



INTERNAL AUDIT DIVISION

REPORT 2013/145

Audit of United Nations High Commissioner for Refugees operations in Ghana

Overall results relating to the effective management of UNHCR operations in Ghana were initially assessed as partially satisfactory. Implementation of four important recommendations remains in progress.

FINAL OVERALL RATING:
PARTIALLY SATISFACTORY

26 December 2013
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AUDIT REPORT

Audit of United Nations High Commissioner for Refugees operations in Ghana

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of United Nations High Commissioner for Refugees (UNHCR) operations in Ghana (hereafter referred to as ‘the Representation’).
2. In accordance with its mandate, OIOS provides assurance and advice on the adequacy and effectiveness of the United Nations internal control system, the primary objectives of which are to ensure (a) efficient and effective operations; (b) accurate financial and operational reporting; (c) safeguarding of assets; and (d) compliance with mandates, regulations and rules.
3. The Representation commenced operations in 1991. It was under the Senegal Regional Representation for West Africa, and provided international protection and humanitarian assistance to refugees. Its population of concern, at the end of 2012, consisted of 18,617 refugees and asylum seekers mainly from three countries (Liberia, Côte d’Ivoire and Togo), which were assisted by UNHCR. The refugees were in five camps, namely Ampain, Budumburam, Egyeikrom, Fetentaa and Krisan. In 2012, the population of concern continued to decrease as a result of voluntary repatriation, resettlement and local integration of Liberian refugees. A total of 4,710 individuals were repatriated to Liberia during the year, while 3,800 opted for local integration.
4. The Representation had expenditure totalling \$9.1 million in 2011 and \$6.2 million in 2012. As at 31 March 2013, the Representation had 52 posts of which 51 were filled. Of these, 32 posts were based in Accra, 13 at the field office in Takoradi and seven at a field unit in Sunyani. The Representation held 46 property, plant and equipment items with a purchase value of \$1.5 million; as well as 327 serially tracked items with a purchase value of \$0.5 million.
5. Comments provided by the UNHCR Representation in Ghana are incorporated in *italics*.

II. OBJECTIVE AND SCOPE

6. The audit was conducted to assess the adequacy and effectiveness of the Representation’s governance, risk management and control processes in providing reasonable assurance regarding the **effective management of UNHCR operations in Ghana**.
7. The audit was included in the OIOS 2013 risk-based annual audit work plan due to risks related to the adequacy of the control environment. The last audit of the Representation was done in 2009.
8. The key controls tested for the audit were project management and regulatory framework. For the purpose of this audit, OIOS defined these key controls as:
 - (a) **Project management:** controls that are designed to provide reasonable assurance that there is: accurate and complete monitoring and reporting of Representation’s project activities.

(b) **Regulatory framework:** controls that provide reasonable assurance that policies and procedures exist, are adequate and are effective in guiding the Representation.

9. The key controls were assessed for the control objectives shown in table 1 below.

10. OIOS conducted the audit from April to May 2013. The audit covered the period from 1 January 2011 to 31 March 2013.

11. OIOS conducted an activity-level risk assessment to identify and assess specific risk exposures, and to confirm the relevance of the selected key controls in mitigating associated risks. Through interviews, analytical reviews and tests of controls, OIOS assessed the existence and adequacy of internal controls and conducted necessary tests to determine their effectiveness. This included interviews with UNHCR officials at Accra, Sunyani and Takoradi, and visits to implementing partners and four camps, namely Fetentaa, Egyeikrom, Ampain and Krisan. OIOS also reviewed operational documentation, administrative guidelines and sampled purchase orders and data from Managing Systems, Resources and People.

III. AUDIT RESULTS

12. The Representation's governance, risk management and control processes examined were initially assessed as **partially satisfactory** in providing reasonable assurance regarding the **effective management of UNHCR operations in Ghana**. OIOS made seven recommendations to address issues identified in the audit.

13. Controls over project management were assessed as partially satisfactory because of the need to acquire appropriate refrigeration equipment and to create space for the storage of vaccines and medical drugs at Ampain camp. In addition, the Representation needed to improve school structures to retain pupils discouraged by high temperatures in classrooms. Action was taken to improve health service delivery at the Egyeikrom Camp health centre.

14. Controls over the regulatory framework were assessed as partially satisfactory because safeguards of confidentiality needed to be enhanced with regard to interpretation services offered to the population of concern. Resettlement expectations among refugees needed to be properly managed and resettlement files needed to be kept more securely. Additionally, members of the Local Committee on Contracts needed to undergo training for more effective management of procurement practices. Action was taken to manage resettlement expectations among refugees and to arrange for a more secure way of storing resettlement files. Action was also taken to fully implement Minimum Operating Security Standards.

15. The initial overall rating was based on the assessment of key controls presented in table 1 below. The final overall rating is **partially satisfactory** as implementation of four important recommendations remains in progress.

Table 1: Assessment of key controls

Business objective	Key controls	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Effective management of UNHCR operations in Ghana	(a) Project management	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory
	(b) Regulatory framework	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory
FINAL OVERALL RATING: PARTIALLY SATISFACTORY					

A. Project management

Action was taken to improve health service delivery at the Egyeikrom Camp health centre

16. UNHCR camp standards for health require that a primary health care centre should have at least two full-time qualified health staff; and be open at least five days a week, with provisions for out-of-hour services and emergency referrals.

17. An implementing partner managed the Egyeikrom camp, including the camp’s health centre, on UNHCR’s behalf. However, the concerned staff operated the clinic for a few unpredictable hours per day which resulted in long absences. When OIOS visited the clinic during working hours, there was no one operating it and no explanation was given for the absence. Representatives of the population of concern also complained that the availability of the clinic staff was unpredictable, as long periods of absence during working hours were a frequent occurrence. The Representation corroborated this fact but explained the situation as follows: the clinic was operated by staff from the Ghana Health Service, with whom the Representation did not have a sub-agreement. Instead, the Representation paid allowances through an implementing partner to the Ghana Health Service staff operating the clinic. Despite the allowances paid, both the Representation and the implementing partner did not ensure that Ghana Health Service staff stayed in office on a full-time basis as required by UNHCR standards. The long absences and unpredictable availability of medical staff made it difficult for medical emergencies in the camp to be handled more efficiently.

(1) The UNHCR Representation in Ghana should work with the implementing partner responsible for health care services at the Egyeikrom camp to improve the delivery of service.

The UNHCR Representation in Ghana accepted recommendation 1 and stated that continued discussions with the host government’s health agency and the implementing partner on more efficient and effective delivery of health services at the Egyeikrom camp resulted in the engagement of additional medical staff (effective November 2013). This enabled staff rotation and therefore a constant presence of medical personnel at the clinic. Based on the action taken by the Representation, recommendation 1 has been closed.

Need to acquire appropriate refrigeration equipment and to create space for the storage of vaccines and medical drugs at Ampain camp

18. The medical staff at Ampain Camp indicated that the temperature parameters of the camp's refrigerator were inappropriate for the storage of vaccines. This shortcoming needed to be addressed since it could shorten the life span of vaccines. One hundred and thirty medicine cartons were also not properly arranged due to inadequate storage space at the clinic. They did not have labels, clear displays of expiry dates, or bin cards for recording their contents. These shortcomings could make it difficult for the Representation to discover losses of medical drugs in the event of pilferage.

(2) The UNHCR Representation in Ghana should acquire suitable refrigeration equipment for medicines and vaccines and create space for the proper storage of drugs in the clinic at the Ampain camp.

The UNHCR Representation in Ghana accepted recommendation 2 and stated that since refrigerators for vaccine storage were of a specialised nature, it had liaised with the United Nations Children's Fund to secure three such refrigerators for all new camps. An expansion of clinic space had also been effected at the Ampain Camp clinic which had enabled the installation of shelves for drug storage. Recommendation 2 remains open pending delivery and installation of refrigerators requested from the United Nations Children's Fund.

The Representation needed to improve school structures to retain pupils discouraged by high temperatures in classrooms

19. According to the Representation's 2012 year-end report, primary school education was provided in all the camps, with 63 per cent of children aged 6 to 13 years enrolled. This level of enrolment was not consistent with UNHCR minimum education standards, which require a 100 per cent enrolment of children in this age group.

20. Camp schools only retained 63 per cent of the children. A major contributing factor for this was that classrooms roofed with plastic sheets were too hot especially at the Ampain and Fetentaa camps. Temperatures inside the classrooms sometimes rose to higher than 40 degrees Celsius. The Representation stated that it lacked funds to construct structures that could provide cooler temperatures.

(3) The UNHCR Representation in Ghana should explore ways of achieving a cooler environment in the classroom shelters in order to encourage children to continue with schooling, and reduce dropout rates.

The UNHCR Representation in Ghana accepted recommendation 3 and stated that while the United Nations Children's Fund provided funds (through its implementing partner) for the upgrade of eight out of 24 existing classrooms, the Representation had in its 2014 budget prioritised the construction of an additional eight classroom units. These structures would be constructed using building materials called raffia from the local community, and with a combination of refugee, host community and specialised labour. The upgrade of the remaining classrooms was subject to the availability of funds. Recommendation 3 remains open pending receipt of evidence of the upgrading of the structures to encourage children to continue with schooling, and reduce dropout rates.

B. Regulatory framework

Safeguards of confidentiality needed to be enhanced with regard to interpretation services offered to the population of concern

21. UNHCR guidelines require interpreters for refugees to agree in advance that they will respect the principle of confidentiality, remain impartial, and uphold the highest standards of efficiency, competence and integrity in their work. These interpreters are also required to sign an Undertaking of Confidentiality and Impartiality as well as the UNHCR Code of Conduct for non-staff personnel, and to participate in refresher courses on the Code of Conduct organized at the field level.

22. Due to inadequate supervision, the Representation did not adhere to these requirements as indicated below:

- all six refugees hired as interpreters in clinics did not agree in advance that they would respect the principle of confidentiality, remain impartial and would uphold the highest standards of efficiency, competence and integrity in their work;
- four interpreters did not sign the Undertaking of Confidentiality and Impartiality; and
- none of the interpreters signed the UNHCR Code of Conduct.

23. Having been unable to comply with these confidentiality procedures, the Representation had no guarantee that confidentiality would be maintained by the interpreters. This increased the risk of private medical information of individual refugees being disclosed inappropriately.

(4) The UNHCR Representation in Ghana should include interpreters in the field training on confidentiality and impartiality, and also make them sign the Undertaking of Confidentiality and Impartiality as well as the Code of Conduct.

The UNHCR Representation in Ghana accepted recommendation 4 and stated that interpreters would participate in a Code of Conduct Training scheduled for December 2013, after which they would sign the Undertaking of Confidentiality and Impartiality, and the Code of Conduct. Recommendation 4 remains open pending receipt of evidence that the training was conducted and interpreters signed the required documents.

Action had been taken to manage resettlement expectations among refugees and to keep resettlement files more securely

24. The following shortcomings were identified regarding the Representation's standard operating procedures for resettlement:

- There was a gap in the Representation's standard operating procedures as they did not have steps for managing the refugees' resettlement expectations. The operation had a history of violent protests arising from unmet resettlement needs. The risk of such violence occurring again still existed, as expectations of resettlement prevailed among the population of concern. Failure to manage these expectations could result in new incidents of violence and other forms of protest among the population of concern.
- There was a need to improve the security of individual case files as a safeguard to fraud. Although the standard operating procedures required that files be kept in lockable filing cabinets

inside a registry that should itself be locked, the Representation's lockable filing metal cabinets remained unlocked as reliance was placed only on the locking of the registry's door alone. Anybody entering the room could have access to the confidential files, which could lead to loss of sensitive information to third parties.

(5) The UNHCR Representation in Ghana should address in its standard operating procedures the management of resettlement expectations among refugees, and also strengthen the security of resettlement files.

The UNHCR Representation in Ghana accepted recommendation 5 and stated that resettlement expectations among refugees were widely addressed through the established extensive counselling mechanism throughout the operational area. Refugees were counselled on one-on-one basis, and each individual case was provided with information that was of benefit to the person of concern in the process of searching for the most adequate durable solution. Access to the resettlement files had also been limited to the staff members engaged directly in resettlement processing. Based on the action taken by the Representation, recommendation 5 has been closed.

Members of the Local Committee on Contracts needed to undergo training

25. OIOS noted the following issues with regard to the activities of the Local Committee on Contracts (LCC):

- Minutes of the Committee's meetings were not adequately detailed to reflect the Committee's deliberations and decisions. The Committee's decisions were unclear in six instances and some of its choices were made without adequate cost analyses. Management/attendees of the Committee's meetings also did not carefully review the accuracy of the minutes.
- A review of LCC minutes noted five instances of questionable waivers of competitive bidding, which were granted without appropriate justifications.
- The LCC did not ask the Supply section for notifications of situations in which contracts entered into with particular vendors cumulatively exceeded \$20,000 within the previous 12 months. This information would have assisted the Committee to ensure that it was sufficiently involved in cases that crossed the \$20,000 threshold.

26. These shortcomings indicated that the LCC was not consistently ensuring that value for money was being obtained in all procurement cases. They were caused by the inadequate training of LCC members.

(6) The UNHCR Representation in Ghana should arrange training for members of its Local Committee on Contracts, with support from the Senegal Regional Representation, for more effective management of procurement activities.

The UNHCR Representation in Ghana accepted recommendation 6 and stated that a training pack forwarded from UNHCR headquarters had been shared with members of the Local Committee on Contracts and all members had done the initial reading of the training materials. A webinar session was to be organised with a facilitator to teach on the requisite subject matter to enable completion of the training session. Recommendation 6 remains open pending receipt of evidence that the required training was conducted for LCC members.

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IV. ACKNOWLEDGEMENT

28. OIOS wishes to express its appreciation to the Management and staff of the UNHCR Representation in Ghana for the assistance and cooperation extended to the auditors during this assignment.

(Signed) David Kanja
Assistant Secretary-General for Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of United Nations High Commissioner for Refugees operations in Ghana

Recom. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	The UNHCR Representation in Ghana should work with the implementing partner responsible for health care services at the Egyekrom camp to improve the delivery of service.	Important	C	Action completed.	Implemented
2	The UNHCR Representation in Ghana should acquire suitable refrigeration equipment for medicines and vaccines and create space for the proper storage of drugs in the clinic at the Ampain camp.	Important	O	Delivery and installation of refrigerators requested from the United Nations Children's Fund	31 January 2014
3	The UNHCR Representation in Ghana should explore ways of achieving a cooler environment in the classroom shelters in order to encourage children to continue with schooling, and reduce dropout rates.	Important	O	Receipt of evidence of the upgrading of the structures to encourage children to continue with schooling, and reduce dropout rates.	31 December 2014
4	The UNHCR Representation in Ghana should include interpreters in the field training on confidentiality and impartiality, and also make them sign the Undertaking of Confidentiality and Impartiality as well as the Code of Conduct.	Important	O	Receipt of evidence that the training was conducted and interpreters signed the required documents.	31 December 2013
5	The UNHCR Representation in Ghana should address in its standard operating procedures the management of resettlement expectations among refugees, and also strengthen the security of resettlement files.	Important	C	Action completed.	Implemented

¹ Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

² Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

³ C = closed, O = open

⁴ Date provided by United Nations High Commissioner for Refugees in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of United Nations High Commissioner for Refugees operations in Ghana

Recom. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
6	The UNHCR Representation in Ghana should arrange training for members of its Local Committee on Contracts, with support from the Senegal Regional Representation, for more effective management of procurement activities.	Important	O	Receipt of evidence that the required training was conducted for members of the Local Committee on Contracts.	31 March 2014

APPENDIX I

Management Response

MANAGEMENT RESPONSE

Audit of United Nations High Commissioner for Refugees Operations in Ghana

Rec no.	Recommendation	Critical / Important	Accepted? (Yes/No)	Title of Responsible individual	Implementation date	Client Comments
1	The UNHCR Representation in Ghana should work with the Implementing Partner responsible for health care services at the Egeyikrom camp to improve the delivery of service.	Important	Yes	Associate Community Service Officer	December 2013	Continued discussions with the Ghana Health Services (GHS) and the Implementing Partner, on more efficient and effective delivery of Health services at the Egeyikrom camp, has resulted in the engagement of an additional medical staff (effective November 2013). This enables staff rotation, and therefore a constant presence of medical personnel at the clinic. The camp clinic currently opens from 8:00am to 4:00pm. On Saturdays, the clinic operates from 8:00am to 12:00 noon. The ambulance is on duty 24 hours and a Physician Assistant from the nearby health centre (9 km from the camp) is on call to attend to cases after 16:00.
2	The UNHCR Representation in Ghana should acquire suitable refrigeration equipment for medicines and vaccines and create space for the storage of drugs in the clinic at the Ampain camp	Important	Yes	Associate Community Service Officer	January 2014	Fridges for vaccine storage are of a specialised nature. The Representation has liaised with UNICEF to secure three such refrigerators for all new camps and awaits delivery. An expansion of clinic space has been affected at the Ampain camp clinic which has enabled the installation of shelves for drug storage.
3	The UNHCR Representation in Ghana should explore ways of achieving a cooler environment in the classroom shelters, in order to encourage children to continue with schooling and reduce dropout rates	Important	Yes	Associate Programme Officer	December 2014	While UNICEF has provided funds (through its implementing partner) for the upgrade of 8 out of 24 existing classrooms, the Representation has in its 2014 budget prioritised the construction of another 8 classroom units. These structures will be constructed using building materials called raffia from the local community, and with a combination of refugee, host community and specialised labour. The upgrade of the remaining classrooms is subject to availability of funds.

MANAGEMENT RESPONSE

Audit of United Nations High Commissioner for Refugees Operations in Ghana

Rec no.	Recommendation	Critical / Important	Accepted? (Yes/No)	Title of Responsible individual	Implementation date	Client Comments
4	The UNHCR Representation in Ghana should make interpreters sign the Undertaking of Confidentiality and Impartiality, the Code of Conduct and also include them in the field training on confidentiality and impartiality.	Important	Yes	Protection Officer	December 2013	Interpreters are to participate in Code of Conduct Training scheduled for December 2013, after which they will sign the Undertaking of Confidentiality and Impartiality, and the Code of Conduct.
5	The UNHCR Representation in Ghana should address in its standard operating procedures the management of resettlement expectations among refugees, and also strengthen the security of resettlement files.	Important	Yes	Assistant Durable Solutions Officer	January 2014	Resettlement Expectations among the refugees are widely addressed through the established extensive counselling mechanism throughout the operational area. Refugees are counselled on one on one basis, and each individual case is provided with information that is of benefit to her/ him in the process of searching for the most adequate durable solution. Access to the resettlement files is limited to the staff members engaged directly in resettlement processing. However, additional security will be established by ensuring the double lock system (physically locked premises and locked cabinets within the premises).
6	The UNHCR Representation in Ghana should arrange training for members of its Local committee on Contracts, with support from the Senegal Regional Representation, for more effective management of procurement activities.	Important	Yes	Administrative Officer	March 2014	A training pack forwarded from Headquarters has been shared with Local Committee Members (LCC), all members have done the initial reading of the training materials, and subsequently a webinar session is to be organised, with a facilitator to teach on the requisite subject matter to enable completion of the training session.

MANAGEMENT RESPONSE

Audit of United Nations High Commissioner for Refugees Operations in Ghana

Rec no.	Recommendation	Critical / Important	Accepted? (Yes/No)	Title of Responsible individual	Implementation date	Client Comments
1	[REDACTED]	[REDACTED]			[REDACTED]	[REDACTED]