



INTERNAL AUDIT DIVISION

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

The Representation needed to find more cost-effective ways of delivering quality services to persons of concern

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

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of operations in Bangladesh for the Office of the United Nations High Commissioner for Refugees (UNHCR). The objective of the audit was to assess whether the UNHCR Representation in Bangladesh was managing the delivery of services to the persons of concern (PoCs) in a cost-effective manner and in line with UNHCR policy requirements. The audit covered the period from 1 January 2021 to 30 June 2022 and included (a) basic and essential services covering public health, education, water, sanitation, and hygiene (WASH), energy, planning, storage, management and distribution of shelter materials and non-food items (NFIs); (b) protection, i.e., gender-based violence and child protection; and (c) procurement and contracts management.

The Representation, alongside other agencies, provided PoCs basic and essential services thereby promoting their well-being. However, the Representation became increasingly financially constrained as the Rohingya response shifted from an emergency to a protracted situation and attracted less funding. This called for the Representation to find more efficient and cost-effective means of providing services to PoCs.

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

- Strengthen the delivery of public health services by rationalizing the number of health facilities in the camps, better management of medicines and implementing the road map to access national information data systems.
- Ensure that children of school going age access quality education by advocating with the Government for the revision of educational standards and construction of additional learning centers and by scaling up the recruitment and training of teachers.
- Strengthen guidance over planning, storage, management and distribution of shelter materials and NFIs and institute a system for recordkeeping and reporting stock in warehouses.
- Ensure PoCs have access to adequate WASH services and ensure impending cost reductions are managed so they do not impact programme implementation.
- Strengthen the provision of timely and quality services to survivors of gender-based violence.
- Ensure children at risk have access to quality and timely child protection programme activities implemented by partners.
- Strengthen service delivery to PoCs on Bhasan Char Island through sustained advocacy and implementation of a multisectoral action plan.
- Develop a fundraising plan for the Safe Access to Fuel and Energy programme and manage its execution so its intended benefits are realized and coordinate with other interested United Nations agency to identify opportunities for efficiency.
- Reconcile Medical Treatment Facility records and recover outstanding balances from other agencies and develop guidance on due diligence and management of health facilities.
- Reinforce the due diligence conducted prior to delegating procurement to implementing partners, strengthen monitoring of purchases conducted by partners, and reduce amounts delegated to partners with identified fraud risks.

UNHCR accepted all recommendations and initiated action to implement them. Actions required to close the recommendations are indicated in Annex I.

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

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of operations in Bangladesh for the Office of the United Nations High Commissioner for Refugees (UNHCR).
2. The UNHCR operation in Bangladesh (hereinafter referred to as the ‘Representation’) started its operations in 1992 following significant displacements caused by unrest in Myanmar. In August 2017, some 740,000 Rohingya refugees crossed into Bangladesh from Myanmar and settled in the south-eastern border areas of Bangladesh. The country was as of 30 August 2022 hosting 943,529 Rohingya refugees. More than 26,000 refugees were moved to Bhasan Char, an island in the Indian Ocean, following the Representation’s signing of a memorandum of understanding with the Government in October 2021.
3. With the Rohingya response shifting from an emergency to a protracted situation, it became one of the ten least funded situations in the UNHCR programme. UNHCR worked with a strategic executive group that comprised of the United Nations Resident Coordinator, International Organization for Migration Chief of Mission and the Government of Bangladesh (Government) to direct the Rohingya refugee response.
4. The Representation was headed by a Representative at the D-2 level in Dhaka. As of 4 July 2022, the Representation had 380 staff, 291 of whom were international and national staff, 87 affiliated workers, and two Junior Professional Officers. Ninety-one per cent of the 380 staff were in the Representation’s sub-office in Cox’s Bazar. The Representation recorded a total expenditure of \$145 million and \$74 million in 2021 and up to June 2022 respectively. In the period under audit, it worked with 29 partners that implemented programme activities totaling \$120 million, i.e., 59 per cent of the operating level budget.
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 UNHCR Representation in Bangladesh was managing the delivery of services to the persons of concern (PoCs) in a cost-effective manner and in line with UNHCR’s policy requirements.
7. This audit was included in the 2022 risk-based work plan of OIOS due to the challenges of delivering services to refugees in a protracted refugee situation.
8. OIOS conducted this audit from August to September 2022. The audit covered the period from 1 January 2021 to 30 June 2022, except for procurement designated to partners where the period was 1 January 2020 to 30 June 2022. Based on an activity-level risk assessment, the audit covered higher and medium risks areas which included: (a) basic and essential services covering public health, education, water, sanitation, and hygiene (WASH), energy and planning, storage, management and distribution of shelter materials and non-food items; (b) child protection and security from gender-based violence; and (c) procurement and contracts management.
9. The audit methodology included: (a) interviews with key personnel; (b) review of relevant documentation; (c) analytical review of data, including financial data from Managing for Systems,

Resources and People (MSRP) - the UNHCR enterprise resource planning system, and performance data from FOCUS and COMPASS - the UNHCR results-based management systems; (d) sample testing of controls; and (e) visits to UNHCR offices in Dhaka, camps in Ukhiya and Teknaf sub-districts of Cox's Bazar and 10 partner offices. The review of activities of the Representation in Bhasan Char was done through remote audit techniques.

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

III. AUDIT RESULTS

A. Basic needs and essential services

Need to strengthen delivery public health services to PoCs

11. The Representation worked with six partners to deliver health services to refugees totaling \$34 million in the 18-month period to 30 June 2022. The Representation had a strategy that directed the delivery of timely and quality health services to PoCs. This strategy was aligned to UNHCR's global public health strategy and sought to include refugees in the national health systems. The Representation had since 2018 spent \$165,650 on the integration of its information system with the national system, without success. (The Representation was at the time of the audit assessing if connecting the two systems was feasible.) This situation impacted the availability of strategic health data for planning and decision making.

12. The Representation conducted 1.1 million outpatient consultations and referred 9,864 cases to tertiary institutions in the period under audit. It however only finalized the standard operating procedures (SOPs) to guide the management of referrals during the audit field work. Consequently, the 32 referrals reviewed were not supported with referral forms, a doctor's approval and ProGres number for identification. Additionally, there were significant unreconciled differences between the Representation's expenditure of \$308,011 and the responsible partner's records of \$658,006. This included ineligible costs totaling \$24,870 arising from the Representation's payment of referral invoices that were for other organizations. Further, one partner incorrectly charged salaries for advisers for a credit co-operative society totaling \$51,513 to UNHCR's Partner Integrity Capacity Support costs. These issues had not been identified during the partner financial/performance verification.

13. The Representation participated in a larger exercise in the health sector that was rationalizing the number of facilities. This exercise identified that based on population size and other factors, the six camps needed to have only 15 instead of the current 26 health facilities. The Representation funded seven of these health facilities at a cost of between \$250,000 and \$350,000 per facility per year. Thus, the rationalization exercise needed to be concluded without delays since it had implications on resourcing.

14. The availability of medicines in facilities was impacted by challenges in obtaining Government approval to procure medicines internationally and delays in delivery of items procured under UNHCR frame agreements. It took between 3 and 9 months to receive 24 purchase orders of medicines that were issued in late 2021. For instance, from its December 2021 purchase orders, the Representation had only received 67 and 48 per cent of medicines and medical supplies respectively by August 2022. This contributed to identified medicine stockouts, with one health center in the camp reporting that it ran out of critical medical supplies for five to eight weeks. Other health facilities visited did not maintain proper records and so could not list what medicines had stocked out and for how long.

15. During the period covered by audit, the Representation incinerated medicines totaling \$302,244, which was attributed to the receipt of medicines with short shelf lives. For instance, 41 per cent (\$102,118) of 797 items received at the warehouse in 2019 expired in 2020. This situation was exacerbated by the Representation's limited visibility of medicines in stock that were about to expire since it was not covered in partner monthly stock reports and because of the limited coverage of pharmacies during monitoring visits. For instance, the Representation had only verified medicines twice every year and Multi-Functional Teams covered pharmacies in only 2 of the 13 verification exercises conducted in 2021. This was a missed opportunity to address expiries as well as other related matters. For example, the storage of medicines was: (a) at higher temperatures than recommended, which affected their efficacy; (b) combined with food storage, which raised the risk of contamination; and (c) in places which inhibited physical verifications and air circulation.

16. The issues above were caused by inadequate management oversight over health programmes, with the Representation recording issues affecting delivery of services during field visits but without acting to resolve them. Unless addressed, these issues will affect PoCs' access to timely and quality health services.

(1) The UNHCR Representation in Bangladesh should strengthen the implementation and monitoring of the health programme by: (i) rationalizing the number of health facilities in the camps; (ii) strengthening the maintenance of referral records; (iii) recovering ineligible costs amounting to \$51,513 from the responsible partner; (iii) strengthening the procurement, storage and management of medicines; and (iv) implementing the road map for connecting its health information system to the national system.

UNHCR accepted recommendation 1 and stated that Representation planned to close 4 health facilities by 31 December 2022. It had also initiated action to strengthen medical referral records and recovery of ineligible costs from the relevant partner. Regarding the procurement, storage, and management of medicines, it will review medicines procurement plan based on the consolidated stock report and strengthen stock verification. It is also working on implementation of the roadmap to assess feasibility of connecting health information systems.

Need to strengthen planning, management and monitoring of the delivery of quality education services

17. Fifty-two per cent of the country's PoCs were children. The Representation prioritized education in its multi-year protection strategy, with key interventions including the scaling up of the use of the Myanmar curriculum, construction of additional learning centers in response to growing needs, and recruitment and training of teachers. The Representation worked with the two Sector Leads and implemented programmes through two partners.

18. The Representation spent \$7.5 million on supporting 1,723 of the 5,398 learning facilities in the camps in the audit period. However, the effectiveness of the education programme was impacted by school closures for 18 months due to the COVID-19 pandemic, which resulted in a decline in the overall enrolment of children by almost 50 per cent, from 453,499 in 2019 to 219,675 in 2021. Additionally, a pre-pandemic survey conducted in two camps indicated that about 35 per cent of students were double-counted or were attending multiple learning facilities. This was because schools did not use ProGres system numbers to identify children during the school enrolment process.

19. The Representation was inadequately prepared for the transition into and scale-up of the Myanmar curriculum, that was being piloted by another United Nations agency. The audit noted that (a) the educational standards developed in 2019 needed to be updated to reflect changes related to the Myanmar curriculum; (b) no arrangements had been made for learners under the Myanmar curriculum to be certified and accredited; and (c) at the Government's request, the curriculum was in Burmese but there was a shortage

of qualified teachers who spoke the language. To address this shortage, the Representation provided pedagogical training to 1,700 teachers at the time of the audit, against the target of 2,500 by December 2022.

20. The reduction of the number of shifts from three to two increased the need for more classrooms. However, the Representation could only construct 16 of the planned 60 learning centers in 2022 due to Government's restrictions over constructions since 2021. The audit also noted that the roofs of available learning centers were leaking, classrooms had no lights and washrooms were not segregated for girls and boys and some were not functional.

21. The above issues were attributed to the impact of the COVID-19 pandemic and Government restrictions. However, they could have been better managed with stronger planning and management oversight of the education programme. The weaknesses reduced children's access to quality education, thus increasing protection risks.

(2) The UNHCR Representation in Bangladesh should strengthen its delivery of quality education services in a cost-effective manner by: (i) advocating with the Government for the revision of educational standards, accreditation of the Myanmar curriculum based examination and construction of additional learning centers; (ii) addressing the risk of multiple registration of learners; (iii) scaling up the recruitment and training of teachers; and (iv) addressing the poor conditions in learning centres.

UNHCR accepted recommendation 2 and stated that the Representation was advocating to revise the education standard guidelines for the Education Sector and obtain accreditation of Myanmar curriculum. Significant progress has been made on the construction of additional learning centers. The Representation will prepare an advocacy strategy for discussion at the Sector level. Regarding the risk of multiple registrations, the Representation was in the process of synchronising its enrolment data with ProGres data. The Representation has also recruited the required number of teachers and trained them for its areas of responsibility. It was also working on monitoring and addressing the quality of learning centers.

Need to strengthen the storage and distribution of NFIs and shelter materials

22. The Representation spent \$16.4 million on shelter programme and assisted 52,000 vulnerable households during the period under audit. It worked with three implementing partners to provide the most vulnerable families with pre-monsoon kits and transitional shelters, as well with as materials for related repairs. The Representation finalized the shelter and settlement strategy to direct related activities during the audit field work. The Representation constructed 474 shelters against a target of 500 with the shortfall attributed to COVID-19 pandemic restrictions, limited available land and Government's restrictions on the construction of double storied shelters.

23. The three shelter partners did not have SOPs to guide them on the management of the 16 warehouses for materials. Consequently, partners did not:

- Maintain proper records and provide the Representation with stock reports for its decision making. Thus, the Representation was in the process of purchasing bamboo which was however available in warehouses for approximately \$1 million in value. These warehouses also had large quantities of ropes and plastic sheets which had minimal movement since 2021.
- Conduct stock counts of inventories held and adjust bin card balances with the results of the exercises.

- Issue stock on a first-in first-out basis, particularly for items with a short useful life, such as bamboo, to mitigate risk of degradation.
- Properly store shelter materials. The lack of doing so resulted in bamboo and jute bags totaling \$15,000 rotting due to rain exposure. The other two partners also had rotten items, but they had not quantified the damaged stocks in their warehouses.
- Have a system for recording distributions. Signed/ thumb printed worksheets served as evidence of delivery of items to PoCs, while the Representation could have customized the UNHCR’s Global Distribution Tool (GDT) that was in use for distribution of Liquefied Petroleum Gas (LPG) to also cover shelter materials.

24. Also, during the audit period, the Representation procured NFIs totaling \$6.2 million. The partner responsible for NFI distributions in the 16 camps had proper systems for requesting, storing, distributing and accounting for items. OIOS performed a physical verification at the Cox’s Bazaar warehouse and no discrepancies were found. The Representation also kept some stock in partner stores in the camps. However, the audit noted that the Representation did not have staff at the stores to observe the delivery of NFIs. Further, the Representation did not conduct the semi-annual physical verifications of partner stores as required. It embarked on a comprehensive physical verification of NFIs during the audit visit.

25. The Representation was holding NFIs totaling \$1.5 million in non-MSRP stores as of 30 June 2022. This was above approved holding levels and was inefficient since it increased storage costs and resources that were tied up in stock. It also resulted in an overstatement of related expenditure by \$1.5 million since stock was expensed when issuances were made from MSRP warehouses. It also raised the risk of loss (for example, through theft) would not be accounted for as stock adjustments could not be made outside MSRP. The Representation committed to register high value of items in the camps in the MSRP by October 2022.

26. The above shortcomings could have been addressed through reinforced strategic planning and monitoring of programme implementation by partners.

(3) The UNHCR Representation in Bangladesh should strengthen its management oversight over shelter, non-food items and warehousing by: (i) developing standard operating procedures to guide partners on planning, storage, management and distribution of items; (ii) instituting a system for recordkeeping and reporting stock in warehouses, including ensuring stock in non-MSRP stores stays within the approved thresholds; and (iii) instituting a monitoring plan for shelter and NFI partner activities.

UNHCR accepted recommendation 3 and stated that the Representation was in the process of: developing standard operating procedures to guide partners on planning, storage, management and distribution of shelter and non-food items; developing a warehouse management software that will be rolled out in January 2023; and updating its standard operating procedures and monitoring plans for shelter activities implemented by partners.

Need to address gaps in service delivery in the provision of water, sanitation, and hygiene services

27. The Representation spent \$26 million on WASH activities in the years 2021-22 and had a well-crafted and up-to-date strategy (2022-24) to guide its response. Together with its partners, operational partners and Government entities, the Representation implemented the WASH programme in challenging circumstances that included varying topography, high population density and extreme weather conditions.

Implemented interventions towards ensuring sufficient, equitable and dignified access to safe water and sanitation as well as hygiene promotion among refugees and the host community were notable.

28. The Representation’s aggregation of information about per capita water supply concealed shortages in some camps. While it reported that the post-emergency standard of 20 liters/person/day was met, partners indicated that there was an uneven water supply with PoCs in some camps receiving 17.5 liters/person/day. The Representation also met the standards for latrine coverage, i.e., 4 families per facility in most camps, although some gaps remained. For example, sanitation facilities were not segregated by gender to enhance safety and dignity of the users especially women and girls. There was also a need to increase sanitation facilities for persons with specific needs as bathing space stood at 36 people per facility against the global target of 20.

29. The Representation was responsible for the drainage, collection, treatment, and disposal of fecal sludge in a safe, cost-efficient, and environmentally friendly manner for nearly 400,000 camp-based refugees. Sanitation projects leveraged technology and innovation with the two large scale Fecal Sludge Treatment Plant (FSTPs) being relevant examples. However, the fecal sludge transfer network had not been completed pending Government permission to extend the network and as a result the materials purchased in 2021 for the network remained unused. Thus, the network was carrying out only 15 per cent of the load and the Representation continued to primarily rely on Vacutug trucks and intermediate pumping for 82 per cent of the load. Also due to the non-completion of the network, one FSTP operated only at 50 per cent capacity. It also meant that the decommissioning of the more expensive decentralized treatment plants was also delayed. Analyses showed that Vacutug trucks were more costly to run at 2.6 times the cost of the piped transfer network. Unless this situation is rectified, the WASH sector would face reduced operational efficiency and cost-effectiveness

30. Faced with budget cuts, international WASH positions were reduced and integrated with shelter. The Representation also was progressively shifting to third party monitoring of WASH services instead of “do it yourself” approach. The significant differences in salaries for identical positions across partners suggested a renewed focus on rationalizing related personnel costs which constitute between 30-40 per cent of total WASH costs. However, drastic cuts in WASH budget would affect other sectors such as health since according to the World Health Organization, ‘every dollar invested in WASH interventions gives a \$4.3 return in the form of reduced health care costs, reduced pollution of water and land resources, and gains in quality of life (such as improved school attendance, fewer sick days, greater privacy, safety, and sense of dignity’.

(4) The UNHCR Representation in Bangladesh should implement an action plan that addresses: (i) gaps in service delivery in the provision of water, sanitation and hygiene services; and (ii) the consequences of the impending cost reductions in a sustainable manner without significantly curtailing programme delivery.

UNHCR accepted recommendation 4 and stated that the Representation was addressing the most critical gaps within the 2023 budget and related actions will be reflected in 2023 partnership agreements. It has prepared and started to implement a plan outlining key actions to mitigate the consequences of the budget cuts.

B. Protection

Need to strengthen the delivery of timely and quality services to GBV survivors

31. The GBV Sub-Sector (led by another United Nations agency) falls under the protection sector that is led by UNHCR. The Representation participated alongside with other humanitarian sectors in the GBV Inter-sector Coordination Group that held monthly meetings for which detailed minutes are available. The Representation's strategy (2023-2025) was broadly aligned with the 2020 UNHCR global policy on prevention of, risk mitigation, and response to GBV. However, the Representation's SOPs to guide implementation of programme activities by partners were outdated.

32. The majority of reported GBV cases in the camps related to physical assault, followed by psychological/emotional abuse and denial of resources. The Representation adequately defined referral pathways for support available to GBV survivors, but its resources for GBV declined by 18 per cent from \$3 million in 2021 to \$2.5 million in 2022. This cut resulted in reduced interventions and caseworkers to support GBV survivors.

33. The Representation had also conducted a GBV gap assessment for the Bhasan Char Island which identified key gaps for mitigation. The audit was of the view that this exercise could be replicated across the operations in Cox's Bazar. Further, contrary to the 2020 UNHCR Policy, the Representation had not integrated GBV risk mitigation measures in all work plans and strategies, nor conducted safety audits on a systematic basis. One partner reported that they had conducted 19 safety audits but only had two reports. The Representation also did not report on the implementation of the 2020 policy (including on the nine core action outcomes) on an annual basis as required. The audit also questioned the accuracy of the Representation's reporting on GBV indicators in FOCUS since it had identical baseline and target indicators for 2020 and 2021.

34. Regarding the quality of case management of GBV cases, the Representation did not include Annex C (protection) on access to refugee data in the signed Project Partnership Agreements and thus could not access related information as part of its monitoring of these partners. From its review of 25 GBV cases, OIOS noted that description of the GBV incident was very brief, routine, repetitive and mechanical without articulating the unique circumstances of individual cases. The text in several case files was identical, most likely because it was copied from one file to another. Thus, case management was a form filling exercise without focusing on the needs of survivors. ProGres was also not updated to reflect GBV cases although this was necessary in identifying solutions for GBV survivors, such as resettlement programme.

35. The files lacked details on how cases were managed; the response, including action and safety plans; and how interventions and recommendations were followed-up. For example, a survivor of physical assault by an intimate partner only received basic counselling and psychosocial support, and no medical examination or assistance. Files of rape cases lacked documentation to evidence that mandatory protocols were followed in responding and supporting survivors. Interviews with a case reviewer showed that they needed additional guidance and/or training on how to deal with GBV cases especially those involving intimate partner violence that stood at over 84 per cent of the total cases.

36. Despite reported widespread prevalence of GBV and challenges in responding effectively, the Representation did not identify risks related to GBV in the risk register. Unless addressed, survivors will not receive the support they need to recover from the long-term effects of GBV.

(5) The UNHCR Representation in Bangladesh should complete the annual reporting in accordance with the gender-based violence (GBV) policy monitoring framework and update related standard operating procedures; and capacity build and monitor partners to drive GBV prevention, mitigation and response. The standard operating procedure should reinforce key GBV activities, such as conducting safety audits, case management and reporting of GBV data.

UNHCR accepted recommendation 5 and stated that the Representation will prepare the annual report in accordance with the gender-based violence (GBV) framework. The GBV standard operating procedures will be updated following the GBV sub-sector joint review expected in January 2023. Key GBV activities have already being reinforced including: (a) developing a monitoring tool to evaluate the quality of case management managed by UNHCR partners; (b) establishing a capacity building strategy based on individual coaching with case workers, organizing a workshop for caseworkers and supervisors; (c) planning safety audits; (d) reviewing partnership agreements to include activities to prevent sexual exploitation and abuse, as well as activities concerning GBV risk mitigation; and (e) reviewing all implementation indicators to make the data more targeted and efficient.

Need to strengthen delivery of services to children

37. As of June 30, 62 per cent of the 483,233 refugee children resided in the camps where UNHCR and other partners delivered child protection services. UNHCR was the lead for the protection sector under which child protection falls under a sub-sector that was led by another United Nations Agency. The Representation applied the sub-sector child protection strategy, which was aligned with UNHCR's own 2012 framework, and allocated \$8.4 million towards child protection in 2021 and 2022. This was 4 per cent of its operations budget, and higher than the UNHCR overall average of 2 per cent.

38. The Representation worked with four partners to deliver child protection services in the camp. However, in the absence of an explicit framework to guide programme planning and implementation, inconsistencies were noted in the services delivered by different partners. Additionally, there were more than one partner providing services in the same camp, but UNHCR did not specify in Project Partnership Agreements the blocks for which each partner was responsible. Consequently, the Representation lacked information on the coverage partners would reach with services in the blocks under their responsibility. This called for the Representation to rationalize the services of partners so that consistent quality is ensured across all child protection interventions.

39. Partners were guided by the sector SOPs in the period under review. In 2021, the Representation developed its own SOPs on case management, established a Best Interest Determination (BID) panel and started conducting BIDs in 2022. There were 7,232 unaccompanied and separated children (UASCs) identified, for whom Best Interest Assessments (BIA) should in principle have been conducted. However, there was no systematic exchange of information between the Representation and the Child Protection Information Management System (CPIMS) that was managed by partners and thus the number of UASCs for whom BIAs had been conducted remained unknown.

40. OIOS review of a sample of 35 best interest procedure case files identified gaps. These included: (i) poor recording of cases with instances noted where the same text was copied across different cases; (ii) low risk cases were assessed as high or medium; (iii) issues identified in the initial assessment were not followed through; (iv) cases where the action plan did not address identified issues; and (v) instances where there were issues with children's registration numbers, but these issues were not communicated to the relevant unit for rectification.

41. The Representation only received aggregated statistical data and was unable to access the details of information from the CPIMS, which was essential for protection and monitoring. The Annex C (protection) on access to refugee data in the signed Project Partnership Agreements would have ensured the access, however this key document was missing due to long outstanding coordination difficulties in the sub-sector. This matter remained unaddressed at the time of the audit and impacted the Representation's access to key information for its planning, coordination and decision making.

42. These issues arose due to gaps in the Representation's planning, management, coordination and monitoring of programme implementation by partners. Unless addressed, these shortcomings will impact the wellbeing of children under protection.

(6) The UNHCR Representation in Bangladesh should ensure that children have access to quality child protection programmes by: (i) mapping partners' geographic areas of responsibility based on their operational capacity; (ii) ensuring the rationalization of presence and working methods across different partners; (iii) amending Project Partnership Agreements to facilitate its access key information for decision making; and (iv) monitoring child protection case management by partners.

UNHCR accepted recommendation 6 and stated that the Representation had completed and started implementing the mapping of partners geographic areas of responsibilities. The rationalization of partners' presence and working methods were under implementation as per the decision of the Child Protection Sub-Sector in October 2022. As of 2023, all child protection partners will implement a comprehensive and uniform child protection package across geographical areas of responsibility and targets will be included in the upcoming 2023 partnership agreements. The annex on data sharing will be included in the upcoming 2023 partnership agreements, and a data sharing protocol is under formalization among the partners in the Child Protection Sub-Sector. A plan to reinforce partner monitoring and the capacity of child protection partners has been established.

Need to strengthen the delivery of services to the persons of concern on Bhasan Char Island

43. Bhasan Char is a government initiated and led project. Under this project, the Government relocated up to 28,000 refugees to Bhasan Char between December 2020 and June 2022. The Representation reached an agreement with the Government to support the setup and provision of humanitarian and protection services to these refugees and by June 2022 had spent \$3.3 million. The Representation took leadership over the implementation of interventions in most sectors because of the limited presence of other United Nations agencies on the island. Technical teams conducted short missions to the island, but they were unable to provide sustained oversight due to logistical issues.

44. The Representation's efforts to facilitate service delivery were constrained by funding gaps, particularly in the first few months of the response. It also faced other operational challenges including logistical, access and transport matters. Because of the limited humanitarian funding and presence of other United Nations agencies, the Representation was reallocating staff from Cox's Bazar to create a permanent Bhasan Char team. Identified gaps in the delivery of basic needs and provision of services including GBV and child protection could not be addressed due to resource and capacity constraints.

(7) The UNHCR Representation in Bangladesh should: (i) advocate with the Government for development funding for Bhasan Char; and (ii) develop a comprehensive multisectoral action plan, guided by the protection framework of the 2021 Memorandum of Understanding to address the delivery of protection and humanitarian services to refugees on the island.

UNHCR accepted recommendation 7 and stated that through a coordinated approach, the Representation had developed a plan for advocacy on the sustainability of the Bhasan Char project and the Government had indicated it wishes to seek funding from bilateral and multilateral donor partners for long-term support. The Representation had conducted a needs assessments and is promoting the development of sectoral response strategies. These sectoral strategies will be put together in a multi-sector strategy and response plan to be ready by end June 2023.

C. Procurement and contract management (including procurement designated to partners)

Need to ensure more cost-effective delivery of Liquefied Petroleum Gas (LPG) refills

45. The Government of Bangladesh and three United Nations agencies conceived the Safe Access to Fuel and Energy Plus programme to meet the immediate PoC needs for practical, safe and sustainable cooking fuel alternatives to firewood. Following a successful pilot in 2018, the Representation scaled up the use of LPG with related assistance, reaching 89,461 refugee households (representing 97 per cent coverage) and 13,952 host community households in 2021. The refugee households that could not access LPG received rice husks as an alternative form of renewable and cleaner cooking fuel in 2021.

46. There were issues in implementing the second phase of the programme (2022-25):

- The budget of \$285 million was not yet covered. The Representation was appealing for \$80 million to cover its contribution and only another pledge of \$23.4 million had been received of the \$205 million balance that other United Nations agencies would have to cover.
- The cost of LPG was bound to increase due to anticipated worldwide supply disruptions. While this issue was identified in the risk register, no measures were in place to mitigate it. There were opportunities for the Representation to explore opportunities for greater efficiencies, alongside another United Nations agency that was distributing LPG.
- The Representation's selection of more expensive cooking set - on the basis that it was more energy efficient, came with a 3 instead of 1 year warranty and had fewer parts that needed replacement over time, increased the cost from \$2.3 million to \$3.9 million in 2022. However, the Representation had not adjusted the LPG refill cycles to account for the expected efficiencies and thus compensate for the higher purchase cost of the cooking sets.

47. The Representation was paying higher prices for refills than the going market rates. This was despite procuring LPG in bulk from the main importer and providing a storage depot and other logistics including a distribution software. In August 2022, the Representation paid BDT 1,383 (\$13.5) yet refills in Teknaf and Ukhiya were at BDT 1,300 (\$12.7). This translated to a monthly overcharge of \$78,195 for an average of 89,500 refills per month and approximately \$0.9 million per year. This can be addressed through the inclusion of a clause in the contract on adjusting prices if there are lower prices in the market.

(8) The UNHCR Representation in Bangladesh should strengthen delivery of Safe Access to Fuel and Energy Plus programme in a cost-effective manner by: (i) developing a fundraising plan for the programme; (ii) revising the Liquefied Petroleum Gas (LPG) refill cycle periods for new cooking stoves; (iii) reviewing LPG supply contract to include a clause on adjusting prices to match lower market prices; and (iv) coordinating with other interested United Nations agency to identify opportunities for efficiency.

UNHCR accepted recommendation 8 and stated that the Representation had developed and was implementing a fundraising and cost-optimization plan. Data collection on enhanced fuel efficiency methods was scheduled for completion by end of Q4 2022, which will support evidence-based LPG refill cycle adjustments in Q1 2023. The LPG contract is currently due for renewal and the

Representation will endeavor to include a clause on adjusting prices to match lower prices in market. Synergies related to LPG distributions and procurement were taking place.

Need to reconcile and close the medical treatment facility records and recover outstanding balances

48. To meet the need for quality health services during the COVID-19 outbreak and address the poor and inaccessible health services in Cox's Bazar, the Representation selected a service provider to provide medical services to United Nations staff and dependents between 2020 and 2022. A primary health center and a Medical Treatment Facility (MTF) were set up with costs shared and decisions collectively made by United Nations agencies working in the Rohingya response. The audit identified opportunities for improved management of the contract:

- Between November 2021 and May 2022, the Representation paid \$2,139,421¹ to the contractor for staff, facility operating and security costs. During this period, the facility had 396 consultations which translated to \$5,402 per consultation. The Representation was able to negotiate down the monthly facility costs from \$450,000 in January 2022 to \$140,000 in May 2022 but nonetheless, they remained high. Additionally, although they were received and verified by the Representation's coordinator, some of the settled MTF vouchers lacked the required supporting documentation (e.g., staff attendance records.)
- The facility salaries for the international general physician and critical care nurse were \$25,510 and \$22,568 per month respectively. Sixteen months into the contract, these rates were reduced to \$22,012 and \$14,830 respectively. In the absence of comparable rates, the audit could not determine if the rates charged were competitive. The Representation noted that the Headquarters Committee on Contracts compared the rates to a similar facility in Africa run by another United Nations agency.
- No documentation was available to evidence the assessment of the service provider's performance as required in the contract. The Representation confirmed that the report was under way in coordination with the Medical Section.
- The MTF was closed in May 2022, but records had still not been reconciled at the time of the audit. At this time, three United Nations agencies needed to settle their dues of \$500,000 to UNHCR. The Representation explained to OIOS that it was due to a disputed invoice and while the audit was ongoing the concerned agencies were invoiced.

49. UNHCR's Medical Section explained that the decision to establish a health facility was a collective decision based on the principles of 'duty of care' and 'stay and deliver' and it should not be viewed from a 'USD value per consultation' lens. However, in the absence of other alternatives, it was difficult to assess the reasonableness of costs. OIOS was of the view that this difficulty was caused by insufficient due diligence during the planning stage as well as gaps in the management of the contract, which resulted in frequent changes to the contract and unclear basis for costs.

(9) The UNHCR Representation in Bangladesh should: (i) reconcile and close the Medical Treatment Facility (MTF) records; (ii) recover the \$500,000 owed by other United Nations agencies; and (iii) under the leadership of the UNHCR Medical Section, use the lessons learned from the MTF contract to develop guidance on due diligence and management of health facilities.

¹ This amount does not include capital costs

UNHCR accepted recommendation 9 and stated that the Representation expects to receive the final statement from the supplier by end March 2023, based on which the records will be reconciled and closed. Regarding recovery of dues, it had issued the invoices to the concerned agencies, one of which had already reimbursed its share. The Representation had liaised with the medical section and will provide the relevant information to develop the due diligence guidance.

There was an urgent need to review the delegation of procurement to some partners

50. The Representation delegated procurement totaling \$55 million to 30 partners in 2020 and 2021. In 2022, it had delegated procurement totaling \$21.4 million to 26 partners. OIOS reviewed procurement activities at seven partners totaling \$32.4 million and noted: (a) one partner did not have a procurement plan and thus lacked a basis against which purchases would be monitored; (b) four partners did not follow their plans as evidenced by the rushed purchases at the year-end and failed to consolidate purchases amounting to \$500,000, which resulted in lost economies of scale estimated at \$55,244. For instance, one partner conducted 16 separate procurement exercises for hessian cloth in 2021 and two other partners did not enter into framework agreement with vendors for frequently purchased items.

51. Regarding solicitation processes, the audit noted that four partners: (i) disregarded thresholds for other methods and used Request for Quotation in six purchases totaling \$502,352; (ii) had shorter bid submission periods than prescribed for four purchases totaling \$158,704; and (iii) had inadequate handling of bids, which compromised the process. For instance, a partner evaluated a late bid in a purchase of \$35,199 and two partners did not have dedicated bid-email accounts and instead used staff accounts.

52. In 15 procurements totaling \$368,443, evaluations were not documented, signed and/or did not provide justification for disqualification of vendors. In seven cases totaling \$796,240, five partners did not justify their failure to select the lowest bid in the financial evaluation. In one instance, the technical evaluation was conducted after the financial evaluation. The Representation did not conduct a cost benefit analysis to inform its decision to purchase or rent vehicles. It spent \$7.5 million on rentals in the period under audit and did not act on advice given by Global Fleet Management in July 2019 to consider local purchase of vehicles for partners but persisted with uneconomic rentals. Global Fleet Management data showed that the Representation would have, over a five-year period, saved \$1 million (if it had 50 vehicles).

53. The audit also identified significant gaps in vehicle fleet contract management, including absence of a logical method of estimating fleet size and variations in rental rates across the four partners ranging from 11-112 per cent. One partner had bus drivers that claimed overtime for working 24 hours a day for a whole month. The same partner rented 45 and 38 vehicles daily for two months, which exceeded their requirements of 13-25 cars in other months. Additionally, the rental invoices for November/December 2020 included Fridays and holidays, although they should have been excluded, and the number of cars and days of usage in the summary sheet differed with details in the day-wise lists.

54. Other identified issues related to contracts management included: (a) the failure by one partner to impose penalties for delays in delivery of 205 purchase orders totaling \$688,188; (b) another partner paid value added tax totaling \$2,700 on rented ambulances while they were tax-exempt from June 2021; (c) two partners awarded contracts totaling \$253,229 to sister entities, which was a conflict of interest that should have been reviewed for approval by the Representation.

55. The deficiencies in procurement were due to inadequate capacity of partners and their disregard of their own procurement rules, and ineffective monitoring by the Representation. As a result, the integrity of the procurement process was compromised, value for money was not obtained and there was increased risk of financial loss and fraud.

(10) The UNHCR Representation in Bangladesh should: (i) strengthen its due diligence prior to delegating procurement to partners; (ii) strengthen its monitoring of procurement conducted by partners; (iii) recover the ineligible value added tax paid by a partner; (iv) reduce procurement delegated to partners where high risks, including fraud risks, were identified; and (v) conduct a cost benefit analysis to inform its decision to purchase or rent vehicles.

UNHCR accepted recommendation 10 and stated that the Representation would further strengthen the process of analysis of comparative advantage and the multi-functional teams will increase the sample size to ensure wider coverage during the verification exercises and they will also conduct the cost benefit analysis with the Global Fleet Management support by 31 December 2022. The ineligible value added tax will be recovered from a partner by 31 January 2023.

IV. ACKNOWLEDGEMENT

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

(Signed) Anne Rwego
Chief, UNHCR Audit Service
Internal Audit Division
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

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

Rec. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
1	The UNHCR Representation in Bangladesh should strengthen the implementation and monitoring of the health programme by: (i) rationalizing the number of health facilities in the camps; (ii) strengthening the maintenance of referral records; (iii) recovering ineligible costs amounting to \$51,513 from the responsible partner; (iii) strengthening the procurement, storage and management of medicines; and (iv) implementing the road map for connecting its health information system to the national system.	Important	O	Receipt of evidence of: (i) information on the health facilities closed following the rationalization; (ii) reconciliation of referral expenditure; (iii) recovery of ineligible expenses totaling \$51,513 from a partner; (iv) review of the medicines procurement plan taking into consideration available consolidated stock; and (iv) implementation of the roadmap to connect the Representations' health information system to the national system.	31 July 2023
2	The UNHCR Representation in Bangladesh should strengthen its delivery of quality education services in a cost-effective manner by: (i) advocating with the Government for the revision of educational standards, accreditation of the Myanmar curriculum based examination and construction of additional learning centers; (ii) addressing the risk of multiple registration of learners; (iii) scaling up the recruitment and training of teachers; and (iv) addressing the poor conditions in learning centres.	Important	O	Receipt of evidence of: (i) advocacy strategy prepared for the education sector; (ii) learning centres' enrolment data synchronized with ProGres data; and (iv) monitoring reports on review of quality of infrastructure in learning centres. (iii) Implemented	31 December 2023
3	The UNHCR Representation in Bangladesh should strengthen its management oversight over shelter, non-food items and warehousing by: (i) developing standard operating procedures to guide partners on planning, storage, management and distribution of items; (ii) instituting a system for recordkeeping and	Important	O	Receipt of evidence of: (i) standard operating procedures prepared to guide partners on planning, storage, management and distribution of shelter and non-food items; (ii) monthly reports prepared to analyse movements, balances, value and ageing of stocks and follow up actions	31 March 2023

² 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.

³ 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.

⁴ Please note the value C denotes closed recommendations whereas O refers to open recommendations.

⁵ Date provided by UNHCR in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

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

Rec. no.	Recommendation	Critical ² / Important ³	C/O ⁴	Actions needed to close recommendation	Implementation date ⁵
	reporting stock in warehouses, including ensuring stock in non-MSRP stores stays within the approved thresholds; and (iii) instituting a monitoring plan for shelter and NFI partner activities.			taken; and (iii) the updated standard operating procedures and monitoring plans for shelter activities implemented by partners.	
4	The UNHCR Representation in Bangladesh should implement an action plan that addresses: (i) gaps in service delivery in the provision of water, sanitation and hygiene services; and (ii) the consequences of the impending cost reductions in a sustainable manner without significantly curtailing programme delivery.	Important	O	Receipt of evidence of actions reflected in 2023 partnership agreements to address the critical gaps in WASH sector. (ii)-Implemented	31 August 2023
5	The UNHCR Representation in Bangladesh should complete the annual reporting in accordance with the gender-based violence (GBV) policy monitoring framework and update related standard operating procedures; and capacity build and monitor partners to drive GBV prevention, mitigation and response. The standard operating procedure should reinforce key GBV activities, such as conducting safety audits, case management and reporting of GBV data.	Important	O	Receipt of evidence of: (i) annual report prepared in accordance with the GBV framework and the updated GBV standard operating procedures that reinforce key GBV activities, such as conducting safety audits, case management and reporting of GBV data; and (ii) capacity building strategy prepared for coaching case workers.	31 March 2023
6	The UNHCR Representation in Bangladesh should ensure that children at risk have access to quality child protection programmes by: (i) mapping partners' geographic areas of responsibility based on their operational capacity; (ii) ensuring the rationalization of presence and working methods across different partners; (iii) amending Project Partnership Agreements to facilitate its access key information for decision making; and (iv) monitoring child protection case management by partners.	Important	O	(i)-Implemented Receipt of evidence of: (ii) 2023 partnership agreements with uniform child protection package and related geographical area of responsibility, description, indicators and targets; (iii) amended partnership agreements including an annex on data sharing; and (iv) plan to reinforce partner monitoring and the capacity of child protection partners.	30 June 2023
7	The UNHCR Representation in Bangladesh should: (i) advocate with the Government for development	Important	O	(i)-Implemented	30 June 2023

STATUS OF AUDIT RECOMMENDATIONS

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

Rec. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
	funding for Bhasan Char; and (ii) develop a comprehensive multisectoral action plan, guided by the protection framework of the 2021 Memorandum of Understanding to address the delivery of protection and humanitarian services to refugees on the island.			Receipt of evidence of multi-sector strategy and response plan prepared to address the delivery of protection and humanitarian services to refugees on the island.	
8	The UNHCR Representation in Bangladesh should strengthen delivery of Safe Access to Fuel and Energy Plus programme in a cost-effective manner by: (i) developing a fundraising plan for the programme; (ii) revising the Liquefied Petroleum Gas (LPG) refill cycle periods for new cooking stoves; (iii) reviewing LPG supply contract to include a clause on adjusting prices to match lower market prices; and (iv) coordinating with other interested United Nations agency to identify opportunities for efficiency.	Important	O	(i)-Implemented Receipt of evidence of: (ii) revised LPG refill cycle periods for new cooking stoves; (iii) updated contract including a clause on adjusting prices in the event of lower market prices; and (iv) opportunities identified for promoting efficiency in LPG supply to the persons of concern.	31 December 2023
9	The UNHCR Representation in Bangladesh should: (i) reconcile and close the Medical Treatment Facility (MTF) records; (ii) recover the \$500,000 owed by other United Nations agencies; and (iii) under the leadership of the UNHCR Medical Section, use the lessons learned from the MTF contract to develop guidance on due diligence and management of health facilities.	Important	O	Receipt of evidence of: (i) MTF records reconciled and closed; (ii) dues owed by other United Nations agencies recovered; and (iii) guidance prepared on due diligence and management of health facilities.	30 June 2023
10	The UNHCR Representation in Bangladesh should: (i) strengthen its due diligence prior to delegating procurement to partners; (ii) strengthen its monitoring of procurement conducted by partners; (iii) recover the ineligible value added tax paid by a partner; (iv) reduce procurement delegated to partners where high risks, including fraud risks, were identified; and (v) conduct a cost benefit	Important	O	Receipt of evidence of: (i) the conducting of comparative advantage analysis prior to delegating procurement to implementing partners; (ii) strengthened monitoring of procurement activities by partners; (iii) recovery of the ineligible value added tax of \$2,700 paid by a partner; (iv) details of procurement amount delegated to partners in 2023 in consideration of the risks pointed by OIOS; and (iv) decisions to	31 May 2023

STATUS OF AUDIT RECOMMENDATIONS

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

Rec. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
	analysis to inform its decision to purchase or rent vehicles.			purchase or hire vehicles informed by the results of the cost-benefit analysis.	

APPENDIX I

Management Response

Management Response

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

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
1	The UNHCR Representation in Bangladesh should strengthen the implementation and monitoring of the health programme by: (i) rationalizing the number of health facilities in the camps; (ii) strengthening the maintenance of referral records; (iii) recovering ineligible costs amounting to \$51,513 from the responsible partner; (iii) strengthening the procurement, storage and management of medicines; and (iv) implementing the road map for connecting its health information system to the national system.	Important	Yes	Senior Public Health Officer	31 July 2023	<p>(i) The Representation will close four (4) health facilities by 31 December 2022 in line with the Health Sector rationalization plan. Documentary evidence is provided. The Representation therefore considers that this part of the recommendation has been implemented.</p> <p>(ii) Actions to strengthen medical referral records are under implementation. Monthly reconciliation will be sent as evidence of improved referral records.</p> <p>(iii) A letter requesting the recovery of funds has been sent to the partner. Evidence of the refund will be provided as soon as received.</p> <p>(iv) The medicine procurement plan will be reviewed based on the consolidated stock report from the pharmacy management software which will replace the current excel</p>

⁶ 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.

⁷ 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 ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>based system that is used to quantify medicines needed based on consumption and closing stocks. The frequency of monitoring visits to the partners' warehouses has been increased. Monitoring visits will be conducted quarterly and will include sample physical stock verification. The central warehouse physical stock verification will be conducted on a quarterly basis. The October central warehouse physical stock verification and November monitoring have been provided as evidence documents. Additional documentary evidence will be provided once the recommendation is fully implemented.</p> <p>(v) Activities included in the roadmap for connecting UNHCR Health Information System with the District Health Information are progressing as planned. A report will be sent upon full implementation of the roadmap.</p>
2	The UNHCR Representation in Bangladesh should strengthen its delivery of quality education services in a cost-effective manner by: (i) advocating with the Government for the revision of educational standards, accreditation of the Myanmar	Important	Yes	Education Officer	(i), (ii), (iv)- 31 December 2023 (iii)-Implemented	(i) The education standards guideline is under revision under the leadership of the Education sector co-chairs with active participation of the Representation and once finalized it will be shared. The

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
	<p>curriculum based examination and construction of additional learning centers; (ii) addressing the risk of multiple registration of learners; (iii) scaling up the recruitment and training of teachers; and (iv) addressing the poor conditions in learning centres.</p>					<p>Representation will continue its advocacy for the accreditation of the Myanmar curriculum-based examination and for the construction of additional learning centers, noting that the decisions do not lie with UNHCR but rather with the Governments of Myanmar and Bangladesh respectively. Progress has already been made with regard to the construction of learning centers, with 26 learning centers constructed since the audit field work. The Representation will prepare an advocacy strategy for discussion at the Education Sector level with a view to having a sector level advocacy strategy.</p> <p>(ii) UNHCR is in the process of synchronising its enrolment data with refugee registration data in ProGres to address the risk of multiple registration of learners and continues to advocate for this approach across the Education sector more broadly.</p> <p>(iii) The Representation considers this part of the recommendation fully implemented. The required number of teachers has already been recruited and trained by</p>

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>UNHCR for its areas of responsibility (recruitment of teachers for UNHCR education facilities and pedagogy training for all education Sector partners). It should be noted that another UN agency is responsible for training on subject contents. Documentary evidence is provided indicating that 2,296 of 2,500 targeted teachers are now trained, and partners are expected to achieve the target by the end of the year as training is on-going for the remaining teachers.</p> <p>(iv) The needed improvements/ repairs in the learning centres visited by the auditors have been completed although work on sanitation facilities remains. The Representation will continue to monitor and identify learning centres that require any repair, and it is developing monitoring guidance and piloting the use of Field Insights reporting tool to strengthen identification and resolve this quickly. Twelve monitoring visits per month will be conducted covering 50% of facilities noting that some facilities will be visited more than once a year to follow up on any issues</p>

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						identified. Any substantial structural upgrading is not possible due to the Government's policy.
3	The UNHCR Representation in Bangladesh should strengthen its management oversight over shelter, non-food items and warehousing by: (i) developing standard operating procedures to guide partners on planning, storage, management and distribution of items; (ii) instituting a system for recordkeeping and reporting stock in warehouses, including ensuring stock in non-MSRP stores stays within the approved thresholds; and (iii) instituting a monitoring plan for shelter and NFI partner activities.	Important	Yes	Senior Operations Coordinator	31 March 2023	(i) The standard operating procedures to guide partners on planning, storage, management and distribution of shelter items is under development. (ii) A warehouse management software is under development and will be rolled out in January 2023 to track stock in the non-MSRP stores, which are small stores maintained at camp level as contingency in case of cyclones/floods. The Representation will produce monthly reports to analyse movements, balances and ageing stocks by store and item as well as the value of stocks in each store to ensure it remains within the approved threshold and conduct follow-up actions with partners as necessary. (iii) The Representation is updating its standard operating procedures and monitoring plans for shelter activities implemented by partners.
4	The UNHCR Representation in Bangladesh should implement an action plan that addresses: (i) gaps in service	Important	Yes	Technical Coordinator	(i)-31 August 2023	(i) The most critical gaps are being addressed within the 2023 budget and related

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
	delivery in the provision of water, sanitation and hygiene services; and (ii) the consequences of the impending cost reductions in a sustainable manner without significantly curtailing programme delivery.				(ii)-Implemented	<p>actions reflected in 2023 partnership agreements which will be shared once completed. Targeted fundraising will continue: a concept note has been submitted to a large private foundation to address sanitation gaps with formal response expected in mid-December and another one is under submission to another donor on water supply component.</p> <p>(ii) The Representation has prepared and started to implement a plan outlining key actions to mitigate the consequences of the budget cuts. The plan has been provided to the auditors and is being re-shared with this response. The representation considers that this part of the recommendation is implemented.</p>
5	The UNHCR Representation in Bangladesh should complete the annual reporting in accordance with the gender-based violence (GBV) policy monitoring framework and update related standard operating procedures; and capacity build and monitor partners to drive GBV prevention, mitigation and response. The standard operating procedure should reinforce key GBV activities, such as conducting safety	Important	Yes	Gender Based Violence Officer	31 March 2023	The annual report will be prepared in accordance with the gender-based violence (GBV) framework. The GBV standard operating procedures will be updated following the GBV sub-sector joint review expected in January 2023. Both documents will be shared once completed. Key GBV activities have already being reinforced: (i) a monitoring

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
	audits, case management and reporting of GBV data.					<p>tool was developed to evaluate the quality of case management managed by UNHCR partners and monitoring assessments will be carried-out quarterly; (ii) a capacity building strategy has been established based on individual coaching with case workers, bi-weekly coordination meetings with supervisors and shadowing interviews; a workshop will be organized for caseworkers and supervisors mid-December to detail good and bad practices identified during the monitoring visits; (iii) Eighteen safety audits have been planned in the camps and as of 7 December the education and the child protection ones were concluded. Results have been compiled and reports will be shared as soon as finalized (iv) UNHCR is reviewing all partnership agreements to include activities to prevent sexual exploitation and abuse, as well as activities concerning GBV risk mitigation and (v) UNHCR is reviewing all implementation indicators, together with its partners in order to make the data more targeted and efficient.</p>
6	The UNHCR Representation in Bangladesh should ensure that children at risk have access to quality child	Important	Yes	Senior Community-based Protection Officer	(i)-Implemented (ii) 30 June 2023	(i)The mapping of partners geographic areas of responsibilities is

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
	<p>protection programmes by: (i) mapping partners' geographic areas of responsibility based on their operational capacity; (ii) ensuring the rationalization of presence and working methods across different partners; (iii) amending Project Partnership Agreements to facilitate its access key information for decision making; and (iv) monitoring child protection case management by partners.</p>					<p>implemented based on the review of the partners' presence and coverage. Documentary evidence has been provided to the auditors. The Representation considers that this part of the recommendation is fully implemented.</p> <p>(ii) The rationalization of partners' presence and working methods are under implementation as per the decision of the Child Protection Sub-Sector in October 2022. As of 2023, all child protection partners will implement a comprehensive and uniform child protection package and related geographical area of responsibility, description, indicators and targets will be included in the upcoming 2023 partnership agreements.</p> <p>(iii) The annex on data sharing will be included in the upcoming 2023 partnership agreements, and a data sharing protocol is under formalization among the partners in the Child Protection Sub-Sector. The partnership agreements annexes will be shared as soon as finalized.</p>

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						(iv) A plan to reinforce partner monitoring and the capacity of child protection partners has been established. Beginning in January 2023, a quality assessment of case management will be carried out for all partners, and action plans established for each. Monitoring of case management and implementation of the action plans will be conducted on a quarterly basis for 2023. A capacity building plan has started and will continue up to February 2023, and monthly follow-up sessions in addition to ad-hoc visits will be conducted to assess improvements and needed adjustments.
7	The UNHCR Representation in Bangladesh should: (i) advocate with the Government for development funding for Bhasan Char; and (ii) develop a comprehensive multisectoral action plan, guided by the protection framework of the 2021 Memorandum of Understanding to address the delivery of protection and humanitarian services to refugees on the island.	Important	Yes	Representative/Principal Situation Coordinator	(i)-Implemented (ii)-30 Jun 2023	(i) In coordination with the UN Resident Coordinator, the wider UN community and Heads of Missions, the Representation has continued to engage the Government on maintaining infrastructure, expanding connectivity and improving facilities on the island. This includes exploring flexible use of development funding as expressed through a letter sent by the Resident Coordinator to the Government in late August, in bilateral meetings with Government ministries and in inter-ministerial Government forums

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>including the Subcommittee on Bhasan Char and the National Taskforce on the Rohingya Response. The Government has indicated it is exploring the possibility of funding from bilateral and multilateral donor partners for long-term support. Documentary evidence has been provided to the auditors. The Representation considers that this part of the recommendation is fully implemented.</p> <p>(ii) The Joint Response Plans of 2022 and 2023 include the Protection Framework that guides the humanitarian response, including the Bhasan Char chapter. On Bhasan Char, the Representation leads an inter-sector coordination ensuring alignment of qualitative service delivery by sector, based on agreed standards and outputs. Across the sectors, the Representation has conducted assessments of needs and is promoting the development of sectoral response strategies. Documentary evidence has been provided to the auditors. These sectoral strategies will be put together in a multi-sector strategy and response plan to be ready by end June 2023. This collective framework for the</p>

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						response on Bhasan Char will have protection at its core while other cross-cutting issues including Prevention of Sexual Exploitation and Abuse and Accountability to Affected People will be fully reflected. The Representation will continue to advocate full adherence to the protection principles outlined in the MoU for UN operational engagement on Bhasan Char, notably by monitoring relocation movements to ensure their voluntary nature and by advocating for expanding the movement opportunities for visits to the camps in Cox's Bazar
8	The UNHCR Representation in Bangladesh should strengthen delivery of Safe Access to Fuel and Energy Plus programme in a cost-effective manner by: (i) developing a fundraising plan for the programme; (ii) revising the Liquefied Petroleum Gas (LPG) refill cycle periods for new cooking stoves; (iii) reviewing LPG supply contract to include a clause on adjusting prices to match lower market prices; and (iv) coordinating with other interested United Nations agency to identify opportunities for efficiency.	Important	Yes	Senior Project Coordination Officer/Senior Energy Officer/Senior Supply Officer	(i)-Implemented (ii) to (iv) 31 December 2023	(i) The Representation has produced and is implementing a fundraising plan for the Safe Access to Fuel and Energy Plus (SAFE+2) programme. This plan along with donor proposal documentation has been provided as documentary evidence. Donor funding has been committed in response. The Representation considers that this part of the recommendation is implemented. (ii) Data collection on enhanced fuel efficiency methods is scheduled for completion by

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>end of Q4 2022, which will support evidence-based LPG refill cycle adjustments in Q1 2023 in coordination with the other UN agency involved in the provision of LPG to the Cox's Bazar refugee camps.</p> <p>(iii) UNHCR Bangladesh's LPG vendor contract allows for monthly LPG cylinder price adjustments to a globally accepted index. The Representation will endeavour to include a clause on adjusting prices in the event of lower market prices. However, it is foreseen that agreeing with the supplier on the applicable market rate will pose a challenge given the multitude of market suppliers that often provide different LPG mix that cannot be used to refill cylinders from the supplier for safety reasons and LPG's daily price fluctuations.</p> <p>(iv) The Representation works closely with three other UN partners in the SAFE+2 programme and will continue to identify opportunities for efficiency which is one of the objectives of the joint programme.</p>
9	The UNHCR Representation in Bangladesh should: (i) reconcile and	Important	Yes	Senior Administrative Coordinator -	30 June 2023	(i) The Representation expects to receive the final statement from

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
	close the Medical Treatment Facility (MTF) records; (ii) recover the \$500,000 owed by other United Nations agencies; and (iii) under the leadership of the UNHCR Medical Section, use the lessons learned from the MTF contract to develop guidance on due diligence and management of health facilities.			Finance/Head of Service (Staff health and Welfare) -Division of Human Resources		<p>the supplier by end March 2023, based on which the records will be reconciled and closed. Relevant documents will be sent when this part of the recommendation is fully implemented.</p> <p>(ii) The Representation has already issued the invoices to the concerned Agencies, one of which has already reimbursed its share. The remaining two agencies are expected to settle their share by latest 15 December as this was set as a deadline. Documentary evidence will be provided upon full implementation.</p> <p>(iii) The Representation has liaised with the medical section and will provide the relevant information to develop the due diligence guidance. The guidance will be shared once completed.</p>
10	The UNHCR Representation in Bangladesh should: (i) strengthen its due diligence prior to delegating procurement to partners; (ii) strengthen its monitoring of procurement conducted by partners; (iii) recover the ineligible value added tax paid by a partner; (iv) reduce procurement delegated to partners where high risks, including fraud risks, were identified; and (v) conduct a cost benefit analysis	Important	Yes	Senior Supply Officer/Senior Programme Officer/Senior Project Control Officer	31 May 2023	(i) The Representation has already strengthened the procurement assessment capacity of applicant partners during the recent call for expression of interest and will further strengthen the comparative advantage analysis prior to delegating procurement to implementing partners by expanding the scope of the review and

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	to inform its decision to purchase or rent vehicles.					<p>including additional elements in the analysis. Documentary evidence will be provided once this part of the recommendation is fully implemented.</p> <p>(ii) The Representation will strengthen its monitoring of procurement conducted by partners by increasing the sample size to ensure wider coverage during the verification exercises. 2022 year-end and 2023 quarter 1 verification reports will be shared to provide evidence of implementation.</p> <p>(iii) The Representation has initiated procedures to recover the ineligible value added tax and will provide documentary evidence as soon as this part of the recommendation is fully implemented which is expected by 31 January 2023.</p> <p>(iv) The Representation will take these risks into account and reduce procurement delegated to concerned partners for 2023.</p> <p>(v) The cost benefit analysis will be conducted with GFM support by 31 December 2022. The analysis will be provided to</p>

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						auditors as soon as it is completed.