendation, OAS will take reasonable steps to resolve the disagreement directly with the auditee. If the disagreement remains unresolved, OAS shall first refer the matter to the Oversight Compliance Monitoring Committee (OCMC) Secretariat for note and/or possible intervention. Any remaining disagreements after the OCMC Secretariat's intervention shall be referred to the Office of the Executive Director. OAS shall take reasonable steps to ensure that the described resolution mechanism takes its natural course before issuance of the relevant internal audit report.

24. All disagreements with audit issues and recommendations or instances of acceptance of risk by UNFPA Management (i.e., non-acceptance of audit recommendations) shall, in accordance with relevant Executive Board decisions, be included in annual reports on OAS activities to the Board.

25. Management shall be responsible for appropriate follow-up on and implementation of audit findings and recommendations, as well as for appropriate documentation thereof in the system maintained by OAS. This will be monitored by the Oversight Compliance Monitoring Committee to ensure that all action plans are properly implemented within the agreed timeline.

B. Investigations

26. The Office of Audit and Investigation Services shall be the sole entity responsible for receiving and investigating allegations of wrongdoing, including proscribed practices committed by UNFPA personnel or any third-party doing business with UNFPA.

27. As it deems appropriate or necessary, OAS will conduct preliminary assessments and internal and external investigations:

- (a) Internal investigations involve all allegations of wrongdoing, including 'proscribed practices' (corrupt, fraudulent, coercive, collusive, obstructive, or unethical practices), harassment, sexual harassment, abuse of authority, sexual exploitation and abuse, and other violations of applicable regulations, rules and administrative or policy issuances, by UNFPA staff.

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- (b) External investigations involve all allegations of wrongdoing, including proscribed practices (as mentioned above) committed to the detriment of UNFPA, by independent contractors, implementing partners and other third parties.
- 28. OAIS shall freely and independently determine the extent, scope and reporting format of preliminary assessments and investigations.
- 29. Upon request of the Ethics Advisor, OAIS shall also conduct investigations into allegations of retaliation for reporting misconduct or for cooperating with an authorized investigation or internal audit activity.
- 30. Where OAIS determines that an allegation of retaliation referred to OAIS for investigation by the Ethics Advisor does not warrant investigation, OAIS shall seek to resolve the request for investigation with the Ethics Advisor and in consultation with management.
- 31. OAIS may also undertake proactive investigations in areas susceptible to fraud, corruption, or other wrongdoing.
- 32. Upon receipt of any allegations of misconduct against the Executive Director, the Deputy Executive Director for Management and the Deputy Executive Director for Programmes, OAIS will inform and refer such allegations to the Office of Internal Oversight Services (OIOS) or other appropriate external investigative body for assessment and, as appropriate, investigation. OAIS shall extend any support necessary to OIOS in dealing with such allegations.
- 33. Allegations of misconduct against the Director of OAIS and all OAIS personnel cannot be reviewed or investigated by OAIS and shall be reported to the Executive Director, who will seek advice from the Oversight Advisory Committee and decide on the appropriate office or individuals to conduct the investigation, if any, based on the nature of the allegation or complaint.
- 34. At the discretion of the Director of OAIS, allegations of wrongdoing involving senior staff members of key counterpart offices within UNFPA (the Chief of Staff of the Executive Director, Director of the Division for Human Resources, the Ethics Advisor, Head of the Legal Unit and Chief of the Office of the Security Coordinator) can be referred for assessment and, investigation to an appropriate external investigation entity, preferably within the UN system. OAIS shall extend any support necessary to the external investigation entity dealing with any such allegations.
- 35. The Director of OAIS shall prepare an annual workplan for the timely and efficient management of the investigation function. The plan shall be submitted to the Executive Director for approval after review and advice by the Oversight Advisory Committee.
- 36. Pending the Executive Director's approval of the workplan or in the event the workplan is disapproved, deferred, rescheduled, or delayed by the Executive Director, the Director of OAIS has the prerogative to implement critical investigation activities. The Executive Director and the OAC will be notified of any investigation activity implemented without prior approval of the workplan.
- 37. OAIS shall maintain reporting facilities (e.g., telephone line, cellular or mobile phone lines, web-based reporting facility, email, postal address and other means as deemed appropriate by the Director of OAIS) to facilitate reporting by UNFPA staff, management, other stakeholders and the public at large, of any alleged instances of wrongdoing concerning UNFPA operations and activities.
- 38. The Director of OAIS shall submit, as soon as possible, based on the priority of the case and available resources, its investigation report to the Executive Director for consideration of disciplinary and administrative actions. The Director of OAIS shall submit its investigation report on allegations of retaliation to the Ethics Advisor.
- 39. In cases where a vendor or other third party is found to have engaged in proscribed practices, the Director of OAIS shall submit its report to the Executive Director for consideration of appropriate action under the relevant UNFPA sanction procedures or referral to appropriate internal technical administrative bodies. These shall include,

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but not be limited to, UNFPA's Implementing Partner Review Committee (IPRC) and UNFPA's Vendor Review Committee (VRC) for appropriate action.

40. In cases where the investigation determines credible allegations of criminal conduct, the Director of OAIS may prepare an investigation dossier with a recommendation to the Executive Director for consideration of referral to national authorities for criminal investigation and prosecution.

41. In cases where OAIS has received from a third party an investigation dossier concerning allegations of wrongdoing by UNFPA staff members, independent contractors, implementing partners and other third parties, OAIS will review the investigation dossier for possible endorsement or further investigative activity, as needed. When applicable, OAIS shall provide the Executive Director with its endorsement of a third-party investigation dossier.

42. The Director of OAIS shall also submit, to the Executive Director, reports on deficiencies in internal control processes, regulations and guidance that are identified in the course of investigative work, with recommendations for addressing these and further strengthening the internal control framework of UNFPA, to the extent these have not already been covered through internal audit reports. The Director of OAIS may also, as they see fit, refer such reports and/or recommendations to other UNFPA personnel and/or business units with a view to further strengthening the internal control framework of UNFPA.

C. Advisory

43. OAIS may provide advisory services to UNFPA Management to the extent that OAIS' independence and objectivity are not compromised. These are based on its knowledge of governance, risk management, and internal control processes and on lessons learned from the audit or investigations conducted on UNFPA activities at headquarters and the field offices. In providing advisory services, OAIS does not participate in the decision-making process or determine which actions UNFPA should undertake.

44. OAIS shall undertake the provision of advisory services in conformance with professional standards.

Authority and Responsibility

45. The Director of OAIS is accountable to the Executive Director for the provision of OAIS' services in accordance with the provisions of the Financial Regulations and Rules, the Oversight Policy, and this Charter.

46. OAIS has full, free, and unrestricted access to any and all of UNFPA records, electronic data, property, and personnel with regard to any of UNFPA's functions or activities which are, in its opinion, relevant to the performance of its duties. UNFPA personnel shall assist and cooperate fully with OAIS so it can fully and timely fulfill its mandate as set out in this Charter, in the Oversight Policy and the relevant Financial Regulations, and Rules. This includes OAIS communicating directly at all levels of personnel, management and third parties as per their contractual agreement with UNFPA, as well as requesting from any personnel, management and third parties, as per their contractual agreement with UNFPA, to furnish all material or information deemed necessary by OAIS for the completion of its work. Documents and information given to OAIS during a review will be handled in the same prudent and confidential manner as by those normally accountable for them.

47. The Director of OAIS has the authority to allocate its resources as approved by the Executive Board, set schedules, determine the scope of work, and decide on the methodologies, and procedures required to accomplish internal audit, advisory, and investigation objectives.

48. The Director of OAIS shall maintain an effective system for recording and managing investigation cases, as well as internal audit activities leveraging on available IT systems appropriate for the efficient, secure, and effective document management system.

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49. The Director of OAI shall maintain quality assurance and improvement programmes that cover all aspects of the internal audit and investigation functions. The programme will include both internal and external assessments of the internal audit function's conformance with the *Standards* and whether internal auditors apply the Code of Ethics. The programme will also assess the efficiency and effectiveness of the internal audit function and identify opportunities for improvement. Internal assessments must include ongoing monitoring of efficient and timely implementation of the audit plan, as well as periodic self-assessments of other activities of the audit related activities of OAI. In accordance with the standards, external assessments must be conducted at least once every five years by a qualified, independent assessor or assessment team from outside the Organization. The Director of OAI will communicate to the Executive Director, the Oversight Advisory Committee, and the Executive Board on the internal audit function's quality and improvement programme.

50. The investigation function shall maintain a similar programme, with an external and independent assessment of the investigation function undertaken every five years in line with the Core Principles and General Guidelines for Investigations by the International Investigators Conference. Similarly, internal self-assessments shall also be undertaken periodically to assess the implementation of the investigation plan to ensure that complaints and cases are addressed and/or fully investigated and minimize their carryover, in significant numbers, to future years.

51. The Director of OAI will communicate to the Executive Director and the Oversight Advisory Committee results and recommendations of internal and external quality assessments of the internal audit and investigations functions as bases for pathways for continuous improvement in the work of OAI. All such results and recommendations including OAI's responses to them, shall also be reported to UNFPA Senior Management and presented to the Executive Board, through the OAI annual report at its annual session.

52. The Director of OAI shall be responsible for selecting and maintaining a cadre of internal audit and investigation staff members with the relevant competencies, knowledge, skills, and professional certifications to provide independent and objective services as stipulated in the Charter. Further, the Director of OAI has been delegated by the Executive Director to engage independent contractors and third-party entities in accordance with prescribed hiring and procurement procedures as necessary for the performance of the functions under this Charter.

53. The Director of OAI shall inform the Executive Director, the Oversight Advisory Committee, and the Executive Board on the following:

- (a) The performance of OAI against the approved internal audit, advisory, and investigation workplans;
- (b) Significant and systemic internal audit and investigation findings, recommendations, and good practices through periodic syntheses;
- (c) The status of implementation of recommendations by management through periodic summaries and any significant recommendations that are not implemented.
- (d) Emerging risks, key findings, ethical issues, or other information that need needing immediate action or decision.

54. Except as the Chair of the Oversight Advisory Committee may otherwise decide, in his or her sole discretion, the Director of OAI shall attend all meetings of the Committee.

55. The Director of OAI and OAI personnel are not authorized to:

- (a) Direct the activities of any personnel not part of OAI, except to the extent that such personnel has been appropriately assigned to OAI or requested to assist OAI;
- (b) Perform any other supervisory, managerial or operational functions for UNFPA, or initiate or approve accounting transactions unrelated to OAI; and
- (c) Engage in any activity that could impair, in fact or appearance, the individual objectivity of OAI personnel and/or OAI's independence.

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Independence

56. Consistent with its operationally independent status as provided in UNFPA Financial Regulation 17.1, OAIS shall be free to determine the scope of its interventions and the methodologies used to conduct its work as it deems necessary, as well as to communicate results and modalities of reporting its findings and conclusions in audit and in investigation.

57. The Director of OAIS reports directly to the Executive Director. The Director of OAIS is appointed by the Executive Director, for a fixed term of five years, renewable once, ensuring the avoidance of conflict of interest.¹ The Director of OAIS is barred from re-entry into UNFPA thereafter.² The Oversight Advisory Committee is involved in the selection, intended removal and annual performance appraisal of the Director of OAIS conveys the results of its assessment to the Executive Director.³

58. The Director of OAIS has free and unrestricted access to, and communicate and interact directly with, the Executive Director, Senior Management, the Executive Board, the Oversight Advisory Committee, the United Nations Board of Auditors, the Joint Inspection Unit and any other entity having any oversight or governing function in relation to UNFPA, including in closed briefings, as needed, on potential red flags, audit findings, and status of investigations, with due regard for confidentiality and privacy.

59. The Director of OAIS and OAIS personnel must refrain from assessing operations for which they were previously responsible. They shall have no direct operational responsibility or authority over any of the activities that they review. They shall not develop nor install systems or procedures, prepare records or engage in any other activity which OAIS would normally audit or investigate. On the other hand, any OAIS staff member may move to any position in Management either by reassignment, promotion, or transfer, in accordance with UNFPA staff regulations, rules, and policies.

60. The Director of OAIS and OAIS personnel must avoid being placed in situations which might create any actual or perceived conflict of interest that may impair their judgment on internal audit and investigation matters. OAIS personnel are required to declare to the Director of OAIS any potential and actual conflicts of interest or impairment to their independence in relation to any assigned activity, and accordingly recuse themselves from such participation.

61. The Director of OAIS shall bring to the attention of the Executive Director, the Oversight Advisory Committee and the Executive Board any impairment to its independence, objectivity and professionalism.

62. OAIS staff members have an obligation to annually file an accurate financial disclosure statement and declaration of interest as set forth in the relevant UNFPA policy and submit this to the Ethics Office.⁴

63. In addition, all OAIS staff and individual consultants assisting on audits must sign a declaration of interest and independence for each engagement.

64. Investigators and individual consultants conducting or assisting on investigations must sign annual declarations of interest at the beginning of each year. If a conflict of interest arises either at the beginning or during the year, the concerned investigator is required to prepare a declaration of conflict of interest or impairment of independence for that specific case or cases, as an addendum to the annual declarations.

¹ UNFPA Oversight policy approved by the Executive Board in January 2015, paragraph 50.

² UNFPA Oversight policy approved by the Executive Board in January 2015, paragraph 50.

³ UNFPA Oversight policy approved by the Executive Board in January 2015, paragraph 50.

⁴ UNFPA Oversight policy approved by the Executive Board in January 2015, paragraph 17.

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Resources

65. OAIS shall be provided with the necessary resources, including appropriately trained and experienced professionals, in order to fulfil its responsibilities, set out in this Charter. In accordance with the decisions of the Executive Board, the Director of OAIS shall make a budget proposal to the Executive Director as part of the Integrated Budget preparation process, after review and advice by the Oversight Advisory Committee. The Executive Director shall allocate funding to OAIS in accordance with the UNFPA budget approved by the Executive Board.
66. The Director of OAIS shall keep the Oversight Advisory Committee apprised of the funding and staffing of OAIS.
67. The Director of OAIS shall apply resources allocated to OAIS in accordance with the relevant regulations, rules, policies and procedures established by UNFPA.
68. OAIS has the authority in the management of its resources. Specifically,
- (a) Following approval of the Integrated Budget by the Executive Board, the allocation for OAIS cannot be reduced.
 - (b) Within budget years, the OAIS Director can freely redeploy budget allocations between and among the various budget line items within its overall budget allotment. Savings realized from any budget line item can be utilized to finance other items within the budget allotment as long as the total allotment is not exceeded.
 - (c) Savings realized from previous years of a current Integrated Budget quadrennium can be brought forward in the next year or the following years as long as this is within the total budget allotment for the four-year period of the approved Integrated Budget. Bringing savings forward across years within the quadrennium is subject to availability of funds overall and requires submission to the Resource Management Committee (RMC) for approval.

Disclosure of OAIS information

69. OAIS shall disclose internal audit reports in accordance with the procedures set out in the Oversight Policy (Chapter VII) approved by the Executive Board⁵ In exceptional cases, internal audit reports may be redacted, or withheld in their entirety, at the discretion of the Director of OAIS, in accordance with the Oversight Policy approved by the Executive Board.
70. OAIS shall disclose investigation information in accordance with the procedures set out in the oversight policy approved by the Executive Board. In essence, individual investigation reports are solely disclosed to the Executive Director, or his/her designee; information on investigation reports issued by the Director of OAIS is included, in anonymized format and with financial losses identified, in the annual report of the Director of OAIS to the Executive Board; information regarding an ongoing investigation may be provided to the relevant donor entity to the extent that said provision will not, in the opinion of the Director of OAIS jeopardize the integrity or proper conduct of the investigation, or the due process rights of the person(s) or entity(ies) involved.
71. The OAIS Charter shall be disclosed on the UNFPA website under the Audit and Investigation section (<https://www.unfpa.org/audit-and-investigation>)

⁵ Internal audit reports issued after 1 December 2012 are publicly available; the Director of OAIS may disclose, upon request, internal audit reports issued between 19 September 2008 and 30 November 2012 to Member States and, in case of audits of projects (co-)funded by intergovernmental organizations or by the Global Fund to Fight Aids, Tuberculosis and Malaria, reports issued between 17 June 2011 and 30 November 2012 which concerns the funding provided by the donor(s) concerned.

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Coordination with the United Nations Board of Auditors and other oversight bodies

72. The Director of OAIS shall interact freely and regularly with the United Nations Board of Auditors and other oversight bodies of the UN system.

73. In order to optimize audit coverage and avoid duplication of assurance work, OAIS shall share with the United Nations Board of Auditors and to the extent relevant to the services rendered by UNDP to UNFPA, the Office of Audit and Investigation of UNDP, it being responsible for auditing such services, information and coordinate on issues of mutual interest, such as annual audit workplans, internal audit reports, the follow-up of audit recommendations and other matters of mutual interest. OAIS shall at the end of each year will request from UNDP and other third parties providing outsourced services a statement of assurance that such services are covered by their respective audit services and that any significant issues are brought to the attention of UNFPA Management and OAIS in a timely manner.

74. OAIS is authorized to conduct audits or investigations jointly with or on behalf of the oversight offices of other entities of the United Nations common system, in accordance with their mandates and on agreed terms of reference for the audit engagement or investigation missions, including on a cost-recovery basis.

75. OAIS is authorized to independently interface with the United Nations Office of Internal Oversight Services, with oversight bodies of United Nations system and other multilateral entities, with the supreme audit institutions of Member States and with Member State law enforcement or other authorities as necessary to execute its mandate, with due regard to the privileges and immunities of the United Nations and the relevant agency or donor agreements.

76. OAIS adheres to the single audit principle adopted by United Nations system organizations, which gives the United Nations Board of Auditors the exclusive right to audit the accounts and statements of the United Nations. OAIS will be consulted if any exceptions to this principle are negotiated in any agreements that have the potential to impact the independence of the Office in determining its audit universe or allocation of resources.

77. The United Nations Office of Internal Oversight Services has the authority to review and investigate allegations of misconduct reported by the Director of OAIS involving the Executive Director of UNFPA and any other senior official.

78. OAIS shall also coordinate its work with other UNFPA offices, as relevant, including, but not limited to members of the Integrity Group of UNFPA, such as the Evaluation Office, the Ethics Office, the Office of the Ombudsman, the Coordinator for PSEA, the Legal Unit of the Office of the Executive Director, and the Division for Human Resources, as needed.

Accountability to the Executive Board

79. The Director of OAIS shall independently prepare and submit to the Executive Board, after review by the Oversight Advisory Committee, an annual report for each completed calendar year on its activities and performance against its workplan, resources, disclosure of internal audit reports, significant audit and investigation findings, good practices and systemic improvement needs identified, actions taken by management to implement internal audit and investigation recommendations, any response to risks that may be deemed as beyond the risk appetite of the Organization, an opinion, with its rationale, on the adequacy and effectiveness of the UNFPA framework of governance, risk management and controls,⁶ and such other matters as may be requested by the Executive Board.

80. In the annual report, the Director of OAIS shall confirm, or else, to the Executive Board the independence of the internal audit and investigation functions at UNFPA.

⁶ Executive Board decision 2016/13 of June 2016.

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Professional Standards

81. The Director and staff of OAIS shall abide by the United Nations Code of Conduct, the Standards of Conduct for the International Civil Service, as well as by the Code of Ethics of the Institute of Internal Auditors. Independent contractors retained or third-party entities engaged by OAIS shall abide by the terms of their contractual agreement. The Director and staff of OAIS, as well as the independent contractors retained or third-party entities engaged by OAIS, shall at all times maintain and safeguard their independence, objectivity and professionalism in fulfilling the responsibilities assigned under this Charter.

82. OAIS shall undertake its internal audit activities in adherence to the mandatory elements of the International Professional Practices Framework (IPPF) of the Institute of Internal Auditors, including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing ('Standards'), and the Definition of Internal Auditing. In addition, OAIS shall be guided by the non-mandatory recommended and supplemental guidance of the IPPF. The Director of OAIS will report periodically to the Executive Director, the Oversight Advisory Committee and the Executive Board regarding OAIS' conformance to the Code of Ethics and the Standards, and on plan to address shortcomings, if any.

83. OAIS shall carry out its investigation activities in accordance with the UNFPA Disciplinary Framework and all pertinent policies and procedures referenced therein, as well as the Uniform Principles and Guidelines for Investigations (second version) as endorsed by the 10th Conference of International Investigators in 2009. The Director of OAIS will report periodically to the Executive Director, the Oversight Advisory Committee and the Executive Board regarding OAIS' conformance thereto.

Approval and revision of the Charter

84. The Charter shall be reviewed every two years or more often if required. The Director of OAIS is responsible for applying this Charter and for proposing amendments to keep it up to date.

85. Any revision shall be approved by the Executive Director after obtaining advice from the Oversight Advisory Committee. The revised Charter shall be brought to the attention of the Executive Board and the United Nations Board of Auditors.

Approved by

Date

1 August 2023



Dr. Natalia Kanem
Executive Director
United Nations Population Fund



18 April 2025

Annex 2

Basis of the 2024 OAI opinion on the UNFPA governance, risk management, and internal control processes

Report of the Office of Audit and Investigation Services on UNFPA internal audit and investigation activities in 2024

(DP/FPA/2025/6)

Agenda item 3: UNFPA – Internal audit and investigation

Executive Board of UNDP, UNFPA and UNOPS

Annual session 2025

2 to 5 June 2025

New York

Annex 2: Basis of the 2024 OAS opinion on UNFPA governance, risk management, and internal control processes

1. In accordance with Executive Board decision 2015/13 of June 2015, OAS provides, in its annual reports to the Executive Board, an opinion on the adequacy and effectiveness of UNFPA's governance, risk management, and control (GRC) processes. The 2024 opinion is based on the scope and results of work undertaken by OAS in the year, as set out in the body of the annual report (DP.FPA.2025.6). The overall (organizational level) OAS opinion on the UNFPA GRC processes is set out in Section III of the annual report. This annex provides additional details on the basis, scope, and exclusions of the overall opinion.
2. The overall opinion of OAS is that the UNFPA GRC 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.
3. The opinion is based on the following:
 - (a) Results of OAS audits concluded between 1 January and 31 December 2024 and cumulative audit knowledge and experience stemming from OAS 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:
 - (i) Harmonized approach to cash transfers audits;
 - (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 2024;
 - (iii) Substantiated investigation cases in 2024 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.
4. In March 2025, OAS received a letter from management indicating actions/decisions taken to address matters raised in the 2023 OAS opinion on the organization's GRC processes. These are reflected in paragraphs 21 to 24.
5. In 2024, OAS conducted its internal audit work, as well as rendered its overall opinion on UNFPA's GRC processes in conformance with the International Standards for the Professional Practice of Internal Auditing (hereafter referred to either as ISPPA or 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 in June 2002.
6. Consistent with previous years, in 2024, UNFPA outsourced significant functions and business processes 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 new enterprise resource planning (ERP) system "Quantum"; and (f) other information technology services. UNFPA management relied on the management and fiduciary oversight activities undertaken by the United Nations organizations to which the functions were outsourced with respect to the adequacy and effectiveness of the related governance, risk management, and internal control processes. The 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 the OAI opinion. OAI received confirmation from UNDP's Office of Audit and Investigations that most of these outsourced functions have been covered by its audits in recent years ranging from 2017 to 2024.

7. UNFPA also outsourced numerous information and communications technology functions, including the hosting of key 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 OAI opinion.

Results of audits concluded in 2024

8. OAI provides opinions on the organization's GRC processes at two different levels: (a) at the engagement level, as indicated in Table 1 below; and (b) at the organizational level, as described in paragraph 2 above. Accordingly, based on the results of audit engagements concluded in 2024, and in conformance with the *Standards*,¹ OAI provided engagement level GRC opinions (country or regional offices, business units or processes), which were reflected in the respective internal audit reports. Table 1 shows that, in 2024, 18 per cent (17 per cent in 2023) of the audit engagements concluded were assessed as '*satisfactory*', 54 per cent (50 per cent in 2023) '*partially satisfactory, with some improvement needed*', while 18 per cent (29 per cent in 2023) were assessed as '*partially satisfactory, with major improvement needed*'. Ten per cent of the reports (4 per cent in 2023) were '*unsatisfactory*'.

9. None of the issues identified in the reports assessed as '*partially satisfactory, with major improvement needed*' or '*unsatisfactory*' were significant enough as to seriously compromise the achievement of UNFPA objectives.

Table 1: Ratings for audits/assessments undertaken in 2024 vs. 2023

Ratings	2024	% of total	2023	% of total
Satisfactory	5	18	4	17
Partially satisfactory, with some improvement needed	15	54	12	50
Partially satisfactory, with major improvement needed	5	18	7	29
Unsatisfactory	3	10	1	4
Different rating scale ²	0	0	0	0
Total number of reports	28		24	

Status of implementation of audit recommendations

10. The 28 audit reports issued in 2024 (see Table 1) resulted in 205 recommendations (see Table 2), which represents a 15 per cent decrease compared to the 235 recommendations issued in the 24 reports of 2023. Of the 205 recommendations, 84 were rated as 'high priority' (123 in 2023).

11. Review of outstanding recommendations as of 31 December 2024 showed a decrease from prior year levels. As of that date, there were 203 outstanding recommendations compared to 294 at the end of 2023 (see Table 2). Of the 203 outstanding recommendations in 2024, 171 had due dates for implementation in 2025 and beyond. The remaining 32 recommendations were overdue for implementation, with 31 outstanding for less than 12 months, and one for periods between 12 and 18 months.

12. Two recommendations related to a business process audit report issued in 2022 were closed in 2024 based on management's acceptance of risk. Management indicated that one, a high priority recommendation to link travel with work plan activities in the enterprise resource planning system, could not be implemented as the functionality was outside the travel module's scope, with the existing travel approval controls mitigating any pertinent risks. For the other, a medium priority recommendation to enhance travel process transparency through customization of the shared travel module with other agencies using the same enterprise resource planning system, management indicated that its implementation was not feasible, and that existing manual processes adequately addressed the risk raised by the audit.

¹ ISPPA 2410.A1 – Opinion at the engagement level

² The assessment of the ERM was rated as "Developing" and the outsourced financial audit of a project in Guatemala had an unqualified audit opinion and no audit recommendation was provided.

Table 2: Recommendations by audit area and priority rating – 2024 vs. 2023

	Priority Rating					
	High	Medium	Total	High	Medium	Total
Recommendations issued:	2024			2023		
Governance	31	30	61	47	34	81
Programme Management	40	36	76	53	41	94
Operations Management	13	52	65	19	36	55
Application Controls	-	3	3	-	-	-
Support to and Oversight of Country Offices	-	-	-	4	1	5
Sub-total of recommendations issued during the year (%)	84	121	205	123	112	235
	41	59	100	52	48	100
Outstanding recommendations:	31-Dec-24			31-Dec-23		
Governance	36	28	64	65	35	100
Programme Management	41	32	73	72	49	121
Operations Management	16	46	62	26	43	69
Application Controls	-	3	3	-	-	-
Support to and Oversight of Country Offices	1	-	1	3	1	4
Sub-total outstanding recommendations at year end (%)	94	109	203	166	128	294
	46	54	100	56	44	100

13. As indicated in paragraphs 3 (c) and (d), OAIS also took into consideration the following processes and control mechanisms that UNFPA management put in place in implementing its internal control framework and risk management. These include audits of funds transferred to implementing partners, the results of the organization's ERM processes, as well as reported actions and decisions taken to address matters raised in the OAIS 2023 opinion on UNFPA's GRC processes. This practice conforms with the *Standards*³ and is outlined in the following paragraphs.

Audits of fund transfers to implementing partners

14. Management engages external professional services firms to conduct independent audits of fund transfers to implementing partners under the harmonized approach to cash transfer (HACT).⁴

15. OAIS leverages the results of HACT audits to obtain additional assurance on how the cash transfers are made and accounted for. For purposes of the 2024 OAIS annual report, results of the 2023 audits were considered.

16. Table 3 below indicates the total expenditures audited and the audit opinions rendered in each year over a three-year period (2021-2023). Expenditures incurred by implementing partners increased from \$462 million in 2022 to \$477 million in 2023, an increase of \$15 million (3 per cent). Audit coverage of the expenditures in 2023 remained constant at \$335 million in comparison to 2022 and represents 70 per cent of expenditures incurred by implementing partners in 2023 (73 per cent in 2022).

³ Standard 2050

⁴ The Harmonized Approach to Cash Transfers (HACT) framework was first adopted in 2005 by UNDP, UNICEF, UNFPA and WFP, and represents a common operational (harmonized) framework for transferring cash to government and non-governmental IPs.

17. In terms of audit opinions, unmodified⁵ audit opinions for 2023 implementing partner financial statements were 92 per cent of total audit reports issued (93 per cent in 2022). The percentage of modified opinions (qualified⁶ adverse⁷ or disclaimer⁸) was 8 per cent in 2023, compared to 7 per cent in 2022.

18.

Table 3: Results of implementing partner HACT audits 2021-2023⁹

Indicator	2023	2022	2021
Total implementing partner actual expenditures (millions of \$)	477	462	405
Audit coverage			
Implementing partner expenses audited (millions of \$)	335	335	229
Percentage of implementing partner expenses audited compared to total expenses incurred (%)	70	73	56
Audit opinions			
Number of issued audit reports	410	432	287
Number of reports with unmodified opinion	377	400	266
Number of reports with qualified opinion	33	28	16
Number of reports with adverse opinion	-	4	4
Number of reports with a disclaimer opinion	-	-	1
Percentage of unmodified opinions (%)	92	93	93
Percentage of modified opinions (qualified, adverse & disclaimer) (%)	8	7	7
Unsupported costs arising from modified opinions (millions of \$)	3.1	1.2	2.1

Enterprise Risk Management

19. In 2024, UNFPA focused on strengthening its ERM framework to address issues raised in the 2023 OAIS opinion of UNFPA's GRC processes and audit reports issued in 2024. The key initiatives undertaken were as follows:

- (a) Capacity enhancement through training – UNFPA rolled out extensive training programmes, including a comprehensive session for ERM focal points in the Arab States region, featuring a structured programme, which included curriculum development, participant coordination, and logistics management. Targeted workshops were organized at headquarters to strengthen risk management practices at the headquarters level.
- (b) Risk response standardization – Since launching the new ERM Policy in December 2023, more than 80 per cent of country offices and all headquarter business units successfully completed their risk assessments and designed the corresponding risk responses. The efforts were validated by regional risk communities, addressing the assessment and design concerns previously raised by OAIS. UNFPA plans to launch the risk response phase for all country offices in March 2025. The initiative will help standardize the tracking and management of risk response measures, ensuring full alignment with corporate ERM requirements.

⁵ An unmodified opinion is expressed when the auditor concludes that the financial statements and notes of the audited entity presents fairly, in all material respects, the financial position and results of its operations for the audited period in conformity with the relevant accounting principles and standards.

⁶ A qualified opinion is expressed when the auditor concludes that an unqualified opinion cannot be expressed but that the effect of any disagreement with management, or limitation on scope is not as material and pervasive as to require an adverse opinion or a disclaimer of opinion. A qualified opinion should be expressed as being 'except for' the effects of the matter to which the qualification relates.

⁷ An adverse opinion is expressed by an auditor when the financial statements are significantly misrepresented, misstated, and do not accurately reflect the expenditure incurred and reported in the financial statements (statement of expenses, statement of cash, statement of assets and equipment).

⁸ A disclaimer opinion is expressed when the possible effect of a limitation on scope is so material and pervasive that the auditor has not been able to obtain sufficient appropriate audit evidence and, accordingly, is unable to express an opinion on the financial statements.

⁹ Data provided by the Quality Management Unit of the Division for Management Services. At the time of writing this report, information on audit opinions rendered on implementing partner financial statements for the year ending 2024 was not yet available.

- (c) Headquarters oversight strengthening – The organization fully operationalized the Headquarters Risk Committee for active engagement in risk validation, reinforcing the committee’s role as a key governance mechanism, as foreseen in policy.
- (d) Reputational risk integration – UNFPA aligned ERM with the SHIELD protocol, a methodology and set of tools to help prepare for, mitigate, and respond to reputational risk, to better manage reputational risks and conducted multiple training sessions across all regions to equip country offices with tools for proactive management of the risks.
- (e) System improvements – To actively track and manage risks identified and the corresponding risk response measures using the corporate ERM tool, UNFPA is planning updates to the tool starting with an interim solution to maintain continuity in risk management. The initiative will be piloted in phases as from March 2025.

20. The above initiatives contributed to an improvement in the completion of risk assessments by the mandated country and regional offices, with a noticeable reduction in the number of OAS audits in 2024 reporting insufficient implementation of risk management processes as a recurring common and high-risk issue compared to 2023. Country and regional offices should build on this commendable progress to timely develop, implement, and report on action plans to identify, assess, and mitigate critical or high risks through the evolving corporate risk management tool.

Management letter on actions taken in 2024 on matters raised in the 2023 OAS opinion on UNFPA’s GRC processes

21. Management provided a letter to OAS in March 2025, indicating actions taken to address matters raised in the 2023 OAS opinion on the organization’s GRC processes and internal audit reports issued in 2024. While some of the actions indicated were already considered in the audits conducted and in the implementation follow-up of previous years’ audit recommendations, the following information provided by management on actions taken or planned was considered in the formulation of the 2024 overall opinion on UNFPA GRC processes.

22. Governance:

- (a) On organizational structure and staffing, UNFPA supported its country offices in conducting human resource realignment exercises to optimize their structures for effective programme delivery and operations. Additionally, UNFPA introduced a fully integrated results and resource planning system in QuantumPlus,¹⁰ enhancing the organization’s ability to align resources with programme needs and improve staffing arrangements.

OAS audits in 2024 continued to indicate, as a recurring common issue, a need to conduct timely comprehensive reviews of country offices’ organizational structures and staffing arrangements, especially in the context of new programme cycles, and to expedite recruitment processes for vacant positions. The initiatives undertaken by management in 2024 to support realignment exercises and enhance resource planning through QuantumPlus, should contribute to improvements in this area soon.

- (b) On results planning and reporting, UNFPA rolled out QuantumPlus in 2024, introducing a fully integrated results and resource planning system. The system enhances the organization’s ability to plan, monitor, and report on results by connecting results with resource allocations and programme implementation in one comprehensive tool. QuantumPlus also includes workflows to enforce quality assurance processes over planning, monitoring, and reporting, addressing previously identified gaps in these areas.

OAS audits in 2024 continued to indicate, as a recurring common issue, but to a lesser degree compared to 2023, a need to train personnel involved in results planning, monitoring, and reporting and to strengthen existing quality assurance review processes, formulation of quality results plans, and monitoring and reporting. The initiatives undertaken by management in 2024, particularly the implementation of QuantumPlus and additional enhancements planned for 2025, should further reduce recurrence of the issue.

23. Programme management:

- (a) On implementing partner management, UNFPA continued to advocate for the use of competitive selection processes through the United Nations Partner Portal (UNPP). A revised implementing partner policy, expected in 2025, will mandate the use of UNPP for partner selection. To address gaps in micro-assessments, the new implementing partner management system in QuantumPlus automatically updates

¹⁰ The UNFPA integrated results and resources management platform.

risk ratings and adjusts assurance activity thresholds. For Protection from Sexual Exploitation and Abuse assessments, UNFPA achieved 94 per cent completion rates and is working to increase the rate. Additionally, QuantumPlus introduced features to strengthen programme monitoring of implementing partners.

OAIS audits in 2024 continued to indicate, as a recurring common and high-risk issue, the need to improve the management and oversight of implementing partners, including use of competitive partner selection methods, timely conducting assurance activities, and enhancing monitoring controls. The actions taken by management in 2024, including the enhancements to QuantumPlus and the intended mandatory use of UNPP for partner selection, should help minimize future instances of these issues.

- (b) On management of programme supplies, UNFPA implemented several initiatives to strengthen forecasting, quantification, and supply chain management. These include developing a self-paced e-learning course on quantification, conducting regional workshops that trained 208 staff across 81 countries, and providing technical support to country offices. Additionally, 37 in-country assessments were conducted as part of the Last Mile Assurance (LMA) cycle, leading to supply chain strengthening action plans, and quarterly stock reviews expanded to include 139 implementing partners, improving inventory management practices.

OAIS audits in 2024 continued to indicate, as a recurring common issue, but to a much lesser degree compared to 2023, weaknesses in planning, assessment, management, distribution, and monitoring of programme supplies. The initiatives undertaken by management in 2024, particularly the capacity-building efforts and the LMA assessments, should contribute to addressing these weaknesses.

24. Operations management:

- (a) On financial management, UNFPA implemented system enhancements in Quantum and Quantum Plus to strengthen financial controls. These included introducing hard controls for segregation of duties, automating payroll reversals, and rolling out a global travel module to harmonize travel processes. Additionally, UNFPA developed an e-course to strengthen staff capacity to conduct quality spot checks on implementing partners. Further, UNFPA is developing a new financial management dashboard and plans to integrate the Implementing Partner Assurance System (IPAS) replacement into QuantumPlus in 2025, further strengthening oversight of implementing partner financial management.

OAIS audits in 2024 continued to indicate, as a recurring common issue, inadequate controls over financial transactions and excessive use of cash payments. The system enhancements and capacity-building initiatives undertaken by management in 2024 are expected to improve compliance and oversight in financial management.

25. From the foregoing, UNFPA made significant progress in 2024 to bolster its second-line oversight capacity, including improvements in system controls in Quantum and QuantumPlus. OAIS will continue to follow through the completion and implementation of the above actions in follow-up audits, validation of implementation of audit recommendations, participation as observer in Oversight Compliance Monitoring Committee meetings, review of new policies, procedures, and guidance, and while providing advisory services.



2 April 2025

Annex 3

Summary of common high and medium-risk issues noted in the 2024 audit reports

Report of the Office of Audit and Investigation Services on UNFPA internal audit and investigation activities in 2024

(DP/FPA/2025/6)

Agenda item 3: UNFPA – Internal audit and investigation

Executive Board of UNDP, UNFPA, and UNOPS

Annual session 2025

2 to 5 June 2025

New York

Annex 3: Summary of common high and medium-risk issues noted in the 2024 audit reports

Issue	Root cause	Recommendation	# of Countries /BUs where issue was noted
Governance:			
Organizational structure and staffing arrangements may be misaligned or not be optimized for programme delivery and operations.	<ul style="list-style-type: none"> Guidelines: inadequate planning. Guidance: inadequate supervision at the Headquarter, Regional and Country Office levels. 	<ul style="list-style-type: none"> Country offices should conduct timely comprehensive reviews of their organizational structures and staffing arrangements, finalize and submit, for review and approval, the human resource realignment plan and restructuring proposals to align them to programme delivery and operational requirements in new programme cycles and expedite recruitment processes for vacant positions. 	15
Inadequate results planning and reporting.	<ul style="list-style-type: none"> Guidance: inadequate supervision at the office level. Resources: inadequate human resources. 	<ul style="list-style-type: none"> Train personnel involved in results planning, monitoring, and reporting on policy requirements, and strengthen existing quality assurance review processes to ensure the formulation of quality results plans and improve monitoring and reporting. 	14
Inadequate risk management processes.	<ul style="list-style-type: none"> Guidance: inadequate supervision at the Headquarter, Regional and Country Office levels. 	<ul style="list-style-type: none"> Country offices should undertake a risk assessment of their offices and improve the risk management practices by actively tracking and managing risks identified and the corresponding risk response measures using the corporate Enterprise Risk Management tool, as required by applicable policy. 	7
Inadequate training of office personnel.	<ul style="list-style-type: none"> Guidance: inadequate supervision at the office level. 	<ul style="list-style-type: none"> Strengthen office personnel capacity by identifying skills capacity gaps, providing training in pertinent areas, and ensuring timely completion of mandatory corporate trainings. 	5
Programme Management:			
Ineffective management and oversight of implementing partners	<ul style="list-style-type: none"> Guidelines: inadequate supervision at the office level. 	<ul style="list-style-type: none"> Strengthen the implementing partner management process by using competitive methods for the selection of non-governmental organization implementing partners, conducting timely HACT assurance activities, enhancing programmatic and financial monitoring controls. Ensure implementing partner compliance with corporate requirements by implementing Protection from Sexual Exploitation and Abuse (PSEA) measures, registering partners in the UN Partner Portal, and training staff on relevant policies and requirements. Improve workplan management by developing rigorous review processes, establishing appropriate cash transfer modalities based on partner risk ratings, and ensuring timely follow-up on 	19

Issue	Root cause	Recommendation	# of Countries /BUs where issue was noted
		recommendations from spot-checks and audits.	
Inadequate programme planning, monitoring, and reporting.	<ul style="list-style-type: none"> • Guidance: inadequate supervision at the office level. • Resources: inadequate human resources. 	<ul style="list-style-type: none"> • Strengthen programme planning, monitoring and reporting processes by training relevant staff on policy requirements and corporate guidance, creating annual results plans with clear output indicators, milestones and targets, developing detailed annual monitoring plans with defined responsibilities, aligning baselines and targets across systems, and implementing quality assurance controls to ensure compliance with these requirements. 	13
Weaknesses in the planning, assessment, management, distribution, and monitoring of programme supplies.	<ul style="list-style-type: none"> • Guidance: inadequate supervision at the office level. • Resources: inadequate training. • Resources: inadequate human resources. 	<ul style="list-style-type: none"> • Strengthen programme supplies management by conducting rigorous needs assessments and forecasting with stakeholders, training personnel on applicable policy and procedures, maintaining proper inventory records and tracking, implementing monitoring controls throughout the supply chain, and improving commodity storage conditions. 	12
Weaknesses in work planning, cost recovery, and financial management processes.	<ul style="list-style-type: none"> • Guidance: inadequate supervision at the office level. • Resources: inadequate human and financial resources. 	<ul style="list-style-type: none"> • Strengthen work planning and financial management by establishing clear timelines and responsibilities for workplan preparation and approval, implementing operational review controls using policy recommended checklists, ensuring full cost recovery from non-core resources, and aligning output indicators between results and resources plans and workplans. 	11
Inadequate donor reporting.	<ul style="list-style-type: none"> • Guidance: inadequate supervision at the office level. 	<ul style="list-style-type: none"> • Strengthen supervisory controls to ensure timely implementation of planned activities, submission of donor reports, and effective coordination and communication with donors. 	6
Operations Management:			
Noncompliance with procurement procedures.	<ul style="list-style-type: none"> • Guidelines: inadequate supervision at the office level. • Guidelines: inadequate training. 	<ul style="list-style-type: none"> • 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 establishing long-term agreements for goods and services that are purchased on a regular basis to achieve best value for money. 	15
Inadequate controls over financial transactions and excessive use of cash payments.	<ul style="list-style-type: none"> • Guidelines: inadequate supervision at the office level. • Guidelines: inadequate risk management process. 	<ul style="list-style-type: none"> • Strengthen financial controls through adherence to prescribed procedures for the execution and recording of advance payments, recording recoverable value added tax (VAT) amounts, identification and engagement of appropriate payment service providers for cash disbursements with enhanced monitoring mechanisms. • Discontinue the use of manual purchase orders and ensure the utilization of purchase 	8

Issue	Root cause	Recommendation	# of Countries /BUs where issue was noted
		orders generated within the enterprise resource planning system.	
Inadequate human resources management.	<ul style="list-style-type: none"> Guidance: inadequate supervision at the office level. 	<ul style="list-style-type: none"> Enhance human resources management by ensuring timely contract signing, strengthening supervisory controls over recruitment and separation, documenting processes, training staff on policies, and obtaining necessary approvals. 	8
Inadequate asset management processes.	<ul style="list-style-type: none"> Guidance: inadequate supervision at the office level. 	<ul style="list-style-type: none"> Enhance asset management by improving supervisory controls, ensuring timely and comprehensive recording of asset movements, reconciling physical counts with Asset Management module records, taking prompt corrective actions, and training staff on policy compliance. 	5
Noncompliance with travel policy and procedures.	<ul style="list-style-type: none"> Guidance: inadequate supervision at the office level. 	<ul style="list-style-type: none"> Enhance compliance with UNFPA travel policy by raising staff awareness, strengthening supervisory controls, ensuring timely submission and approval of travel claims and reports, securing prior approvals for deviations, and refunding advances for uncompleted trips. 	4
Limited use of corporate Integrated Document Management Solution.	<ul style="list-style-type: none"> Guidance: inadequate supervision at the office level. 	<ul style="list-style-type: none"> Country offices should improve their document management process by training personnel on the use of the corporate Integrated Document Management Solution and establish supervisory controls to monitor compliance with corporate requirements for document management. 	3



Annex 4

Summary of investigation and closure reports issued in 2024, by type of allegation as of 31 December 2024

(DP/FPA/2025/6)

Agenda item 3: UNFPA – Internal audit and investigation

Executive Board of UNDP, UNFPA and UNOPS Annual session 2025

2 to 5 June 2025

New York

Summary of investigation and closure reports¹ issued in 2024, by type of allegation as of 31 December 2024

REGIONAL OFFICE		ALLEGATION	ESTIMATED LOSS TO UNFPA ²	SUBSTANTIATED / UNSUBSTANTIATED AND TO WHOM THE REPORT WAS SENT	STATUS ³
FRAUD / FINANCIAL IRREGULARITIES					
BENEFIT & ENTITLEMENT FRAUD					
1.	West and Central Africa	A UNFPA staff member colluded with a member of personnel of another United Nations agency and knowingly and deliberately submitted fraudulent medical claims for them and their family members to obtain reimbursement for which the staff member was not due.	No financial loss to the Organization	Substantiated; Legal Unit	OAIS submitted its investigation report to the Legal Unit. The consideration of the matter is ongoing.
2.	Arab States	<i>A then United Nations Volunteer (UNV) working with UNFPA staff member allegedly knowingly and deliberately submitted 16 fraudulent medical claims to obtain reimbursement for which the UNV was not due.</i>	N/A	<i>Unsubstantiated; Closure Report remains with OAIS</i>	N/A

¹ Except for retaliation cases, where both substantiated and unsubstantiated reports are sent to the Ethics Office, when the Office of Audit and Investigation Services (OAIS) investigates other forms of wrongdoing and substantiates at least one allegation, an Investigation Report is drafted, which is provided to the Legal Unit. If after a full investigation, no allegations are substantiated, OAIS produces a Closure Report. This report remains with OAIS, but relevant stakeholders are informed of the closure.

² Only estimated losses to UNFPA have been added to this Annex. Losses to other United Nations agencies in cases of staff members and non-staff personnel from other agencies, losses to UNFPA which have been recovered prior to investigation, as well as losses to other entities such as CIGNA are not considered financial losses to UNFPA. Estimated losses do not reflect amounts that have been recovered or may be recovered in future.

³ The below summaries omit information on potential referrals to member states national authorities for their consideration of criminal prosecution, so as not to prejudice such proceedings.

		<i>The subject resigned from UNFPA for unrelated reasons before the investigation was completed. While the medical claims had been fraudulently submitted, this had been done by the UNV's former spouse without the UNV's knowledge.</i>			
3.	Latin America and the Caribbean	A former UNFPA individual contractor colluded with other UNFPA personnel and knowingly and deliberately submitted three fraudulent medical claims to obtain reimbursement for which the contractor was not due.	No financial loss to the Organization	Substantiated; Legal Unit	OAIS submitted its investigation report to the Legal Unit. A note was placed in the contractor's personnel file to preclude rehiring.
4.	Latin America and the Caribbean	A former UNFPA individual contractor colluded with other UNFPA personnel and knowingly and deliberately submitted four fraudulent medical claims to obtain reimbursement for which the contractor was not due.	No financial loss to the Organization	Substantiated; Legal Unit	OAIS submitted its investigation report to the Legal Unit. A note was placed in the contractor's personnel file to preclude rehiring.
DIVERSION OF COMMODITIES					
5.	West and Central Africa	<i>A UNFPA staff member allegedly colluded with a UNFPA Consultant to divert contraceptives from one country to another. OAIS found there was no evidence to tie the staff member to the allegations.</i>	\$8,500	Unsubstantiated; Closure Report remains with OAIS	N/A
6.	West and Central Africa	<i>A UNFPA Consultant allegedly colluded with a UNFPA staff member to divert contraceptives from one country to another. OAIS</i>	\$8,500 (loss shared with entry No. 5)	Unsubstantiated; Closure Report remains with OAIS	N/A

		<i>found there was no evidence to tie the Consultant to the allegations.</i>			
IMPLEMENTING PARTNER FRAUD					
7.	Arab States	<p>OAIS reviewed and endorsed a third-party special audit carried out by a UNFPA supplier. The audit was commissioned by UNFPA and another United Nations agency.</p> <p>The audit reviewed the activities of a UNFPA Implementing Partner (IP), finding fraudulent activities pertaining to the IP's procurement processes and staff and personnel costs.</p>	USD 118,178. ⁴	<p>Substantiated underlying allegations;</p> <p>Endorsed third-party report;</p> <p>Legal Unit</p>	<p>OAIS submitted its investigation report to the Legal Unit and recommended that the matter be referred to the Implementing Partner Review Committee (IPRC).⁵</p> <p>The IPRC reviewed the case. The IPRC noted that the IP's management already completed actions in response to the third-party special audit, which entailed accepting additional documentation to clear the identified financial loss. The IPRC decided to place a note summarizing the case in the IP records.</p>
8.	East and Southern Africa	A UNFPA Implementing Partner (IP) received several allegations of wrongdoing. One allegation concerned UNFPA funding, <i>i.e.</i> , a senior IP official purchased goods for the IP from their close family member. The IP hired an external party to investigate the allegations, but it did not investigate the allegations involving UNFPA funds as the IP did not have	No loss to the Organization	<p>Substantiated underlying allegations;</p> <p>Legal Unit</p>	<p>OAIS submitted its investigation report to the Legal Unit and recommended that the matter be referred to the IPRC.</p> <p>The IPRC reviewed the case and decided:</p> <ul style="list-style-type: none"> • To debar the IP with conditional release. • To place the IP on the United Nations Partner Portal (UNPP).

⁴ OAIS identified a loss of USD 118,178. However, the IPRC cleared the loss after consideration of a third-party special audit. This loss is therefore not counted in the final loss total.

⁵ The IPRC is an administrative body of UNFPA. The IPRC manages Implementing Partner review following the issuance of an investigation report by the Director, OAIS, the enforcement of contract and other remedies, as well as any Sanction proceedings. *See* UNFPA Policies and Procedures Manual, Implementing Partner Review and Sanctions (09 April 2021), available at: https://www.unfpa.org/sites/default/files/admin-resource/OAIS_IP_Review_and_Sanctions.pdf.

		<p>policies governing conflicts of interest (COI).</p> <p>OAIS conducted its investigation and found that the IP did have policies governing COI and the IP failed to follow its procurement rules in respect of the purchase.</p>			
9.	Asia and the Pacific	<p><i>Several officials from a UNFPA Implementing Partner (IP) were implicated in inter alia, procurement fraud, harassment and conflicts of interest. The IP hired a third-party to investigate. The IP's investigation report found each allegation to be unsubstantiated.</i></p> <p><i>OAIS reviewed and endorsed the IP's third-party investigation report but found that the IP failed to notify UNFPA of its investigation and there were weaknesses in the IP's investigative approach.</i></p>	No loss to the Organization	<p><i>Unsubstantiated underlying allegations;</i></p> <p><i>Endorsed third party report;</i></p> <p><i>Legal Unit</i></p>	<p><i>OAIS closed this case as a Closure Report because the underlying allegations were unsubstantiated and OAIS endorsed the third-party investigation. However, given the weaknesses identified in the IP's investigative approach, OAIS provided its report to the Legal Unit and recommended that the matter be referred to the IPRC.</i></p> <ul style="list-style-type: none"> <i>The IPRC communicated a reprimand letter to the IP reminding of their contractual obligations vis-a-vis reporting to and cooperating with OAIS on matters related to investigations.</i> <i>The IPRC informed the UNFPA Country Office of the IPRC decisions for review and further action if engaging the IP.</i>
10.	West and Central Africa	<p>An official from a UNFPA Implementing Partner (IP) attempted to bribe an external auditor engaged by UNFPA to provide auditing services by providing the auditor with an envelope of cash.</p>	No loss to the Organization	Substantiated; Legal Unit	<p>OAIS submitted its investigation report to the Legal Unit and recommended that the matter be referred to the IPRC.</p> <p>The IPRC reviewed and the following actions were taken:</p> <ul style="list-style-type: none"> The IPRC communicated to the IP a reprimand letter reminding them of their contractual obligations and requesting an action plan <i>vis-a-vis</i> the subject and any necessary further actions. The IP responded acknowledging the shortcomings, and informing UNFPA that the person in question was dismissed.

					<ul style="list-style-type: none"> • QMU worked with the CO to ensure more frequent and scrutinized audits.
11.	West and Central Africa	An official from a UNFPA Implementing Partner (IP) attempted to bribe an external auditor engaged by UNFPA to provide auditing services by providing the auditor with an envelope of cash.	No loss to the Organization	Substantiated; Legal Unit	<p>OAIS submitted its investigation report to the Legal Unit and recommended that the matter be referred to the IPRC.</p> <p>The IPRC took the following actions:</p> <ul style="list-style-type: none"> • The IP informed that corrective actions have been implemented including the dismissal of the IP official. • QMU worked with the CO on enhancing the assurance system, including through more frequent and expanded scope audits.
PROSCRIBED PRACTICES					
12.	Headquarters	<p>A senior UNFPA official ⁶ several years ago facilitated the registration of two fraudulent businesses as UNFPA vendors and assisted both vendors in receiving repeated payments for goods and services, the majority of which did not have any proof of delivery.</p> <p>The senior official engineered payments without scrutiny or by requesting that different UNFPA Country Offices (COs) provide funds for events at Headquarters, while the COs were not involved in the events.</p> <p>The senior official drafted and altered quotations and invoices and instructed subordinate personnel to do the same. Finally, the senior official engaged in outside</p>	USD 333,725 (loss shared with entries 20 and 21 below))	Substantiated; Legal Unit	<p>OAIS submitted its investigation report to the Legal Unit.</p> <p>The senior UNFPA official separated from service prior to the conclusion of the disciplinary process. A note was placed in the senior official's personnel file to preclude rehiring. USD \$125,061.74 has been recovered. Recovery efforts concerning the outstanding loss balance are ongoing.</p>

⁶ For the purpose of this Annual Report, a senior UNFPA official is one who holds/ held a contract at the P-5 level or above.

		<p>activities without seeking authorization. The breakdown of the estimated loss is as follow:</p> <ul style="list-style-type: none"> - Vendor 1: USD 126,057; and - Vendor 2: USD 207,668. 			
13.	Asia and the Pacific	<p>A UNFPA staff member allegedly colluded with a UNFPA Implementing Partner. The staff member used UNFPA project cash advances for unintended purposes and misled UNFPA by knowingly certifying false supporting documentation to clear the advances.</p> <p>The staff member died during the investigation. Due to their passing, OAIIS was unable to conduct a subject interview and thus received no evidence to contradict the allegations made.</p>	No loss to the Organization	Unsubstantiated; Closure Report remains with OAIIS	N/A
14.	West and Central Africa	<p>A UNFPA staff member allegedly held a contract of employment with a national government while simultaneously working with UNFPA. OAIIS found that the staff member was on leave without pay from their government position, but as UNFPA did not have a clear stance on this issue, the matter was referred to Human</p>	No loss to the Organization	Unsubstantiated; Closure Report remains with OAIIS	N/A

		<i>Resources as an administrative issue.</i>			
15.	West and Central Africa	A UNFPA service contractor failed to uphold the highest standard of integrity by gaining prior access to a scoring sheet and using this sheet to cheat on a written exam used to screen candidates in a recruitment process.	No loss to the Organization	Substantiated; Legal Unit	OAIS submitted its investigation report to the Legal Unit. The service contractor's contract was terminated.
16.	East and Southern Africa	A then UNFPA consultant fabricated an email address to make it appear linked to a UNFPA Country Office. The consultant then submitted a forged Employment Confirmation Letter using this email address in support of a loan application they were seeking from a national bank. The forged letter misrepresented the subject's contractual status and duty station and falsely identified another UNFPA official as the sender of the letter.	No loss to the Organization	Substantiated; Legal Unit	OAIS submitted its investigation report to the Legal Unit. A note was placed in the consultant's personnel file to preclude rehiring.
17.	West and Central Africa	A UNFPA staff member failed to report wrongdoing when they became aware that personnel working for an Implementing Partner (IP) had attempted to provide an envelope with cash to an external auditor engaged by UNFPA to audit this IP.	No loss to the Organization	Substantiated; Legal Unit	OAIS submitted its investigation report to the Legal Unit. The staff member received a sanction of loss of one step in grade and a one-year deferment of eligibility for salary increment.
18.	West and Central Africa	<i>A UNFPA staff member allegedly received illegal cash gratuities from a UNFPA</i>	<i>No loss to the Organization</i>	<i>Unsubstantiated;</i>	<i>N/A</i>

		<i>Implementing Partner (IP) which was misappropriating UNFPA funds. OAIS found insufficient evidence that the staff member received cash gratuities from the IP.</i>		<i>Closure Report remains with OAIS</i>	
19.	<i>West and Central Africa</i>	<i>A UNFPA staff member allegedly received illegal cash gratuities from a UNFPA Implementing Partner (IP) which was misappropriating UNFPA funds. OAIS found insufficient evidence that the staff member received cash gratuities from the IP.</i>	<i>No loss to the Organization</i>	<i>Unsubstantiated; Closure Report remains with OAIS</i>	<i>N/A</i>
SUPPLIER FRAUD					
20.	Headquarters	A fraudulent business (the subject) colluded with a senior UNFPA official to register the subject as a UNFPA vendor. Thereafter, the subject was issued repeated payments for goods and services, the majority of which had no proof of delivery. The subject colluded with the senior UNFPA official to create, draft and alter quotes and invoices submitted to UNFPA.	USD 126,057 (loss covered under entry 12 above)	Substantiated; Legal Unit	OAIS submitted its investigation report to the Legal Unit and recommended that the matter be referred to the Vendor Review Committee (VRC). ⁷ The case was referred to the VRC and the VRC review is ongoing.

⁷ The VRC is an internal technical administrative body established at UNFPA Headquarters. It is established by the Chief Procurement Official (CPO) and will make recommendations to the CPO for his or her consideration in taking final Vendor Sanctions decisions. See UNFPA Policies and Procedures Manual, Policy and Procedures for Vendor Review and Sanctions (revised 09 April 2021), available at: https://www.unfpa.org/sites/default/files/admin-resource/PSB_Vendor_Review_and_Sanctions.pdf

21.	Headquarters	A fraudulent business (the subject) colluded with a senior UNFPA official to register the subject as a UNFPA vendor. Thereafter, the subject was issued repeated payments for goods and services, the majority of which had no proof of delivery. The subject colluded with the senior UNFPA official to create, draft and alter quotes and invoices submitted to UNFPA.	USD 207,668 (loss covered under entry 12 above)	Substantiated; Legal Unit	OAIS submitted its investigation report to the Legal Unit and recommended that the matter be referred to the VRC. The case was referred to the VRC and the VRC review is ongoing.
THEFT					
22.	West and Central Africa	<p>This case implicated two subjects, a UNFPA staff member and a UNFPA Implementing Partner.</p> <p>OAIS endorsed a forensic audit report prepared in 2021 by an external audit firm, which found that between 2013 and 2018, the IP misappropriated USD 2,330,586 of UNFPA funds. Several IP officials were subsequently convicted in 2024 at the national level on charges of fraud.</p> <p>While the UNFPA staff member did not receive illegal cash gratuities from the IP as alleged, the UNFPA staff member did not disclose that they had acted as a guarantor for a loan one of the IP's employees had taken out. Additionally, the UNFPA</p>	2,330,586 (A separate case registered in 2018 concerned USD 59,120 of this overall loss of USD 2,330,586. That 2018 case was closed as a closure note in 2024, as the IP reimbursed UNFPA. Thus, the outstanding amount to be reimbursed is USD 2,271,466.)	Substantiated; Legal Unit	<p>OAIS submitted its investigation report to the Legal Unit. The IPRC took the following actions:</p> <ul style="list-style-type: none"> • The IPRC sent letter to the IP and its parent organization requesting a fund recovery of USD 2,330,586 (less the refunded USD 59,120). • The IPRC informed the UNFPA Country Office of its decisions. • UNFPA decided to flag the IP on the United Nations Partner Portal (UNPP); and • Request for reimbursement of the loss was made to the umbrella international organization the IP was affiliated with by the DMS Director. The umbrella organization disclaimed responsibility for the losses and a provision for doubtful recovery was made in the 2024 financial statements.

		staff member engaged in unauthorized outside activities.			
OTHER WRONGDOING					
CONDUCT NOT BEFITTING AN INTERNATIONAL CIVIL SERVANT					
23.	Latin America and the Caribbean	<p>A UNFPA consultant allegedly sexually harassed a UNFPA beneficiary by sending them sexually explicit material. When the beneficiary declined their sexual advances, the consultant removed them from a UNFPA project.</p> <p>OAIS found there was a consensual and romantic relationship between the consultant and beneficiary, which included the sharing of sexually explicit material, vulgar language and insults. While OAIS did not substantiate the allegations of sexual harassment, it found the consultant had failed to uphold the standards of conduct expected of an international civil servant.</p>	No loss to the Organization	Substantiated; Legal Unit	<p>OAIS submitted its investigation report to the Legal Unit.</p> <p>The consultant's contract was not renewed following its expiration.</p>
FAILURE TO UPHOLD PRIVATE LEGAL OBLIGATIONS					
24.	Headquarters	<i>A former United Nations staff member had a colleague act as a guarantor for a loan while they were working for</i>	<i>No loss to the Organization</i>	<i>Unsubstantiated; Closure report remains with OAIS</i>	<i>N/A.</i>

		<p><i>the same United Nations entity. The staff member subsequently moved to UNFPA and allegedly failed to repay the loan, and failed to release the guarantor from their position.</i></p> <p><i>The UNFPA staff member resigned during the course of the investigation for unrelated reasons. OAI did not substantiate the allegations.</i></p>			
FAVOURITISM					
25.	Asia and the Pacific	A UNFPA staff member engaged in a sexual relationship with a subordinate staff member. The staff member was involved in recruitment processes involving their subordinate and provided positive character references for the subordinate who had applied to positions at other United Nations agencies.	No loss to the Organization	Substantiated; Legal Unit	<p>OAI submitted its investigation report to the Legal Unit. Upon careful review, it could not be established that the relationship between the two staff members existed before the subordinate staff member left the Organization.</p> <p>Therefore, the established facts did not meet the evidentiary standard to determine misconduct as required by the United Nations administrative tribunals.</p> <p>The case was closed for insufficient evidence to substantiate wrongdoing.</p>
PROHIBITED CONDUCT (ABUSE OF AUTHORITY, DISCRIMINATION AND WORKPLACE HARASSMENT)					
ABUSE OF AUTHORITY					
26.	Eastern Europe and Central Asia	A senior UNFPA official had a consensual romantic relationship with a subordinate. The senior official failed to disclose this and used UNFPA resources to take / transmit sexually explicit material to their subordinate.	No loss to the Organization	Substantiated; Legal Unit	<p>OAI submitted its investigation report to the Legal Unit. The consideration of the matter is ongoing.</p>

		The senior official additionally engaged in abuse of authority by having subordinate staff handle their personal affairs; selecting an organization led by a romantic partner to participate in a UNFPA event; and favouring a candidate in a UNFPA recruitment process. The senior official engaged in unethical practices by sharing UNFPA recruitment test questions and answers with others and engaging in unauthorized outside activities.			
WORKPLACE HARASSMENT					
27.	Arab States	<i>A senior UNFPA official allegedly engaged in harassment and abuse of authority towards a subordinate. The senior official allegedly colluded with others to undermine the subordinate's work and that of the subordinate's unit. OAIS found the allegations were unsubstantiated.</i>	<i>No loss to the Organization</i>	<i>Unsubstantiated; Closure report remains with OAIS</i>	<i>N/A.</i>
28.	Arab States	A senior UNFPA official engaged in harassment of subordinate UNFPA staff members which created a hostile working environment.	No loss to the Organization	Substantiated; Legal Unit	OAIS submitted its investigation report to the Legal Unit. The senior UNFPA official separated from service prior to the conclusion of the disciplinary process.
29.	Arab States	OAIS reviewed and endorsed a third-party investigation report prepared by another United Nations agency concerning wrongdoing	No loss to the Organization	Substantiated underlying allegations;	OAIS submitted its investigation report to the Legal Unit. The consideration of the matter is ongoing.

		<p>committed by a senior UNFPA official while on detailed assignment at their agency.</p> <p>The senior UNFPA official engaged in workplace harassment and abuse of authority towards a subordinate member of staff, and they disclosed confidential medical information concerning another member of staff.</p>		<p>Endorsed third-party report; Legal Unit</p>	
RETALIATION					
30.	Arab States	<p><i>A senior UNFPA official allegedly retaliated against a subordinate who had reported allegations of wrongdoing and had participated in a duly authorized investigation against this senior official (protected activity). The senior official in retaliation allegedly accessed the subordinate's performance appraisal and made negative comments on their performance (detrimental action). OAI's investigation found no evidence of retaliation.</i></p>	<p><i>No loss to the Organization</i></p>	<p><i>Unsubstantiated; Ethics Office</i></p>	<p><i>OAI submitted its investigation closure report to the Ethics Office.</i></p> <p><i>The matter remains with the Ethics Office for review and further action.</i></p>
31.	Arab States	<p>A senior UNFPA official allegedly retaliated against a subordinate who had reported allegations of wrongdoing implicating the senior official (protected activity). The senior official, aware of the protected activity, retaliated</p>	<p>No loss to the Organization</p>	<p>Substantiated; Ethics Unit</p>	<p>OAI submitted its investigation report to the Ethics Office.</p> <p>The senior UNFPA official separated from service prior to the conclusion of the matter. A note was placed in the senior official's personnel file to preclude rehiring.</p>

		by actively seeking the non-renewal of the subordinate's position (detrimental action).			
32.	Headquarters	A UNFPA staff member allegedly retaliated against a subordinate who had participated in a duly authorized investigation implicating the staff member (protected activity). The staff member allegedly became aware of the protected activity and in retaliation undermined the subordinate's performance and created a hostile working environment (detrimental action). OAI's investigation found no evidence of retaliation.	No loss to the Organization	Unsubstantiated; Ethics Office	OAI submitted its investigation closure report to the Ethics Office. The matter remains with the Ethics Office for review and further action.
SEXUAL MISCONDUCT					
SEXUAL EXPLOITATION AND ABUSE					
33.	East and Southern Africa	A senior official working for a UNFPA Implementing Partner while at a conference grabbed a youth participant by the shoulders and requested that the youth participant join the official in their hotel room.	No loss to the Organization	Substantiated; Legal Unit	OAI submitted its investigation report to the Legal Unit and recommended that the matter against the IP be referred to the IPRC. The IPRC took the following actions: <ul style="list-style-type: none"> The IPRC placed the IP under debarment with conditional release; IPRC/Programme Division decided to flag the matter on the United Nations Partner Portal (UNPP); The IPRC requested the PSEAH Coordinator office to work with the Country Office to include the IP senior official's name into the sexual misconduct database for non-governmental organizations.
SEXUAL HARASSMENT					
34.	Asia and the Pacific	A UNFPA staff member allegedly sexually harassed a	No loss to the Organization	Unsubstantiated;	N/A

		<i>colleague by requesting that the colleague extra hours, touching the colleague without consent and asking unwanted questions of a personal nature. While the subject resigned from UNFPA for unrelated reasons, OAIS found that the staff member's actions, while perceived as offensive to the victim were absent the requisite sexual element as outlined in the applicable policy.</i>		<i>Closure Report remains with OAIS</i>	
35.	Latin America and the Caribbean	A UNFPA staff member sexually assaulted and sexually harassed a UNFPA colleague when the latter was asleep by touching the colleague's genitals and performing oral sex without the colleague's consent.	No loss to the Organization	Substantiated; Legal Unit	The staff member resigned during the investigation. OAIS submitted its investigation report to the Legal Unit. The staff member's name was added to the United Nations common database ClearCheck. A note was placed in the staff member's personnel file to preclude rehiring.
36.	West and Central Africa	A UNFPA consultant sexually harassed youth fellows under their supervision by sending inappropriate messages of a sexual nature, and actively initiating and engaging in discussions about sexual acts. OAIS was unable to find that the consultant had an exploitative relationship with the fellows. Additionally, OAIS found that the consultant did not take any action to prevent the sexual harassment of the fellows by others, and did not create a	No loss to the Organization	Substantiated; Legal Unit	OAIS submitted its investigation report to the Legal Unit. The consultant's name was added to the United Nations common database ClearCheck. A note was placed in the consultant's personnel file to preclude rehiring.

		harmonious working environment for the fellows.			
Total Loss			\$ 2,613,691		
Loss through fraudulent activity			\$ 2,613,691		



2 April 2025

Annex 5

**Detailed overview of cases registered in 2024, and cases carried
over to 2025**

**Report of the Office of Audit and Investigation Services on UNFPA
internal audit and investigation activities in 2024**

(DP/FPA/2025/6)

Agenda item 3: UNFPA – Internal audit and investigation

Executive Board of UNDP, UNFPA, and UNOPS

Annual session 2024

2 to 5 June 2024

New York

Annex 5: Detailed overview of cases registered in 2024, and open cases carried over to 2025

Figure 1. Detailed breakdown by allegation type of OAIS case intake (134) in 2024

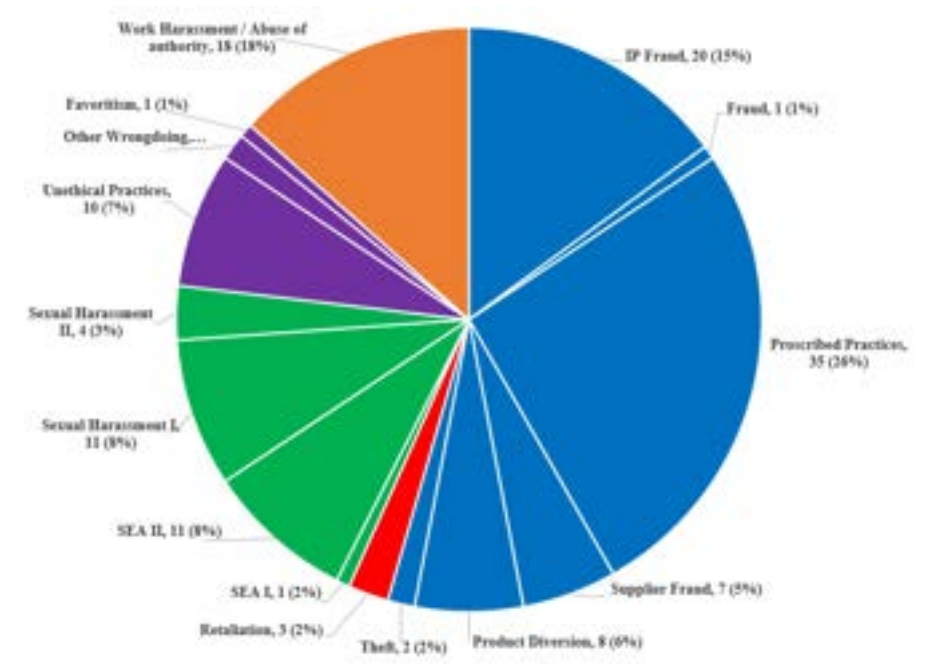
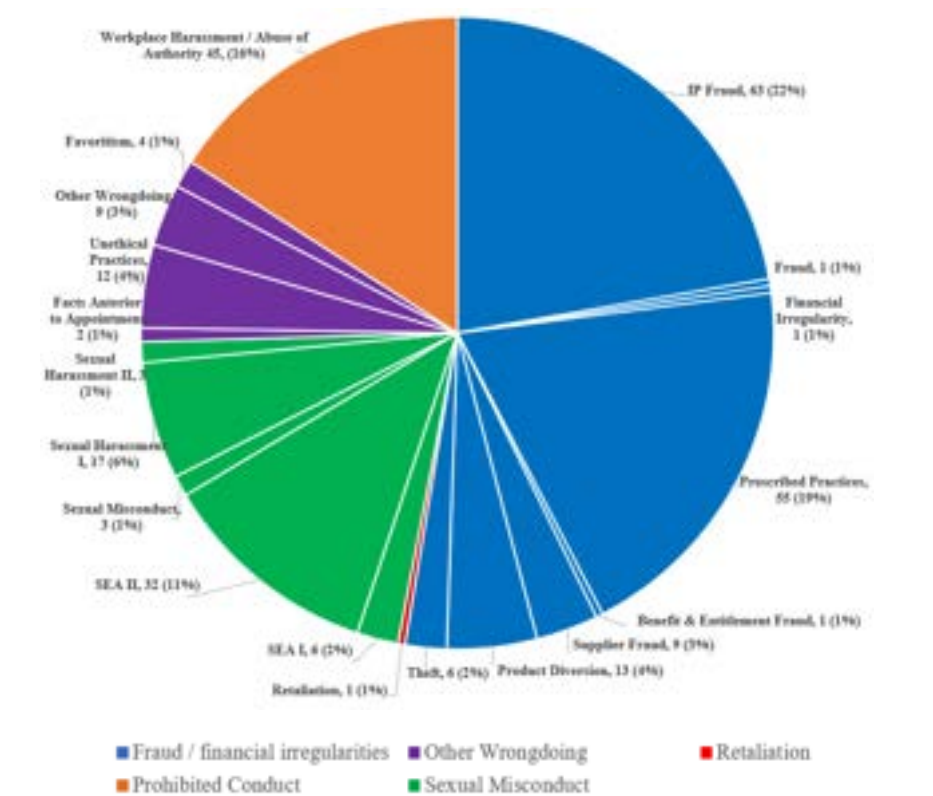


Figure 2. Detailed breakdown by allegation type of open cases at year-end (283) carried forward to 2025





2 April 2025

Annex 6

Audit reports and advisory notes issued in 2024

Report of the Office of Audit and Investigation Services on UNFPA internal audit and investigation activities in 2024

(DP/FPA/2025/6)

Agenda item 3: UNFPA – Internal audit and investigation

Executive Board of UNDP, UNFPA, and UNOPS

Annual session 2025

2 to 5 June 2025

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Annex 6: Audit reports issued in 2024

	Reference #	Audited Area	Number of Recommendations		Overall Report Rating
			Total	High Priority	
Business unit audits:					
1	IA/2024-01	Audit of the UNFPA Country Office in Venezuela	6	1	Satisfactory
2	IA/2024-03	Audit of the UNFPA Country Office in South Africa	11	4	Partially Satisfactory with Major Improvement Needed
3	IA/2024-04	Audit of the UNFPA Country Office in Equatorial Guinea	3	2	Partially Satisfactory with Some Improvement Needed
4	IA/2024-05	Audit of the UNFPA Country Office in Papua New Guinea	14	8	Unsatisfactory
5	IA/2023-06	Audit of the UNFPA Country Office in Central African Republic	14	8	Partially Satisfactory with Major Improvement Needed
6	IA/2024-08	Audit of the UNFPA Country Office in Afghanistan	9	4	Partially Satisfactory with Some Improvement Needed
7	IA/2024-09	Audit of the UNFPA Country Office in Gabon	9	4	Partially Satisfactory with Major Improvement Needed
8	IA/2024-10	Audit of the UNFPA Country Office in Togo	16	11	Unsatisfactory
9	IA/2024-11	Audit of the UNFPA Country Office in Honduras	6	1	Partially Satisfactory with Some Improvement Needed
10	IA/2024-12	Audit of the UNFPA Country Office in Azerbaijan	2	-	Satisfactory
11	IA/2024-13	Audit of the UNFPA Country Office in Thailand	4	1	Satisfactory
12	IA/2024-14	Audit of the UNFPA Country Office in Argentina	2	-	Satisfactory

	Reference #	Audited Area	Number of Recommendations		Overall Report Rating
			Total	High Priority	
13	IA/2024-15	Audit of the UNFPA Country Office in the Union of the Comoros	10	5	Partially Satisfactory with Major Improvement Needed
14	IA/2024-16	Audit of the UNFPA Country Office in the Kingdom of Morocco	11	6	Partially Satisfactory with Major Improvement Needed
15	IA/2024-17	Audit of the UNFPA Country Office in Cuba	4	1	Satisfactory
16	IA/2024-18	Audit of the UNFPA Country Office in Albania	7	3	Partially Satisfactory with Some Improvement Needed
17	IA/2024-19	Audit of the UNFPA Country Office in Tajikistan	4	2	Partially Satisfactory with Some Improvement Needed
18	IA/2024-20	Audit of the UNFPA Country Office in Dominican Republic	5	1	Partially Satisfactory with Some Improvement Needed
19	IA/2024-21	Audit of the UNFPA Country Office in the Philippines	5	2	Partially Satisfactory with Some Improvement Needed
20	IA/2024-22	Audit of the UNFPA Sub-Regional Office for the Caribbean	9	1	Partially Satisfactory with Some Improvement Needed
21	IA/2024-24	Audit of the UNFPA Country Office in the Democratic Republic of the Congo	16	10	Unsatisfactory
22	IA/2024-25	Audit of the UNFPA Country Office in Angola	6	3	Partially Satisfactory with Some Improvement Needed
23	IA/2024-28	Audit of the UNFPA Country Office in Yemen	5	3	Partially Satisfactory with Some Improvement Needed
Process audits:					
24	IA/2024-07	Audit of the UNFPA Headquarters Recruitment Process	6	2	Partially Satisfactory with Some Improvement Needed
25	IA/2024-23	Audit of Business Continuity Management in UNFPA	5	-	Partially Satisfactory with Some Improvement Needed

	Reference #	Audited Area	Number of Recommendations		Overall Report Rating
			Total	High Priority	
26	IA/2024-26	Audit of the UNFPA Enterprise Resource Planning System (Quantum)	3	-	Partially Satisfactory with Some Improvement Needed
27	IA/2024-27	Audit of UNFPA Information Security Management Practices and Processes	8	1	Partially Satisfactory with Some Improvement Needed
28	IA/2024-29	Audit of the UNFPA Identity and Access Management Practices and Processes	5	-	Partially Satisfactory with Some Improvement Needed
Advisory services:					
29. OASIS issued an advisory review report of the UNFPA Information and Communication Technology Transformation (ICTX) Project to UNFPA senior management (Reference # IA/2024-02).					



2 April 2025

Annex 7

OAIS key performance indicators

Report of the Office of Audit and Investigation Services on UNFPA internal audit and investigation activities in 2024

(DP/FPA/2025/6)

Agenda item 3: UNFPA – Internal audit and investigation

Executive Board of UNDP, UNFPA, and UNOPS

Annual session 2025

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Annex 7: OAS key performance indicators

No.	Key performance indicator	Target (2024)	Achievement (2024)
1	Implementation of the 2024 risk-based audit workplan	32 engagements	32 (100%) *
2	Compliance with EB decision on public disclosure	28	28 (100%)
3	Compliance with EB decision on public disclosure	24	24 (100%)
4	General satisfaction with audit work by clients ¹	100%	86%
5	General conformity with IIA Standards ²	Yes	Yes
6	Ability of the Investigation Branch to close cases based on available resources ³	128	165 (129%)
7	Ability of the Investigation Branch to close the number of cases set out in its annual workplan	150	165 (110%)
8	Ability of the Investigation Branch to reduce its backlog against goals defined in its annual workplan, namely reduction of cases received in 2021 or prior years (94 cases) and still under assessment or investigation) by 50% (47 cases)	47	60 cases (128%)

* All audits planned for 2024 were successfully executed, except for seven (where only the review and finalization spilled over into the first quarter of 2025), and one, the Audit of UNFPA Supply Chain Management and Procurement Strategy, which was postponed to 2025 (and included in the 2025 audit plan) to accommodate a United Nations Board of Auditors (UN BoA) audit visit to the audit client - Supply Chain Management Unit (SCMU).

¹ Based on the results of a client satisfaction survey of the 2024 engagements, with a 58 per cent overall response rate.

² Based on the results of the most recent EQA conducted in December 2021. The next EQA is due after five years.

³ This KPI represents the number of cases concluded in 2024, based on available resources. During 2024, the Investigations Branch had an overall case load of 448 cases (474 in 2023).



18 April 2025

Annex 8

Recommendations unresolved for 18 months or more as of 31 December 2024

Report of the Office of Audit and Investigation Services on UNFPA internal audit and investigation activities in 2024

(DP/FPA/2025/6)

Agenda item 3: UNFPA – Internal audit and investigation

Executive Board of UNDP, UNFPA, and UNOPS

Annual session 2025

2 to 5 June 2025

New York

Annex 8: Recommendations unresolved for 18 months or more as of 31 December 2024

Governance

Office management

- 1 Leveraging on the implementation of the new country programme (2023-2024), liaise with the Division for Human Resources and the Arab States Regional Office to undertake a human resource alignment exercise and explore options to attract suitable candidates. (*country office, high, 2022*)

Risk management

- 2 With support from the Chief Risk Officer and the ERM Coordinator, timely perform a more rigorous risk assessment, starting with the assignment of risk ratings commensurate with the risk profile of the assessed areas, and develop, implement, and report on action plans to mitigate 'critical' and 'high' risks through the corporate UNFPA ERM application. (*country office, high, 2022*)^b

Programme supplies management

- 3 With support from the Latin America and the Caribbean Regional Office, the Sexual and Reproductive Health and Rights Branch (previously known as Commodity Security Branch) and the Supply Chain management Unit, work with relevant stakeholders (Government and development partners) to secure additional resources covering the cost of licenses, training and maintenance to widely extend the use of an effective national Logistics Management Information System (LMIS). (*country office, high, 2022*)

[a] The information provided in brackets for each recommendation indicates the location for which it was issued, its priority and year of issuance (this annotation is valid for the entire annex).

[b] Recommendation subsequently closed in the first quarter of 2025.