



INTERNAL AUDIT DIVISION

REPORT 2020/041

Audit of the operations in Mauritania for the Office of the United Nations High Commissioner for Refugees

**There was a need to improve controls over
programme and partnership management,
procurement, registration and refugee status
determination**

**19 November 2020
Assignment No. AR2020-131-01**

Audit of the operations in Mauritania for the Office of the United Nations High Commissioner for Refugees

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of the operations in Mauritania for the Office of the United Nations High Commissioner for Refugees (UNHCR). The objective of the audit was to assess whether the Representation was managing the delivery of services to its persons of concern in a cost-effective manner and in accordance with UNHCR's policy requirements. The audit covered the period from 1 January 2018 to 31 December 2019 and included a review of: (a) programme and partnership management; (b) procurement and vendor management; (c) fair protection process; and (d) livelihoods and self-reliance. In addition, through its review, OIOS drew overall conclusions about risk management and the control environment in the Representation.

The Representation had made efforts to embed risk management in its operational management, and there was a notable improvement in its risk mitigation and internal control mechanisms since OIOS's previous audit in 2014. However, the Representation needed to strengthen controls over other areas covered by the audit.

OIOS made six recommendations. To address the issues identified in the audit, UNHCR needed to:

- Update its programme strategies to re-focus them on assisting vulnerable population groups;
- Ensure partnership agreements are prepared and signed prior to the start of the project, implement risk-based monitoring plans of partners' activities and assess the capacity of partners to conduct procurement prior to delegating it to them;
- Ensure procurement activities are conducted in compliance with UNHCR rules and procedures, enhance staff capacity in the supply function and ensure members of the Local Committee on Contracts are trained to be able to conduct their functions effectively;
- Bring the three warehouses in the Mbera camp into a safe and usable state and identify the root causes of the problems encountered so that appropriate action can be taken;
- Review its protection capacity to strengthen registration and refugee status determination processes and ensure that pending cases are processed in a timely manner; and
- Finalize its livelihoods strategy and assess the impact of its livelihoods programme.

UNHCR accepted the recommendations and has initiated action to implement them.

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I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the operations in Mauritania for the Office of the United Nations High Commissioner for Refugees (UNHCR).
2. The UNHCR Representation in Mauritania (hereinafter referred to as ‘the Representation’) was established in 1989 to provide persons of concern (PoCs) with international protection, humanitarian assistance and durable solutions, where feasible. As at 31 December 2019, the Representation was assisting 61,578 refugees and asylum seekers, 94 per cent of whom originated from Mali and the remaining from other countries. There were 56,605 PoCs registered in the Mbera camp, of which 1,209 were residing outside of Mbera including those residing in Bassikounou and 3,764 were residing in urban areas.
3. The Representation’s multi-year multi-partner (MYMP) protection and solutions strategy (2018-2019) focused on: (i) supporting the development and sustainability of national asylum systems and the inclusion of refugees and PoCs in national protection and assistance mechanisms; and (ii) the transition from status based humanitarian assistance to refugees (care and maintenance) to targeted assistance to the most vulnerable refugees. The Representation recorded total expenditures of \$14.2 million in 2018 and \$15.9 million in 2019. Its expenditures in 2019 represented 82 per cent of the funding required to meet PoC needs. It worked with 11 partners in 2018 and 15 in 2019, who implemented 68 per cent of the Representation’s programme related expenditures in 2019.
4. The Representation was headed by a Representative at the D-1 level and it had, at the time of the audit, 76 regular staff posts and 22 affiliate staff. It had a Branch Office in Nouakchott, a Sub Office in Bassikounou and a Field Unit in Nouadhibou.
5. Comments provided by UNHCR are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

6. The objective of the audit was to assess whether the Representation was managing the delivery of services to its PoCs in a cost-effective manner and in accordance with UNHCR’s policy requirements, with due regard to the risks that it was exposed to in the context in which it was operating.
7. This audit was included in the 2020 risk-based work plan of OIOS due to the risks related to the protracted refugee situation in camp and urban settings and the increasing number of new arrivals due to the security situation in Mali.
8. OIOS conducted this audit from March to May 2020. The audit covered the period from 1 January 2018 to 31 December 2019. Based on an activity-level risk assessment, the audit covered the following higher and medium risk areas: (a) programme planning, resource allocation, monitoring and reporting; (b) partnership management; (c) procurement and vendor management; (d) fair protection process and documentation; and (e) livelihoods and self-reliance. In addition, through its review, OIOS drew overall conclusions about risk management and the control environment in the Representation.
9. The audit methodology included: (a) interviews of key personnel, (b) reviews of relevant documentation, (c) analytical reviews of data including financial data from Managing for Systems, Resources and People (MSRP), the UNHCR enterprise resource planning system, performance data from Focus, the UNHCR results-based management system, and data on PoCs from proGres, the UNHCR registration and case management tool; (d) sample testing of controls; (e) visits to UNHCR offices in

Nouakchott, Bassikounou and six partner offices; and (f) observation of programme activities in the Mbera camp.

10. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

III. AUDIT RESULTS

A. Risk management and control environment

There was a notable improvement in the Representation's internal control environment

11. Although OIOS identified gaps in programme implementation as detailed below, there was an improvement in the Representation's internal control environment since OIOS's previous audit in 2014. For example: the Representation updated its contingency and business continuity plans; made progress towards the inclusion of refugees in the national health system; launched registration for PoCs residing outside of the Mbera camp and Malian refugees in urban areas; and strengthened registration by implementing the Biometric Identity Management System and proGres Version 4.

Risk management could be improved

12. The Representation as part of its planning process considered risks to achievement of its operational objectives and conducted annual reviews to validate and up-date its risk register and its risk response and treatment plans. Additionally, its risk register was the basis for identifying its strategic priorities in developing its 2019-2020 MYMP protection and solutions strategy.

13. Nonetheless, the Representation's risk management process could be improved to ensure that risks rated as high as well as any associated mitigating measures are captured and dealt with in a timely manner. In doing this, the Representation will ensure that risk management is better integrated into its decision-making processes and thus its operations. For instance, although the Representation's December 2019 register recorded that it was facing challenges in the timely implementation of certain mitigation measures due to funding constraints, it did not take sufficient action to review and reallocate its limited resources to higher risk areas. Due to this it had not: (a) conducted a data cleansing and verification exercise to improve the quality of registration data, which was needed for better programme planning; (b) developed a shelter strategy; and (c) taken action to strengthen its supply management capacity. Important risks were absent from the Representation's December 2019 risk register including those related to: (i) underreporting of sexual and gender-based violence (SGBV); (ii) insufficient capacity to undertake refugee status determination (RSD); and (iii) inadequate design and implementation of the livelihoods programme.

14. While the audit was ongoing, the Representation with the support from the Regional Bureau for Middle East and North Africa: identified funding to recruit a Supply Officer (who came on-board in August 2020) and a Shelter Officer; reviewed its risk register to include emerging risks related to COVID-19 and other important risks; revised its risk ratings to focus on key priority risks; and updated the target dates for implementing the risk mitigation measures. Due to the improvements in the internal control environment and the work already done to improve its risk management, OIOS did not make a recommendation.

B. Planning, resource allocation, monitoring and reporting

The Representation needed to update programme strategies and address business continuity risks

15. The Representation's goals and objectives as defined in its MYMP protection and solutions strategy were aligned with UNHCR's global strategic priorities, and the development of its programme objectives

had been informed by needs assessment, and age, gender and diversity issues had been properly incorporated. The Representation, together with its partners and United Nations agencies, had updated its contingency plan to cater for a likely planning scenario of 10,000 arrivals in a month. As part of this process, the Representation had identified shortages in contingency stocks such as non-food items and shelter kits and these shortfalls were subsequently addressed. The Representation also revised its Business Continuity Plan to specify its critical functions, staff responsibilities, and mitigation strategies under the scenario of partial and total confinement due to COVID-19. However, the following programme matters were identified:

- In line with its strategy, the Representation advocated for a better health system in the country and the inclusion of its PoCs in the national health system. In December 2018, an international financial institution agreed to provide funds to Mauritanian authorities for establishing a new national health system. The Representation supported these efforts and the development of an action plan to transition to the new system during 2019 and 2020. During the transitional period UNHCR secured interim funding until December 2020 to ensure adequate provision of health services to its PoCs. However, due to the unfolding COVID-19 crisis, which may delay the transition planning timelines, there remains a risk of PoCs not having access or having limited access to health services in Mbera beyond December 2020. The Representation stated that in such a scenario, it will advocate with donors and prioritize available funds to meet the health needs of PoCs.
- The Representation faced challenges whilst transitioning from status-based humanitarian assistance to targeted assistance for vulnerable PoCs. This was mainly because the Representation had not identified the best approach and methodology to capture the relevant information, which increased programme costs as the Representation continued to assist all PoCs in Mbera. Difficulties were encountered in obtaining up-to-date data on any earnings/income/other assistance received by all PoCs (those in the camp, outside the camp and residing in urban areas) and/or their social status in order to make informed decisions. This information was necessary for the Representation to develop and implement a strategy to support the most vulnerable PoCs, wherever they were residing.
- The Representation continued to experience increased business continuity risks due to limited internet connectivity in Mbera as it relied on the VSAT connection from Sub-office Bassikounou. A UNHCR support mission in December 2019 concluded that there was the need for an independent VSAT in Mbera to improve internet connectivity, but the shipment was delayed due to COVID-19, thus increasing the risk that some critical protection functions may not be effectively carried out in Mbera in periods of confinement.
- The Representation had not developed a shelter strategy or prioritized an assessment of its shelter needs. This was needed to determine the composition of the shelter kit or whether it was preferable to provide to PoCs cash-based interventions to cover shelter needs. This may have been a practical solution considering the significant delays in procuring the wood needed to rehabilitate existing shelters given the harsh climatic conditions in Mbera. The Representation was in the process of hiring a shelter specialist, whose onboarding was however held up due to COVID-19 travel restrictions.

16. The lack of prioritization of needs in a resource-constrained environment, as well as the lack of an updated strategy for shelter and methodology to refocus efforts towards assisting only those in most need, exposed the Representation to the risk that the most vulnerable PoCs may not receive vital assistance.

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| <p>(1) The UNHCR Representation in Mauritania should develop and implement an action plan that: (i) ensures its resources are allocated to providing assistance to the most vulnerable population groups across Mauritania and it is based on updated programme strategies; and (ii) resolves internet connectivity issues to mitigate business continuity risks in the Mbera camp.</p> |
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UNHCR accepted recommendation 1 and stated that UNHCR had been working with a United Nations agency and co-hiring a consultant for six months to revise the targeting methodology, considering the rollout of an international financial institution projects on social protection. The Representation subsequently reported that VSAT had been installed at Mbera. Recommendation 1 remains open pending receipt of the revised targeting methodology and the updated strategies aimed at re-prioritizing the available resources for those most in need.

C. Partnership management

The Representation needed to enhance management oversight over partnership management

17. The Representation had established an Implementing Partnership Management Committee (IPMC), which was generally functioning effectively. OIOS only noticed one exception where the required desk review to assess whether to retain the services of a partner was not conducted. However, most project partnership agreements (PPAs) were signed late, and this included 10 of the 15 that were signed for 2019 projects and all of the 2018 PPAs. Late signing of PPAs affected the implementation of projects. For instance, no SGBV cases were registered, or followed up between July and September 2018 due to the delayed onboarding of a new partner and the finalization of the PPA. It was the same situation between May and June 2019 when the SGBV partner was changed and a PPA needed to be prepared. While OIOS noted some improvements in 2020, two PPAs were still signed more than two months after the start of the project implementation period.

18. The Representation, on a quarterly basis, carried out financial verifications of reports submitted by partners for both years under review. However, no project performance monitoring visits were conducted by multi-functional teams (MFTs) in 2018. In 2019, instead of conducting project monitoring for each project as required, the Representation conducted thematic monitoring of some sectors such as livelihoods, water, sanitation and health and cash-based interventions. Moreover, the Representation's financial and performance monitoring plans for 2018 projects were not risk-based, and for 2019, although risk-based plans were prepared, they were not developed in conjunction with partners. Additionally, the impact and performance indicators reported by partners for 2018 projects were not validated by MFTs, and for 2019 projects, on-site verification of partners performance was still in progress at the time of the audit. Whilst the audit was ongoing, the Representation with its partners prepared risk-based monitoring plans for 2020 projects.

19. The Representation designated procurement worth \$2.9 million to eight partners in 2018, but this was done prior to conducting a comparative advantage analysis to determine whether it was beneficial for partners to conduct procurement on behalf of UNHCR or for the Representation to carry it out directly. While a procurement comparative advantage analysis was done for 2019 projects, it was incomplete as it did not include an assessment of the partners' capacity to undertake the planned procurement activities. Two partners delegated a significant level of procurement were also not pre-qualified by UNHCR to conduct procurement on its behalf.

20. A review of procurement activities carried out by four partners indicated control weaknesses including: (a) a partner that had awarded most of its major purchases to one vendor even though the items purchased were a mix of unrelated goods and services such as livestock, refrigerators and a contract for providing manual labour services; (b) a partner obtained quotations from prospective suppliers, which matched the budgeted amount exactly raising concerns over the process conducted; and (c) a partner did not apply liquidated damages of about \$45,000 when the livestock procured was not delivered on time, which impacted the timely completion of the project.

21. The above issues were mainly due to a lack of oversight by management to ensure proper procedures were followed in a timely manner, which was exacerbated by frequent turnover of staff. Inadequate oversight of programme activities increased the risk of ineffective project implementation.

- (2) The UNHCR Representation in Mauritania should take action to: (i) ensure that partnership agreements are prepared and signed prior to the start of the project; (ii) develop and implement risk-based monitoring plans; (iii) increase focus on partner procurement during project monitoring; and (iv) properly assess the capacity of partners to conduct procurement prior to delegating it to them.**

UNHCR accepted recommendation 2 and prepared risk-based monitoring plans for all partners for 2020. Recommendation 2 remains open pending receipt of evidence of increased management oversight that has been effective in ensuring that: (i) partners procurement capacity is systematically assessed in a timely manner and before the signing of the 2021 PPAs; and (ii) there is increased focus on partner procurements during the Representation's monitoring and verification visits.

D. Procurement and vendor management

The Representation needed to strengthen the management of procurement activities

22. The Representation issued 191 purchase orders valued at \$6.4 million during the audit period. OIOS reviewed 20 purchase orders and related contracts and frame agreements amounting to \$2.3 million (representing 54 per cent of local procurement undertaken) and minutes of all nine meetings of the Local Committee on Contracts (LCC).

23. The Representation did not prepare a procurement plan in 2018, and the 2019 plan was incomplete as it lacked requisite details such as procurement lead times and when goods/services were required. Also, 9 of the 10 major procurements were initiated in the last months of the two years and resulted in the process being rushed. The Representation explained that this happened as the relevant budget was only made available towards the end of the year. Albeit late, a comprehensive 2020 procurement plan was developed whilst the audit was ongoing.

24. The Representation established an LCC and it convened eight times in 2018 and twice in 2019. The LCC was not fully effective in discharging its oversight responsibilities as procurement cases were approved even though proper procurement procedures were not followed as shown below. Additionally, the LCC endorsed a procurement case for wood, which was returned by the Regional Committee on Contracts (RCC) for the LCC to re-review, citing that members of the LCC lacked adequate technical know-how to properly review the case. OIOS noted that LCC members had not completed the required mandatory training to be effective members. Moreover, while the Representation had identified inadequate supply staffing as a high risk in 2019, it did not seek assistance from the RCC in building the capacity of its supply staff and for improved oversight by the LCC.

25. Procurement cases above the delegated threshold of the LCC were not submitted to the RCC for review. For example: (a) a construction contract for warehouses costing \$311,620; (b) women hygiene kits costing \$274,067; and (c) soap costing \$272,804. In the latter two cases, the Representation reduced the quantity required and thus the amounts decreased to \$249,506 (hygiene kits) and \$249,948 (soap). By doing this, these procurement cases fell just below the \$250,000 threshold, which was within the delegated authority of the LCC. In OIOS view, the Representation did this to avoid review by the RCC. These cases were presented to the LCC after mid-December and the Representation informed OIOS that it was under pressure to quickly conclude the process and issue purchase orders within the budget year.

26. A review of the Representation's procurement procedures noted that: (a) for the procurement of shelter kits, the required specifications in terms of quantities of slats included in the solicitation documents and the evaluation criteria were changed after receipt of bids; (b) for the procurement of soap, solicitation documents omitted delivery timelines, an important evaluation criterion. However, after selection of the vendor, the Representation realized that the soap was needed within 30 days while the selected vendor's

offer was to deliver it in 90 days; (c) in three cases, the Representation engaged in negotiations with vendors without prior information/approval by the LCC and RCC. There were no minutes of the negotiation meetings, and OIOS was informed that they were not held with all of the suppliers that had submitted compliant offers, and therefore the procurement process was flawed; and (d) 14 purchase orders totalling \$149,995 were issued after receipt of the invoices from vendors.

27. In the case of the construction of three warehouses at a cost of \$311,620 in the Mbera camp, the negotiations held resulted in a change in tender requirements. This should have led to the cancellation of the procurement process with new solicitation documents issued to include the revised requirements. This was not done, and while the work started in November 2018, it took much longer than expected and was only completed in April 2020. The quality of the construction work was very poor, and the warehouses could not be used. The poor work was not identified early in the process as the Representation had not implemented adequate monitoring mechanisms to ensure contractual obligations related to delivery times and quality of work were being achieved.

28. The above-mentioned weaknesses were mainly due to insufficient capacity in the Procurement Unit and a lack of adequate planning and oversight by management. As a result, best value for money was not always achieved and goods and services were not available when required. For example, even after waiting one year, the vendor selected to supply women hygiene kits was unable to deliver them.

- (3) The UNHCR Representation in Mauritania, in coordination with the Regional Bureau for the Middle East and North Africa, should ensure its: (i) procurement activities are conducted in compliance with UNHCR rules and procedures; (ii) capacity in the Procurement Unit is enhanced; (iii) procurement needs are properly planned for; and (iv) members of the Local Committee on Contracts attend relevant training to be able to conduct their functions effectively.**

UNHCR accepted recommendation 3 and stated that UNHCR had developed a procurement plan for 2020 and ensured that the LCC members undertook the mandatory trainings. Staff capacity was enhanced as an affiliate supply officer was on board and the recruitment of a second supply officer was ongoing. Also, the Regional Bureau was consulted for all formal tenders or complicated tenders. Recommendation 3 remains open pending receipt of evidence of the training conducted to enhance the capacity of its staff and LCC members in procurement related activities, as well as evidence that the on-boarding of an affiliate supply officer has resulted in procurement activities being conducted in compliance with UNHCR procurement rules and procedures, and procurement needs have been properly planned for 2021.

- (4) The UNHCR Representation in Mauritania should bring the three warehouses in the Mbera camp into a safe and usable state and identify the root causes of the problems encountered in order to take appropriate action against the contractor.**

UNHCR accepted recommendation 4 and stated that UNHCR identified the root causes of the problems encountered, blacklisted the contractor, entered into a frame agreement with an engineer and contracted a vendor, who has commenced the reinforcement work. Recommendation 4 remains open pending receipt of evidence that the three warehouses in the Mbera camp are in a safe and usable state.

E. Fair protection process and documentation

The Representation needed to strengthen registration and refugee status determination processes

29. The Representation continued to register Malian arrivals in Mbera and to register and conduct RSD for non-Malians in urban areas. From 2018, the Representation supported Mauritanian authorities in the issuance of birth certificates to refugee children born in Mauritania since 2012 and advocated for: (a) the continued enrollment of refugees to the civil registry; and (b) the issuance of national identification documents allowing refugees inclusion in national systems and the labour market, pursuant to Mauritania's pledges at the Global Refugee Forum. In 2019, the Representation conducted a registration exercise to capture data on PoCs that lived outside of the Mbera camp, which included those residing in Bassikounou and Malian refugees in urban areas in Nouakchott. In conducting the registration, the Representation implemented the Biometric Identity Management System, as well as the individual registration in proGres Version 4 and undertook protection interviews and an assessment of specific needs. The Representation also developed an action plan to prioritize the RSD process for non-Malians based on protection vulnerabilities and risks. However, while progress was being made, OIOS review of the registration and RSD processes and visits to registration centers in Nouakchott and the Mbera camp noted that the Representation:

- During 2019, did not conduct a data clean-up and detailed verification of the registered population and include this information in proGres, even though these measures were identified as risk treatments to address the risks related to registration data quality and accuracy. The Representation deprioritized this due to its limited protection capacity which focused on the launch of other initiatives in 2019 as mentioned above.
- Had not received National Identification Numbers data for 11,619 refugees from the responsible Government agency. These identification numbers were required to verify that those registered were not Mauritanian nationals, mitigating the risk of UNHCR incorrectly providing assistance to the local population. While the audit was ongoing, the Representation raised the issue with the Government who agreed to re-enroll this pending caseload to enable sharing of the missing data.
- As of February 2020, had a backlog of 3,000 Malian and 1,514 registered non-Malian urban high-risk caseloads for which no RSD had been done. With the current staffing capacity, the Representation can complete RSD of about 2,600 Malian and 600 non-Malian cases in 2020 and the backlog could further increase with new arrivals in 2020. There were about 1,700 Malians potentially of concern to UNHCR in Nouadhibou who had not been registered because the deployment of the registration team was delayed due to COVID-19. The Representation subsequently informed that the team was in place and had begun registration activities.
- Had applied different RSD procedures for the Malian caseload as it lacked the necessary staff resources to apply the merged process at the Mbera camp, where registration and RSD are done at the same time. It implemented the merged process for the Malian refugees in urban areas and continued to recognize prima facie the new arrivals in Mbera camp without applying the merged process. The Representation had not undertaken the pilot project to apply the merged process for new arrivals in Mbera, as recommended by a protection mission from the Bureau, to assess the additional resources required.

30. Due to a change of its protection partner responsible for implementing SGBV activities in the Mbera camp in June 2018 and June 2019, no new SGBV cases were registered during July-September 2018 and again in May and June 2019. In addition, all 120 SGBV cases registered since 2018 were still open and had not been followed up with the incoming partner to get an update of actions taken and to assess if additional referrals were required. As a consequence, the Representation's SGBV interventions were exposed to increased risks.

31. Overall, the above-cited gaps in protection processes occurred as the Representation had limited protection capacity. For example, there was no Senior Protection Officer to manage protection responsibilities for the operation, which became complex due to the significant increase in the urban caseload and new influx to Mbera. Further, in Nouadhibou, 5 of the 8 protection positions were vacant and the unit processing and reviewing of the urban Malian caseload in Nouakchott comprised of only affiliate staff, indicating that the protection capacity was insufficient. As a result, protection risks increased, including that of refolement for the prioritized high-risk urban caseload.

(5) The UNHCR Representation in Mauritania, in coordination with the Regional Bureau for the Middle East and North Africa, should review the staffing capacity for the protection function to ensure that: (i) the pilot on the merged process is undertaken in the Mbera camp to inform the uniform registration and refugee status determination processes; and (ii) high-risk urban caseload and open sexual and gender-based violence cases in the Mbera camp are processed in a timely manner.

UNHCR accepted recommendation 5 and stated that the pilot project was contingent upon the arrival of new refugees in Mbera camp. The protection capacity was strengthened in urban areas and the registration activities were ongoing in Nouadhibou. UNHCR also reviewed all SGBV cases in Mbera and continued to follow-up on active cases. Recommendation 5 remains open pending receipt of evidence that an assessment of staff capacity has been done together with proposed action taken to strengthen it, as well as evidence that: (i) the pilot project on the merged process in Mbera camp has been conducted; and (ii) an action plan has been developed and implemented for registering the high-risk urban caseload and the re-enrolment and verification of refugees in Mbera.

F. Livelihoods and self-reliance

There was a need for the Representation to strengthen the management of its livelihoods programme

32. In July 2017, the Representation received a three-year earmarked contribution totalling \$5.3 million for its livelihoods and self-reliance programme in Bassikounou. In developing the programme, the Representation conducted a comprehensive socio-economic assessment of the refugee population, a value chain analysis and a study of the impact of refugees on the host community in the region in 2017, 2018 and 2019 respectively. The Representative also recruited a Livelihoods Officer and worked with a United Nations agency on conducting an institutional mapping of livelihoods agencies in Bassikounou. Through its partners, the Representation initiated 200 income generation activities (IGAs) under various livelihoods projects in 2018 and a further 693 in 2019; all these projects were expected to be long-term in nature. Some of these IGAs included livestock farming and trading, kitchen gardens, tanning, shoe making and small saving cooperatives. The Representation also conducted an evaluation of the 2018 projects, where lessons learned showed that there was a need to further intensify its monitoring. As some of the livestock-related projects in 2019 were not implemented in a cost-effective manner, the Representation stated that it would explore the use of cash assistance for such projects in 2020 and beyond. An evaluation of the 2019 projects was planned to take place in July 2020.

33. For refugees in Mbera and Bassikounou, the Representation had a draft 2020-2022 Livelihoods Strategy that had a three-year timeline for scaling-up of livelihoods interventions and transition to development partners which seemed optimistic given the challenging environment and the expected long-term nature of livelihoods projects. The draft strategy also did not consider: (a) the financial resources and a reasonable timeline needed to operationalize the strategy, and (b) the role UNHCR will play after the transition.

34. As mentioned in paragraph 15, since UNHCR had not developed the best approach and methodology for transitioning to targeted assistance for vulnerable PoCs, the Representation's targeting exercise to

categorize the refugee population in Mbera into six categories based on capacities and vulnerabilities was delayed. At the time of the audit, the targeting process was completed for 9,198 or 16 per cent of refugees in Mbera. Consequently, the livelihoods assistance provided to beneficiaries did not fully align with the intended target categories. For example, the refugee groups targeted for livelihood projects received only 30 per cent of the IGAs in 2019.

35. The Minimum Economic Recovery Standards guide UNHCR operations towards market-based, results-driven programming. The Representation had not used standards relevant to the local context such as “programme activities stabilize or increase the income of targeted enterprises and households”.

36. As the livelihoods programme for the urban caseload was not prioritized, the Representation did not undertake institutional mapping, a comprehensive socio-economic assessment, and a value chain analysis concerning livelihoods activities in urban areas. This was required to develop a livelihoods strategy for its urban programme. The Representation took subsequent action to undertake a comprehensive socio-economic assessment in urban areas.

37. In OIOS’ view, the gaps cited above were due to an ambitious project timeline agreed by the Representation with the donor and a lack of a strategy, resulting in delayed implementation and inadequate monitoring of related activities, especially in 2018. The Representation requested an operating level decrease of \$500,000 in 2019 to be moved to the operating level budget of 2020, as it could not implement livelihoods projects for the host communities in 2019. In addition, the annual UNHCR budget cycle compounded the implementation and monitoring challenges for the livelihoods programme, which was long-term in nature. The gaps in the overall livelihoods strategy and limited funding raised the risk that the PoCs would not receive adequate livelihoods solutions.

(6) The UNHCR Representation in Mauritania, should: (i) finalize its livelihoods strategy, scale up the existing interventions, and support the transition to the development agencies; and (ii) assess the impact of its livelihoods programme using appropriate indicators and utilize the results for future livelihoods interventions.

UNHCR accepted recommendation 6 and stated that given the rapid evolution in the engagement of development actors in the last few months in Mauritania a thorough revision of the draft internal strategy was required in line with the Global Compact on Refugees and the recent evaluation of its livelihoods programme. Recommendation 6 remains open pending receipt of: (i) the revised livelihoods strategy; and (ii) an action plan developed and implemented that has assessed the impact of its livelihoods programme to assist in future livelihoods interventions.

IV. ACKNOWLEDGEMENT

38. OIOS wishes to express its appreciation to the management and staff of UNHCR Representation in Mauritania for the assistance and cooperation extended to the auditors during this assignment.

(Signed) Eleanor T. Burns
Director, Internal Audit Division
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of the operations in Mauritania for the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	The UNHCR Representation in Mauritania should develop and implement an action plan that: (i) ensures its resources are allocated to providing assistance to the most vulnerable population groups across Mauritania and it is based on updated programme strategies; and (ii) resolves internet connectivity issues to mitigate business continuity risks in the Mbera camp.	Important	O	Submission of evidence of the revised targeting methodology and the updated strategies aimed at re-prioritizing the available resources for those most in need.	31 March 2021
2	The UNHCR Representation in Mauritania should take action to: (i) ensure that partnership agreements are prepared and signed prior to the start of the project; (ii) develop and implement risk-based monitoring plans; (iii) increase focus on partner procurement during project monitoring; and (iv) properly assess the capacity of partners to conduct procurement prior to delegating it to them.	Important	O	Submission of evidence of increased management oversight that has been effective in ensuring that: (i) partners procurement capacity is systematically assessed in a timely manner and before the signing of the 2021 PPAs; and (ii) there is increased focus on partner procurements during the Representation's monitoring and verification visits.	31 March 2021
3	The UNHCR Representation in Mauritania, in coordination with the Regional Bureau for the Middle East and North Africa, should ensure its: (i) procurement activities are conducted in compliance with UNHCR rules and procedures; (ii) capacity in the Procurement Unit is enhanced; (iii) procurement needs are properly planned for; and (iv) members of the Local Committee on Contracts attend relevant training to be able to conduct their functions effectively.	Important	O	Submission of evidence of the training conducted to enhance the capacity of its staff and LCC members in procurement related activities, as well as evidence that the on-boarding of an affiliate supply officer has resulted in procurement activities being conducted in compliance with UNHCR procurement rules and procedures, and procurement needs have been properly planned for 2021.	31 December 2021

¹ Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

² Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

³ Please note the value C denotes closed recommendations whereas O refers to open recommendations.

⁴ Date provided by UNHCR in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of the operations in Mauritania for the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
4	The UNHCR Representation in Mauritania should bring the three warehouses in the Mbera camp into a safe and usable state and identify the root causes of the problems encountered in order to take appropriate action against the contractor.	Important	O	Submission of evidence that the three warehouses in the Mbera camp are in a safe and usable state.	31 December 2020
5	The UNHCR Representation in Mauritania, in coordination with the Regional Bureau for the Middle East and North Africa, should review the staffing capacity for the protection function to ensure that: (i) the pilot on the merged process is undertaken in the Mbera camp to inform the uniform registration and refugee status determination processes; and (ii) high-risk urban caseload and open sexual and gender-based violence cases in the Mbera camp are processed in a timely manner.	Important	O	Submission of evidence that an assessment of staff capacity has been done together with proposed action taken to strengthen it, as well as evidence that: (i) the pilot project on the merged process in Mbera camp has been conducted; and (ii) an action plan has been developed and implemented for registering the high-risk urban caseload and the re-enrolment and verification of refugees in Mbera.	31 March 2021
6	The UNHCR Representation in Mauritania, should: (i) finalize its livelihoods strategy, scale up the existing interventions, and support the transition to the development agencies; and (ii) assess the impact of its livelihoods programme using appropriate indicators and utilize the results for future livelihoods interventions.	Important	O	Submission of: (i) the revised livelihoods strategy; and (ii) an action plan developed and implemented that has assessed the impact of its livelihoods programme to assist in future livelihoods interventions.	31 March 2021

APPENDIX I

Management Response

Management Response

Audit of the operations in Mauritania for the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	The UNHCR Representation in Mauritania should develop and implement an action plan that: (i) ensures its resources are allocated to providing assistance to the most vulnerable population groups across Mauritania and it is based on updated programme strategies; and (ii) resolves internet connectivity issues to mitigate business continuity risks in the Mbera camp.	Important	Yes	(i) Deputy Representative (ii) Admin/Finance Officer and ICT assistant	31 March 2021	UNHCR has been working with a United Nations agency, and the two partners are co-hiring a consultant for six months, to help them with revising the targeting methodology, taking into account developments in this area, in particular as regards the rollout of an international financial institution projects on social protection. The update of the programme strategies depends heavily on the rollout of a number of projects by an international financial institution (on health, WASH, social protection and urbanization), which, however, should have begun by early 2021. If not, the implementation date mentioned here might have to be adapted.
2	The UNHCR Representation in Mauritania should take action to: (i) ensure that partnership agreements are prepared and signed prior to the start of the project; (ii) develop and implement risk-based monitoring	Important	Yes	(i) Deputy Representative (ii) – (iii) Programme Officer and	31 December 2020 for recommendations (i) and (iv) and 31 March 2021 for (iii)	Recommendation (ii) should be considered as closed, on the basis of the risks-based monitoring plans of all partners that have been shared with OIOS.

⁵ Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

⁶ Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	plans; (iii) increase focus on partner procurement during project monitoring; and (iv) properly assess the capacity of partners to conduct procurement prior to delegating it to them.			Project Control Officer Programme Officer		
3	The UNHCR Representation in Mauritania, in coordination with the Regional Bureau for the Middle East and North Africa, should ensure its: (i) procurement activities are conducted in compliance with UNHCR rules and procedures; (ii) capacity in the Procurement Unit is enhanced; (iii) procurement needs are properly planned for; and (iv) members of the Local Committee on Contracts attend relevant training to be able to conduct their functions effectively.	Important	Yes	(i) Admin and Supply Officers in Nouakchott and Head of Sub-Office and Supply Officer in Bassikounou (ii) Admin Officer (iii) Supply Officer Supply Officer	31 December 2021	Recommendation (ii) should be considered closed: Staff capacity has been boosted as per the Representation's recommendations and follow up. A UNOPS supply officer has been on board since August. The process for the recruitment of a second FS supply officer is ongoing. In addition to this boosted staff capacity, the MENA Regional Bureau / Supply is consulted for all formal tenders or complicated tenders, e.g., the rehabilitation of the fuel station in Bassikounou. Recommendation (iii) should be considered as closed, as we have already shared our updated procurement plan for 2020. Recommendation (iv) should also be considered as closed, as we have shared the relevant Given that the reasons of the weaknesses in the OIOS report are identified as the insufficient capacity in the procurement unit and lack of adequate planning and oversight by management, both of which have been addressed as per above provided

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						information, the Representation believes that this recommendation can be considered as closed.
4	The UNHCR Representation in Mauritania should bring the three warehouses in the Mbera camp into a safe and usable state and identify the root causes of the problems encountered in order to take appropriate action against the contractor.	Important	Yes	As. Supply Officer, Bassikounou	31 December 2020	<p>The company representatives to whom this contract has been awarded along with the engineer with whom the Representation has entered into a framework agreement are visiting the sites in order to commence the works</p> <p>MENA Bureau would also add that root causes were identified during the 2019 Bureau Supply missions and were addressed by the Country Office as stated earlier. The importance of having the followings in place for (any) construction projects were agreed upon:</p> <ul style="list-style-type: none"> -A sound planning reflected in the yearly procurement plan -A company and/or engineer and/or shelter officer able to design the Scope of Works with indicative BoQs -A constant monitoring of the activities with milestones agreed upon with the construction companies - A guarantee period agreed between the UNHCR and the company to ensure that the latter can be made accountable in serious malfunctions/non-compliant constructions.

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						<p>The operation has followed up all these recommendations in the current construction activities.</p> <p>To this end, the Representation believes that this recommendation can now be closed.</p>
5	<p>The UNHCR Representation in Mauritania, in coordination with the Regional Bureau for the Middle East and North Africa, should review the staffing capacity for the protection function to ensure that: (i) the pilot on the merged process is undertaken in the Mbera camp to inform the uniform registration and refugee status determination processes; and (ii) high-risk urban caseload and open sexual and gender-based violence cases in the Mbera camp are processed in a timely manner.</p>	Important	Yes	<p>(i) Protection Officer SO Bassikounou Protection Officer Nouakchott as concerns the registration and RSD of ‘high-risk’ urban caseload in Nouadhibou, and Protection Officer Bassikounou as concerns the remaining 71 SGBV cases in Mbera</p>	March 2021	<p>(i) The pilot project is contingent upon the arrival of new refugees from Mali to Mbera camp. So far and since March 2020 there have been no new arrivals.</p> <p>We consider therefore that this recommendation can be closed</p> <p>(ii) As the protection capacity in the urban areas has been significantly strengthened since 2019, while the implementation of the plan for the procedure in Nouadhibou is well advanced, we consider that this recommendation can be closed.</p> <p>Note that that registration in Nouadhibou is an ongoing activity, as new refugees arrive there continuously.</p> <p>All cases have been checked, active cases are being followed up, and the database is being updated regularly.</p> <p>On the basis of this information we consider that this recommendation can be closed</p>

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
6	The UNHCR Representation in Mauritania, should: (i) finalize its livelihoods strategy, scale up the existing interventions, and support the transition to the development agencies; and (ii) assess the impact of its livelihoods programme using appropriate indicators and utilize the results for future livelihoods interventions.	Important	Yes	Deputy Representative and Livelihoods Officer	31 March 2021	Given the rapid evolution in the engagement of development actors in the last few months, UNHCR Mauritania will be re-positioning itself significantly, towards less direct implementation / implementation through partners, and more in a catalyzing manner, in line with the Global Compact on Refugees and the Tango evaluation. This requires a thorough revision of the draft internal strategy.