Office of Internal Oversight Services

INTERNAL AUDIT DIVISION

REPORT 2025/027

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

The Representation should address important gaps and reinforce controls over the delivery of services to forcibly displaced persons in a timely and cost-effective manner

30 June 2025
Assignment No. AR2023-141-02

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

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of the operations in Afghanistan for the Office of the United Nations High Commissioner for Refugees (UNHCR). The objective of the audit was to assess whether the Representation in Afghanistan was executing UNHCR's mandates in a timely, cost-effective manner and in compliance with UNHCR's policies. The audit covered the period from 1 January 2022 to 31 December 2023 and included (a) emergency preparedness and response; (b) cash-based interventions (CBIs); (c) return and reintegration; (d) shelter and settlement; (e) construction of infrastructure; (f) procurement; and (g) travel management.

The Representation operated in a complex environment characterized by the unpredictable security situation, constrained resource environment, protracted displacement caused by conflict and climate change and the forced return of displaced persons due to shrinking protection space for Afghans in neighbouring countries. This impacted the Representation's ability to respond to emergencies and deliver assistance to forcibly displaced persons in priority areas of return. It also created inequities in aid distribution and increased vulnerability as well as protection and statelessness risks among displaced persons, especially women and girls. This called for the Representation to strengthen its collaboration with other stakeholders within the cluster structure, emergency response, programme management including cash-based intervention, and partnership management to deliver services in a timely and cost-effective manner. The Representation also needed to strengthen the management of construction projects and procurement.

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

- Transit from the interim information systems employed during the emergencies to institutional ones for CBIs.
- Reinforce deduplication control by: (a) implementing available related tools; and (b) analyzing individual-level beneficiary data to identify and eliminate possible duplicate enrollments.
- Strengthen the reconciliation of manifests to payment lists by automating related processes for cash distributed by partners.
- Use the results of household-level rapid assessments to inform its returns and reintegration programme for effectiveness and address gaps in the support provided by different stakeholders.
- Enforce consistent eligibility criteria to ensure the equitable and cost-effective delivery of the shelter programme aligned with the beneficiary needs.
- Strengthen its management of infrastructure projects by: (a) updating Standard Operating Procedures for related projects; (b) systematically applying financial instruments; and (c) strengthening its monitoring of construction works.
- Strengthen technical evaluation of solicitations.
- Enhance its travel management by (a) effective supervision to ensure full compliance with the organization's travel policy; and (b) reinforcing the controls over travel agent performances.

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

CONTENTS

Audit of the operations in Afghanistan 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 the operations in Afghanistan for the Office of the United Nations High Commissioner for Refugees (UNHCR).

2. The UNHCR Representation in Afghanistan (hereinafter referred to as 'the Representation') was established in 1988 to facilitate the repatriation of Afghan refugees. UNHCR has since 2002 supported the return of over 5.3 million refugees and provided reintegration assistance to internally displaced persons (IDPs), IDP returnees, refugee returnees and host communities. As of 31 December 2023, Afghanistan was home to 3.2 million IDPs, 31,605 IDP returnees, and 54,870 refugee returnees from Pakistan and Iran. The country also had 34,827 refugees and asylum seekers, primarily from Pakistan.

3. The Representation continued using the policy frameworks agreed upon with the former government even after the takeover by the de facto authorities (DfA) in August 2021, i.e., (i) the Tripartite Agreement for Voluntary Repatriation (VolRep) of Afghans from Pakistan; (ii) the Solutions Strategy for Afghan Refugees and the Quadripartite arrangements among Afghanistan, Pakistan, Iran and UNHCR (iii) the Priority Areas of Return and Reintegration to create favorable conditions in areas of return; and (iv) supporting durable solutions in the 80 Priority Areas of Return and Reintegration.

4. The Representative was at the D-2 level and reported to the Director of the Regional Bureau for Asia and the Pacific (Regional Bureau). As of 31 December 2023, the Representation had 348 posts and 30 affiliate workers in its branch office in Kabul, three sub-offices in Kandahar, Jalalabad and Mazar-i-Sharif, two Field Offices in Herat and Gardez, and three Field Units in Kabul, Kunduz and Bamyan. The Representation spent $219 and $180 million in 2022 and 2023, respectively. It worked with 23 (2022) and 19 partners (2023), who implemented 26 and 47 per cent, respectively, of the overall operating level budget.

5. To acquire, process and store data related to operations under review, the Representation relied on institutional and locally developed information systems and applications such as proGres, CashAssist, Managing Systems, Resources and People (MSRP), Cloud ERP, COMPASS, Workday, the Global Distribution Tool (GDT) and the Afghan Refugee Return Database.

6. Comments provided by UNHCR are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

7. The objective of the audit was to assess whether the Representation in Afghanistan was executing UNHCR's mandates in a timely, cost-effective manner and in compliance with UNHCR's policies.

8. This audit was included in the 2024 OIOS risk-based work plan due to risks related to the complexity of running operations in Afghanistan caused by several emergency declarations in response to displacements caused by conflict and natural disasters.

9. OIOS conducted the audit from April to November 2024. The audit covered the period from 1 January 2022 to 31 December 2023 and covered higher and medium risk areas: (a) emergency preparedness and response; (b) cash-based interventions; (c) return and reintegration; (d) shelter and

settlement; (e) construction of infrastructure; (f) procurement; and (g) travel management. The reporting was deferred to accommodate the results from the audits of CashAssist and travel management that included Afghanistan operation as one of the case studies.

10. The audit methodology included: (a) interviews with key personnel; (b) review of relevant documentation; (c) analytical review of data, including financial data from UNHCR enterprise resource planning system and performance data from UNHCR results-based management system; (d) sample testing of controls and utilization of data analytics from UNHCR business intelligence application; (e) visits to the Representation offices and partners implementing UNHCR projects in Afghanistan; and (f) direct observation of programme activities and deliverables.

11. OIOS assessed the reliability of data related to registration, CBIs, and procurement by (a) testing data collected, processed and stored in proGres, CashAssist, MSRP and Cloud ERP for accuracy and (b) interviewing UNHCR Afghanistan personnel knowledgeable about the data. Additionally, OIOS traced a random sample of data to source documents. Except for the data quality issues reported in this report, OIOS determined that the data were generally reliable for the purpose of addressing audit objectives.

12. The audit was conducted in accordance with the Global Internal Audit Standards.

III. AUDIT RESULTS

A. Emergency preparedness and response

13. The Representation responded to three emergencies in the period under audit as per table 1 below.

Table 1: **Emergencies in the period under audit**

Dates	Level	Details	Status
25 August 2021 to 24 May 2022	L3	Displacement happened when the DfA took over government. It displaced half of the population and left them in need of assistance	Closed
10 October 2023 to 9 March 2024	L2	Displacement was caused by the earthquake in the Herat region	Closed
10 November 2023 to 9 May 2024	L2	Displacement caused by the forceful repatriation of Afghans from Pakistan following the Government of Pakistan's Illegal Foreigners' Repatriation Plan	Closed

14. UNHCR conducted an L3 Real-Time review, L2 Joint Senior Level Mission and L3 evaluation of the emergency response. These internal reviews acknowledged positive aspects such as the Bureau and Representation's leadership, preparedness, and collaboration but also identified specific areas for improvement and lessons learned; including (i) the need to better integrate the border humanitarian consortium of actors into response planning, (ii) the need to align humanitarian strategies more closely with actual needs; (iii) addressing the overlapping non-government organization activities, duplication of efforts and uneven quality control by implementing partners, and (iv) enhance efficiency in operational processes during the emergency. The audit further corroborated and identified specific weaknesses in the planning for and the execution of the emergency responses. These weaknesses impacted the efficiency and effectiveness of assistance delivery, as below.

(a) Emergency planning

15. The Representation had contingency plans to direct the response for the L2 emergency in November 2023 and L3 emergency in August 2021. There was no plan prepared for the L2 emergency

following the Herat earthquake in October 2023, as critical preparedness actions—information management and registration strategies, protection response frameworks, emergency shelter protocols and local supply agreements—were still in progress at that time. OIOS review of the plan and planning process noted the following:

- The L2 emergency in November 2023 did not have preparedness actions regarding: (i) additional staff capacity required to respond; (ii) mechanisms to track the returnee population and address their distinct protection risks; (iii) established local supply framework agreements and (iv) operational arrangements for providing timely shelter to returnees.
- The L3 emergency plan did not effectively address the challenges in identifying suitable partners to deliver services to IDPs; with delays of up to four months noted in signing project agreements, and delays of up to five months in deploying 78 staff during the L3 emergency in 2021. Furthermore, IDPs were not linked to the Priority Areas of Return and Reintegration under the L3 emergency plan, and this impacted their access to public services and livelihood opportunities.

(b) Responding to the emergencies

16. The effectiveness and efficiency of the Representation's response to the emergencies was impacted in the following ways:

- The lack of a plan and formal coordination mechanism, especially under the L2 emergency in October 2023 created challenges in: (i) engaging the DfA; and (ii) clarifying stakeholder roles, with one United Nations agency laying claim to UNHCR's mandated protection role and another leading the coordination of humanitarian affairs without the appropriate mandate.
- As the lead of the Protection Cluster, the Representation did not: (i) develop strategies to ensure identified needs were met; (ii) map stakeholder capacity and demarcate geographic areas of responsibility; and (iii) mobilize resources. As a result, gaps and duplications in service delivery by various agencies and partners emerged.
- The Representation had incomplete IDP and returnee data because the collection of data was carried out only at eight official border crossings, leaving out an estimated 42 other unofficial crossings due to insecurity and lack of DfA authorization. The lack of data sharing agreements with other United Nations agencies and inconsistent use of identifiers further hindered the comprehensive understanding of the needs and assistance provided.

17. Following the audit fieldwork, the Representation implemented measures to address the emergency-related audit findings, including updating the contingency plans, establishing framework agreements with local suppliers, enhancing inter-agency collaboration, establishing a roster for emergency staff and developing a comprehensive protection strategy. Accordingly, no recommendation has been made in this regard.

B. Cash-based Interventions (CBIs)

18. The Representation primarily used cash assistance as a modality for service delivery. It distributed CBI totalling $162 million to 2.5 million forcibly displaced persons in 2022 and 2023 primarily for: (i) well-being and basic needs; (ii) returns and reintegration; and (iii) shelter and settlement. The Representation directly implemented $152 million (94 per cent) of the CBIs distributed. Of the total cash distributed, 78, 17 and 5 per cent was disbursed to IDPs, returnees and refugees, respectively.

Need to transition from temporary systems set up during emergencies to UNHCR corporate ones

19. The Representation used the CashAssist system to distribute cash assistance totalling 83 per cent ($135 million) of the $162 million provided to displaced persons during the audit period. CashAssist is UNHCR's corporate cash assistance management system for creating and sending secure payment instructions to financial service providers. The Representation also deployed other systems and tools including the Kobo toolbox[1], the Staging Hub[2], the deduplication tool[3] and the Global Distribution Tool[4] during the emergency, which was a workaround in response to constraint that prevented its collection of biometric data except for a small portion of the refugee caseload.

20. However, the Representation was yet to take steps to transition from these temporary arrangements instituted during the emergencies to the use of the standard UNHCR systems such as proGres and Biometric Identity Management System (BIMS). The systems and tools used were not integrated, and as needs and workflows evolved over time, the gaps between them became evident.

21. The use of multiple systems was not only inefficient and prone to inaccuracies but also complicated the extraction, reconciliation, integration and validation of data across the different systems. For example, the Representation did not have consolidated data on the total assistance provided to households. This was because unlike proGres, Kobo did not have case management capabilities and resulted in beneficiary data being collected multiple times for different CBI types and, each time, using a different identifier, e.g., reference number in Kobo and household ID in CashAssist.

22. The Representation responded that a Data Protection Impact Assessment was underway to guide future decisions on the appropriate use of the systems.

(1) The UNHCR Representation in Afghanistan should develop an action plan to transition from the interim information systems employed during the emergencies to the standard institutional systems for Cash-based Interventions.

UNHCR accepted recommendation 1 and stated that the operation had started to transition to the use of standard international tools for the management of CBI, including: (i) the deployment of proGres in May 2025; (ii) the discontinuation of the staging server and real time synchronization with both the Household Multi-Sectoral Needs Assessment tool and CashAssist; (iii) biometric registration for returnees; and (iv) UNHCR tokens as unique household identifiers for vulnerable IDPs and host communities to prevent duplicate enrolments and support accurate targeting.

Deduplication of cash-based interventions' beneficiaries needed significant strengthening

(a) Lack of unique identifiers

23. While CashAssist assigned unique IDs to households that were processed through the deduplication tool and Staging Hub, in three instances, the same ID was assigned to two households and in three other instances, cash assistance was released to households with the same invalid ID. This was attributed to integration gaps between the Staging Hub and CashAssist, which would have been avoided had proGres been used. The audit also noted that the Representation used different household identifiers across the

[1] Kobo is a toolkit for collecting and managing data especially during humanitarian emergencies.
[2] The Staging Hub was used as an alternative solution in situations where an operation is not using proGres.
[3] Developed by the Regional Bureau for usage in the Representation, in absence of proGres usage. Deduplication involves comparing lists of forcibly displaced persons to eliminate duplicates, i.e., double payments.
[4] UNHCR's corporate tool for identity management and assistance tracking at the point of assistance distribution.

different population groups, e.g., identification numbers or Tazkira[5] for IDPs and VolRep case numbers for returnees because returnees who had been out of the country for over 40 years did not have the Tazkiras. The absence of a common beneficiary identifier created challenges in identifying duplicate beneficiaries across caseloads increasing the risk of duplicative payments.

24. In addition, from the sample records reviewed, the audit identified instances where beneficiaries were registered as both IDPs and refugees. This contravened UNHCR guidance. The representation explained that it was due to individuals that were initially categorized as IDPs changing their status and self-identifying as refugees during the RHAF. However, such individuals were not registered in proGres as refugees.

(b) Gaps in the functionality of the Representation's deduplication tool

25. The Representation minimally used UNHCR's corporate systems, i.e., proGres v4 and BIMS for identifying duplicates. Instead, the Representation had its own deduplication tool which matched the names of heads of households and unique identifiers within one population type. However, it was ineffective:

- The limited number of individuals registered in proGres restricted effectiveness in identifying duplicates. Moreover, beneficiaries listed in proGres could enroll for other cash assistance types outside the system using different identifiers, which the deduplication tool could not detect.
- When duplicates were confirmed by the deduplication tool, changes were made to the assistance provided. However, they were not deleted or deactivated from the Kobo Toolbox. Thus, the risk of duplicate payments remained, particularly when new CBI types were considered.
- The deduplication tool also could not detect duplicates in instances where households did not have unique identifiers. From the 246,197 households reviewed, the audit identified 21,569[6] instances totalling $10.3 million that had invalid, missing, or duplicate identifiers. The Representation acknowledged the existence of 2,539 potential duplicates based on its initial data review, but it needed to extend its analysis and verification to establish whether other duplicates existed.
- The Representation only had biodata for focal points of households and thus, other household members that may have been enrolled for assistance using different unique identifiers were not identified by the deduplication tool.

(c) Potential duplications

26. The lack of complete and reliable data and limited functionality of the deduplication tool used raise the risk of duplicate payments to beneficiaries. OIOS' review of a sample of payments identified the following issues that indicated challenges with instituted deduplication processes:

- 18,956 households that received cash totalling $7.1 million were registered under different names and beneficiary identifiers, but their other biodata (arrival date, household size, and telephone number) were the same. These cases required greater scrutiny to rule out the risk that the same family was enrolled multiple times under different identifiers and household heads.
- 249 households that received cash totalling $93,919 had identical legacy identifiers (Tazkira or VolRep number) and dates of birth within the same cash plans. Of 249, 44 households received multiple payments within the same cash plan. While the Representation justified this on the basis

[5] Tazkira is the official Afghan national identity document and serves as a valid form of identification and is linked to a national database.
[6] The identifiers of 14,534 households were not unique; and (ii) 7,035 households did not have a valid beneficiary identifier.

that beneficiaries could receive more than one installment, it contravened guidance that they would be paid once in each cash plan.

- 4,744 households that received $711,711 through three cash plans did not have the name of the beneficiaries listed for payment in CashAssist. This raised risks that the payments were not made to bona fide beneficiaries. The Representation attributed this to a technical glitch between CashAssist and Staging Hub.
- Five cases were noted where more than one payment was made to households that had similar (but not the same) beneficiary identifiers but for which the rest of the biodata was identical. For instance, one household had identical biodata but with slightly different legacy identifier numbers, i.e., 26267649 and 262667649.

(2) The UNHCR Representation in Afghanistan should strengthen deduplication controls by: (a) using UNHCR standard deduplication tools; and (b) conducting individual-level beneficiary data analyses to identify and eliminate possible duplicate enrollments.

UNHCR accepted recommendation 2 and stated that the operation has taken steps to strengthen the deduplication efforts. Key initiatives to avoid duplications of enrolment and assistance include the introduction of: (i) a unique token at household level coupled by capturing individual levels identities in the new assessment tool; (ii) version 2 of the deduplication tool that does identity matching to eliminate duplicate enrolments; (iii) Cross-Programme Eligibility Alignment for IDPs and Host Communities; and (iv) the deployment of Digital Payment Mechanisms through a Mobile money platforms and Prepaid cards, supported by blockchain technology.

Need to reinforce controls over the payment of cash

27. For the programmes that were directly implemented, the Representation prepared electronic reconciliations between payment manifests[7] from CashAssist and actual payments from the GDT. However, reconciliations for the disbursements made through partners were manual and had the following issues:

- The partners did not prepare proper reconciliations since individual transactions did not have unique identifiers to differentiate payments. Thus, the Representation assumed that the entire cash plan was distributed, with manual adjustments made for no-shows. However, this approach did not represent proper reconciliation and was prone to errors.
- The audit identified: (i) totals on payment sheets that were misaligned to those on CashAssist manifests; (ii) duplicate payments made to beneficiaries under the same plan; (iii) payments recorded twice; and (iv) beneficiaries that were listed on the manifest and not on the payment list. The Representation took steps to reinforce this reconciliation process after the audit fieldwork.

(3) The UNHCR Representation in Afghanistan should strengthen the reconciliation of manifests to payment lists by automating related processes for cash distributed by partners.

UNHCR accepted recommendation 3 and stated that further to the 2025-27 new strategic directions, the UNHCR Representation in Afghanistan has transitioned to delivering CBI primarily through direct implementation and to establish a multi-year contract for digital disbursements. Only approximately

[7] Payment manifests are payment instructions containing beneficiary level payment information such as household ID, name of household head, entitled payment amount, cash plan name, etc.

three per cent of CBI will be delivered through NGO partners using UNHCR's corporate tools, enabling automated reconciliation, after training and under close and regular UNHCR monitoring.

C. Return and reintegration

Need to review the return and reintegration programme for effectiveness

28. The reduction and reprioritization of overall funding for the Representation from $219 million in 2022 to $180 million in 2023 impacted the Representation's ability to meet the reintegration needs of the remaining populations, as noted below:

- In 2022 and 2023, the Representation only reached 2 million individuals (50 per cent of all assessed households) in all 34 provinces. The RHAF highlighted that 86 per cent of respondents had not received any humanitarian assistance from any actor.
- The Representation prioritized funds for new returns at the expense of reintegration programmes. For instance, while 89 per cent of IDPs identified food as a priority and 39 per cent identified livelihood support as a priority, these needs were not addressed, which in turn became a deterrent to their return home.
- The Humanitarian Coordination mechanism lacked systems to facilitate information sharing on assistance among actors, including the Representation, which limited the ability to prevent duplications and gaps.

(4) The UNHCR Representation in Afghanistan should reinforce the effectiveness of the returns and reintegration programme by using the results of the rapid household-level assessments to inform key decisions on: (i) increasing the outreach to beneficiaries; and (ii) addressing gaps in the support provided by different stakeholders.

UNHCR accepted recommendation 4 and stated that to reinforce the effectiveness of its returns and reintegration interventions and ensure that they remain evidence and needs-based, the operation has: (i) developed and rolled out a tool which provides more granular, multi-sectoral understanding of household needs for better targeting and prioritization; (ii) continued to engage with leading agencies of the Border Consortium and the Durable Solutions Working Group and other sectoral grouping with which it shares responsibility and accountability for the gaps in the response to return and reintegration; and (iii) continued to leverage its position of co-chair of the Data and Analysis for Solutions Technical Working Group which seeks to improve the tools and methodologies for evidence generation and use of evidence in solutions programming by the UN and INGOs.

D. Shelter and settlement

Need to ensure cost effectiveness of shelter programme

29. The Representation assisted 92,980 individuals with emergency shelters, repairs, and construction of transitional and permanent shelters totalling $50 million. Of this, $21 million (43 per cent) was delivered as in-kind assistance through funded partners, and $29 million (57 per cent) was disbursed through cash-based shelter support.

(a) Gaps related to selection criteria

30. The audit identified the following gaps in the criteria used to identify and target the most vulnerable beneficiaries:

- The eligibility criteria were not consistently applied, and this impaired the identification of the most vulnerable populations for support. For instance, although a vulnerability score of equal or greater than seven was required to qualify for cash assistance: (i) partners applied thresholds between 5 and 8; (ii) the Herat office used a threshold of between 8 and 10, thereby applying a cutoff of 10; and (iii) the Khost team enrolled families with scores as low as 3 or 4. Consequently, households received a $700 grant each in regardless of the magnitude of shelter repairs.
- 38 households in Kabul and Herat received identical grants of AFN 256,000 each, totalling AFN 9.7 million, regardless of household size, socioeconomic status or severity of shelter damage which was inefficient and not cost-effective.
- In Herat province, eligibility for permanent shelter support was contingent on the presentation of formal land-ownership documentation such as title deeds or government land-use certificates. In contrast, the Beneficiary Advisory Committees in the Khost province accepted only verbal attestations from community elders, without any written proof of tenure. This misalignment meant that vulnerable households could be excluded from assistance depending on where they lived.

(b) Construction through implementing partners

31. The audit also reviewed the shelters constructed by implementing partners and noted the following:

- The designs of shelters constructed by partners were more costly than the cluster standard. For instance, the unit cost for an earthquake-resistant and transitional shelter was $5,800 and $2,646 respectively and this exceeded the $1,375 cluster standard. This was due to increases in the cost of bricks in Herat/Badghis by 22 percent and the overall contract price in Urozgan by 45 per cent.
- Delayed disbursements for 1,000 permanent shelters in Barmal resulted in: (i) contractor overcharges totaling AFN 12,897,600 ($181,393); delays in the start of 167 of 800 planned permanent shelters in Giyan totalling $290,000; and (iii) delays in the construction of 316 out of 400 shelters planned for construction in Badghis, Farah and Herat.
- Further, the Representation did not monitor the construction by partners, and this impacted the effectiveness of the delivery of the shelter programme. For instance, the Representation did not follow up on the following issues: (i) the partner responsible for construction of a $10.4 million project in Kabul, Herat and Khost did not have the requisite paperwork and this resulted in frequent disruptions to their work; (ii) a partner had questionable costs related to duplicate payments in their payroll as well as registration of ineligible beneficiaries[8]; (iii) another partner spent 45 per cent above their budget on shelter material costs without proper justification; and (iv) another one did not meet set targets regarding emergency lighting and construction of 2,000 permanent shelters.

32. The Representation informed OIOS that it would no longer use partners to deliver shelter programmes from 2025 as it would move to CBIs as the modality for implementation.

[8] The partnership was discontinued in 2024.

(5) The UNHCR Representation in Afghanistan should enforce consistent eligibility criteria to ensure the equitable and cost-effective delivery of the shelter programme aligned with the beneficiary needs.

UNHCR accepted recommendation 5 and stated that the operation will ensure the consistent application of eligibility criteria for the selection of beneficiaries through the implementation of the HMNA tool. The Implementation Programme Management Committee has ensured cost effectiveness of shelter assistance by leading a detailed cost-benefit analysis and the adoption of the current modality of Cash for Shelter, while maintaining flexibility to use implementing partner in the future where cash modality is assessed as unfeasible.

E. Construction of infrastructure

33. During the period under audit, the Representation was implementing 166 infrastructure projects totalling $29 million as a part of its Multi-Year Protection Strategy (2022-2024). Eighty-one of these contracts were implemented directly and another 85 through partners. The projects included constructions conducted under the $5.2 million healthy lives programme.[9] This high level of investment in construction occurred because public health was not prioritized as a stand-alone programme but was integrated into the return and reintegration programme.

Need to strengthen contract management and monitoring

34. The audit identified the following gaps in available guidance, contract management, construction monitoring and use of buildings constructed, which have affected the effectiveness of the programme.

(a) Inadequate standard operating procedures (SOPs) to guide the construction and refurbishment projects

35. The Representation had inadequate guidance on infrastructure refurbishment in its 2023 SOPs, particularly regarding frequency of payments, warranties, management of the retention periods, and reporting on the functionality of completed works. This exposed the Representation to potential financial risks.

(b) Inconsistent and inadequate use of financial instruments

36. The local market did not offer a full range of banking services, and this impacted the availability and consistent use of financial instruments to safeguard the Representation's investments in construction from loss. For instance, only one of the sampled contracts had a bid security and a performance warranty in place. Further, there were inconsistencies in the liquidity fees indicated in contracts, i.e., 0.1 percent of unfinished works to 1 percent of contract value per day.

(c) Ineffective use of buildings

37. The audit noted from its visits to eight constructions that some were not in use, as outlined below. Unless they are put to effective use, these constructions did not represent best value for money:

[9] Seventy per cent of the health programme was earmarked for construction/refurbishment of health infrastructure within the Priority Areas of Return and Reintegration. The healthy lives was however deprioritized in the Multi-Year Strategy (2025-2027).

- Four clinics totalling $1 million were not in use at least six months after their construction. This was because three of them did not have power supply and the fourth lacked a phased building permit, preventing its use until the second phase of the construction was completed. The Representation established a system to address the identified issues after the audit fieldwork.
- For clinics, the Representation focused on the delivery of structures but overlooked essential operational needs. For example, the maternity clinic did not have electricity although it was situated near a power grid, and it was equipped with solar panels albeit without an installed inverter. Additionally, two refurbished 10-bed clinics had only three beds and the new laboratory only had equipment for blood and urine analysis.

(d) Ineffective monitoring

38. The Representation had a comprehensive monitoring plan for 2022 and 2023 with results updated in tracking spreadsheets. However, visits to eight construction sites revealed the following issues:

- The contractor did not construct the contracted number of chimneys. The discrepancy remained unexplained and undocumented at the time of the audit.
- Some technical issues were noted regarding: (i) waterproofing of windows; (ii) substandard carpentry work; (iii) inadequate air conditioning condensation drainage (silent flaw); (iv) horizontal cracks in the bases of the solar panel stands caused by wind; (v) mildew on the walls of the laboratory room; (vi) peeling of paint; and (vii) cracks in the ridge and perimeter walls of the functioning clinic.

(6) The UNHCR Representation in Afghanistan should strengthen its management of infrastructure projects by: (a) updating Standard Operating Procedures for related projects; (b) systematically applying financial instruments; and (c) strengthening its monitoring of construction works.

UNHCR accepted recommendation 6 and stated that the operation updated the SOPs for infrastructures to reflect evolving operational needs. The operation does not apply advance payment to vendors and has established, as of 2024, frame agreements through 2027 with a pool of 44 qualified construction contractors through a comprehensive procurement exercise. Furthermore, a construction works strategy was developed together with SOPs that highlighted the different phases and responsibilities of all parties involved in the procurement process. Additionally, the operation has updated the weekly monitoring tool to boost quality and timeliness of reporting, coupled with regular site inspections, compliance checks, and adherence to building standards. Finally, a functionality assessment is conducted periodically to ensure that no constructed structure remains unused.

F. Procurement

<u>Procurement processes needed to be strengthened</u>

39. The Representation purchased goods and services totalling $97 million, of which $17 million was related to construction.

40. Despite the large volume of procurement, the Representation did not have comprehensive annual procurement plans, which resulted in ad hoc purchases. For example, the Representation did not consolidate the purchase of goods and services, which was a missed opportunity to reap economies of scale from the purchase of videography services and gas stoves totalling $588,161 and $239,700, respectively.

After the audit fieldwork, the Representation developed a procurement plan addressing the issues raised above and thus, no recommendation in this regard is raised.

41. The audit reviewed 39 purchase orders totalling $13 million and noted that the Representation in most cases adequately adopted a conservative approach, opting for formal solicitation procedures (invitation to bid and request for proposal) even in cases that did not meet the threshold. However, the audit identified the following weaknesses in technical specifications and evaluation methodology employed:

- The technical specifications for solar panel were not defined well resulting in the purchase of separate, incompatible systems for power supply and water pumping.
- Gaps in the evaluation criteria resulted in suboptimal procurement decisions. For example, equal weights were given to the qualifications of the site engineer and the administrative officer in one construction tender.
- The use of low evaluation thresholds and the lack of item-specific minimum requirements contributed to the shortlisting of an unnecessarily high number of vendors for financial evaluation. For example, committees reviewed 1,341 bids for 52 construction contracts, which was resource-intensive and inefficient.
- The Representation changed requirements during evaluation and waived mandatory qualification criteria in five contracts reviewed. Additionally, the committee converted an optional technical requirement into a mandatory one during the approval process instead of referring the case back to the Representation for adjustments.
- Inconsistencies in evaluations were also evident when a vendor scored highly in some bids and did not pass the technical threshold in other solicitations with similar requirements at approximately the same time. In another instance, a non-compliant bidder was selected but then later disqualified from secondary bidding because of the initial non-compliance.

42. Following the audit fieldwork, the Representation established evaluation thresholds and adjusted its related procedures so a single evaluation would be conducted for projects with identical requirements.

(7) The UNHCR Representation in Afghanistan should take measures to strengthen the technical evaluation of the solicitations.

UNHCR accepted recommendation 7 and stated that the operation has undertaken proactive steps to enhance the technical evaluation of solicitations. The solicitation process was strengthened through the refinement of technical specifications and the application of standardized evaluation criteria and scoring methodologies, which led to the establishment of frame agreements for the 2024–2027 period. The Technical Evaluation Committee was composed of relevant subject matter experts, thereby improving the quality and rigor of the evaluation process. Additionally, the Representation conducted a comprehensive review of its vendor review procedures, resulting in updated procedures.

G. Travel management

<u>Compliance with the travel policy was low</u>

43. During the period from January 2022 to July 2024, the Representation in Afghanistan purchased tickets totalling $1.1 million and paid daily subsistence allowance and terminal expenses totalling $2.1 million. However, only seven per cent of the 700 travel authorizations complied with the 16-day advance

booking rule. Sixty-eight percent were non-compliant and 25 per cent had post-dated travel authorization. This had direct implications on the cost of airline tickets and resulted in the purchase of expensive air tickets.

44. OIOS further reviewed 20 travel authorizations and identified the following instances of non-compliance with the policy:

- A staff opted not to use the most direct and least expensive service which increased the ticket cost from $371 to $3,090.
- A staff member travelled business class instead of the economy, even though the flight duration fell below the business class threshold.[10] As a result, the Representation spent $6,553 on the ticket as opposed to $1,000.
- Travelers also changed itineraries frequently and at short notice which increased ticket costs.

<u>The arrangement for the use of travel agents was ineffective</u>

45. The Representation relied on existing contracts with two other United Nations agencies and the Regional Bureau for Middle East and Northern Africa and worked with four travel service providers. The use of multiple travel agents created challenges in coordinating their work, the risk of higher costs due to different pricing regimes as well as not realizing economies of scale. It was because no needs assessment had been conducted to determine the number and value of tickets, frequent routes and airlines to inform decisions, such as which service provider to engage.

46. Furthermore, OIOS review of the contracts signed with the four service providers noted the following:

- The agents did not provide detailed invoices showing actual ticket costs, discounts and service fees, as required in the signed agreements. As a result, the audit could not verify the accuracy of the fees charged.
- The mandatory discounts available under the contract that ranged from 7-10 per cent were not availed to UNHCR. This resulted in a loss of approximately $60,000. Furthermore, refunds and savings were not tracked and reported to the Representation.
- Three of the agents did not provide three competitive itineraries or options as required to ensure that the best value was obtained. In one instance, the service provider provided three identical travel options with related costs ranging from $2,003 to $3,343.

47. The Representation did not monitor the travel service providers' performance against the key performance indicators stipulated in the contracts. Additionally, the large number of key performance indicators increased the effort and cost required to monitor them.

48. These shortcomings occurred principally because travel arrangements were managed by a staff without appropriate supervision.

[10] The staff member's trip between Geneva to Kabul via Istanbul lasted 9 hours 25 minutes yet the threshold for business class travel was 10 hours.

(8) The UNHCR Representation in Afghanistan should enhance its travel management by: (a) effective supervision to ensure full compliance with the organization's travel policy; and (b) reinforcing the controls over travel agent performances.

UNHCR accepted recommendation 8 and stated that the operation has implemented controls to ensure that: (i) the most direct route is selected and/or travellers refund cost linked to deviations in itinerary; (ii) ticket costs are approved in writing; (iii) visas are granted prior to ticket purchase; and (iv) approval mechanisms for travel requests that fall short of the 16 days requirement. Since August 2024 the operation used a centralized travel contract managed by UNHCR headquarters to procure all international travel tickets for operations in the Asia and the Pacific region, including Afghanistan, to allows better oversight on vendor performance and ensure an adequate cost-benefit balance for UNHCR Operations in the region, including Afghanistan.

IV. ACKNOWLEDGEMENT

49. 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.

Internal Audit Division
Office of Internal Oversight Services

ANNEX I

STATUS OF AUDIT RECOMMENDATIONS

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

Rec. no.	Recommendation	Critical[11]/ Important[12]	C/ O[13]	Actions needed to close recommendation	Implementation date[14]
1	The UNHCR Representation in Afghanistan should develop an action plan to transition from the interim information systems employed during the emergencies to the standard institutional systems for Cash-based Interventions.	Important	O	Receipt of evidence of deployment of proGres for all the population groups served by the operation; and deployment of UNHCR tokens for differentiating IDPs.	31 December 2025
2	The UNHCR Representation in Afghanistan should strengthen deduplication controls by: (a) using UNHCR standard deduplication tools; and (b) conducting individual-level beneficiary data analyses to identify and eliminate possible duplicate enrolments.	Important	O	Receipt of evidence of: (a) capture of data of all the individuals present in a household, for all the population groups being supported by the operation; and (b) using the individual level data in the UNHCR deduplication tools.	30 June 2026
3	The UNHCR Representation in Afghanistan should strengthen the reconciliation of manifests to payment lists by automating related processes for cash distributed by partners.	Important	O	Receipt of evidence for use of UNHCR's corporate tools (such as Global Distribution Tool) during cash distribution by partners, enabling automated reconciliation.	31 December 2025
4	The UNHCR Representation in Afghanistan should reinforce the effectiveness of the returns and reintegration programme by using the results of the household-level assessments to inform key decisions on: (i) increasing the outreach to beneficiaries; and (ii) addressing gaps in the support provided by different stakeholders.	Important	C	NA	Implemented
5	The UNHCR Representation in Afghanistan should enforce consistent eligibility criteria to ensure the equitable and cost-effective delivery of the shelter programme aligned with the beneficiary needs.	Important	O	Receipt of evidence of enforcement of eligibility criteria and cost-effective implementation modalities.	30 June 2026

[11] 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.
[12] 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.
[13] Please note the value C denotes closed recommendations whereas O refers to open recommendations.
[14] Date provided by UNHCR in response to recommendations (except those marked

ANNEX I

STATUS OF AUDIT RECOMMENDATIONS

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

Rec. no.	Recommendation	Critical[11]/ Important[12]	C/ O[13]	Actions needed to close recommendation	Implementation date[14]
6	The UNHCR Representation in Afghanistan should strengthen its management of infrastructure projects by: (a) updating Standard Operating Procedures for related projects; (b) systematically applying financial instruments; and (c) strengthening its monitoring of construction works.	Important	C	NA	Implemented
7	The UNHCR Representation in Afghanistan should take measures to strengthen the technical evaluation of the solicitations.	Important	C	NA	Implemented
8	The UNHCR Representation in Afghanistan should enhance its travel management by: (a) effective supervision to ensure full compliance with the organization's travel policy; and (b) reinforcing the controls over travel agent performances.	Important	O	Receipt of evidence of: (a) effective supervision to ensure full compliance with the organization's travel policy; and (b) strengthening of controls over travel agent performances for domestic flights.	31 December 2025

APPENDIX I

Management Response

APPENDIX I

MANAGEMENT RESPONSE

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

Rec. no.	Recommendation	Critical[15]/ Important[16]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
1	The UNHCR Representation in Afghanistan should develop an action plan to transition from the interim information systems employed during the emergencies to the standard institutional systems for Cash-based Interventions.	Important	Yes	Assistant Representative – Operations	31 December 2025	• The UNHCR Representation in Afghanistan, jointly with Regional Bureau, has successfully transitioned to using standard institutional tools for the management of Cash-Based Interventions (CBIs). These are operationalized through: • Deployment of ProGres: Following the successful rollout of ProGres as of first May 2025, the Operation has discontinued the use of the CashAssist (CA) staging server. ProGres is now fully integrated with both the Household Multi-Sectoral Needs Assessment (HMNA) tool and CashAssist, enabling real-time data synchronization. This integration enhances the security and efficiency of payment delivery, automates reconciliation, ensures centralized data management, minimizes duplication risks, and strengthens overall CBI implementation.

[15] 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.
[16] 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[15]/ Important[16]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						• Cash assistance for returnees is provided upon biometric registration, ensuring secure and accountable disbursement. • For vulnerable IDPs and host communities, UNHCR tokens are issued during the assessment process to serve as unique household identifiers. This ensures traceability, prevents duplicate enrolments, and supports accurate targeting throughout the assistance cycle. In view of above and evidence of implementation of the recommendation provided, the operation requests the OIOS to close recommendation 1.
2	The UNHCR Representation in Afghanistan should strengthen deduplication controls by: (a) using UNHCR standard deduplication tools; and (b) conducting individual-level beneficiary data analyses to identify and eliminate possible duplicate enrolments.	Important	Yes	Assistant Representative – Operations	30 June 2026	(a) The UNHCR Representation in Afghanistan, with the support of the Regional Bureau, has already taken concrete steps that resulted in strengthening the deduplication efforts. Key initiatives include: • Token-Based & Individual ID Collection-Based Identification**:** To address the concern of having no standardized national identification document that contributed to the risk of duplication of assistance, a unique UNHCR token has now been introduced and is issued at

Rec. no.	Recommendation	Critical[15]/ Important[16]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						household level during the assessment. This token serves as a distinct and unique identifier, reducing duplication risks associated when beneficiaries have no ID or paper-based IDs. This issue is frequent as UNHCR beneficiaries can face disproportional barriers to accessing civil documentation as they been displaced, face financial barriers and/or have recently returned from countries of asylum. In addition, the new assessment tool (HMNA) captures individual level IDs for further analysis. • Deduplication Tool (DDT) Version 2: The Representation has developed an upgraded version of the Deduplication Tool (DDT v2), which is designed to improve performance and automate the deduplication process. DDT v2 enhances the accuracy and effectiveness of deduplication processes by automating identity matching through both document-based and attribute-based verification, thus ensuring more reliable identification and auto-elimination of duplicate enrolments.

Rec. no.	Recommendation	Critical[15]/ Important[16]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						• Cross-Programme Eligibility Alignment: With the refined version of Cross-Programme eligibility IDPs and Host Communities, enrolment for multiple cash assistance is no longer feasible as they are entitled to only one type of assistance in the same calendar/budget year. This measure ensures streamlined targeting, prevents duplication, and enhances the integrity of assistance delivery across all programmes. • Deployment of Digital Payment Mechanisms**:** The Representative has also enhanced deduplication controls through the deployment and scaling-up of secure digital payment modalities, including: ○ Mobile money platforms ensure that each account is uniquely linked to a verified phone number and national ID, or token issued by UNHCR during assessment. This significantly reduces the possibility of multiple registrations under different identities and ultimately the risk of duplication of assistance.

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						○ Prepaid cards, supported by blockchain technology, offer immutable transaction records, facilitating transparent, real-time reconciliation with deduplication databases. These systems also enable rapid recovery of duplicate payments (if any), strengthening financial accountability. (b) In 2025, the Representation rolled out the new Household Multi-Sectoral Needs Assessment (HMNA) tool which improves upon the former Rapid Household Assessment Framework (RHAF) tool. HMNA also captures individual level data including the identification information that allows data analysis which helps mitigate the risk of multiple enrollments. In view of above and evidence of implementation of the recommendation provided, the operation requests the OIOS to close recommendation 2.
3	The UNHCR Representation in Afghanistan should strengthen the reconciliation of manifests to payment lists by automating related processes for cash distributed by partners.	Important	Yes	Assistant Representative – Operations	31 December 2025	Further to the 2025-27 new strategic directions, the UNHCR Representation in Afghanistan has transitioned to delivering Cash-Based Interventions (CBIs) – a priority area of work – primarily through direct implementation – and

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						to establish a multi-year contract with HesabPay for the delivery of comprehensive CBI services which allows disbursements to be done via digital means as noted above under Recommendation 2. A small portion of CBI, representing approximately 3% of total payments to be disbursed as cash assistance, is planned to be delivered through NGO partners. To ensure consistency, accountability, and automated reconciliation of payments, the partners are expected to utilize UNHCR's corporate tools during cash distribution, enabling automated reconciliation. UNHCR will support by providing training to the partner on the adequate use of the tools and closely monitor as part of regular partner monitoring.
4	The UNHCR Representation in Afghanistan should reinforce the effectiveness of the returns and reintegration programme by using the results of the household-level assessments to inform key decisions on: (i) increasing the outreach to beneficiaries; and (ii) addressing gaps in the support provided by different stakeholders.	Important	Yes	Deputy Representative	Completed - May 2025	To reinforce the effectiveness of its returns and reintegration interventions and ensure that they remain evidence and needs-based, UNHCR Afghanistan has taken significant steps to improve the use of household-level assessment data in guiding response and key operational decisions. Since April 2025, the Representation has developed and rolled out the Household Multi-Sectoral Needs Assessment (HMNA), replacing and improving upon the earlier RHAF tool. The

Rec. no.	Recommendation	Critical[15]/ Important[16]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						HMNA provides a more granular, multi-sectoral understanding of household needs, enabling more accurate identification of protection risks, service gaps, and areas requiring strengthened support. The data generated through the HMNA has been instrumental in increasing outreach to beneficiaries by highlighting priority needs and underserved groups. In particular, the HMNA tool incorporates geographic targeting, focusing on the Priority Areas for Return and Reintegration (PARRs)—locations in Afghanistan with high concentrations of returnees, internally displaced persons, and other at-risk groups (selected after a thorough review in 2024). This targeted approach ensures that assistance is directed to areas of greatest need in terms of reintegration support, thereby enhancing the overall effectiveness and impact of efforts in support to returnees and their host communities. (ii) It is worth noting that UNHCR is not solely responsible and accountable for the gaps in the response to returns and reintegration, as UNHCR is not in the lead of the displacement situation response as we would in a Refugee Coordination Model (RCM) situation. The border response is coordinated by the Border

Rec. no.	Recommendation	Critical[15]/ Important[16]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						Consortium (BC) led by IOM, and the reintegration efforts are coordinated by the Durable Solutions Working Group (DSWG) under the DSRSG/RC/HC. This being said, UNHCR has been and will continue to engage effectively in those two fora – and other relevant sectoral groupings – to share evidence to help guide programming and direct efforts towards gaps and needs. UNHCR assessments support coordination with stakeholders by clearly identifying sectoral gaps, which are shared through various coordination fora/mechanisms of which UNHCR is part, such as the BC, the Clusters and DSWG to inform targeted interventions and guide resource allocation, programming and joint efforts in addressing identified gaps in meeting the needs. In addition, UNHCR is currently the co-chair of the Data and Analysis for Solutions Technical Working Group which seeks to improve the tools and methodologies for evidence generation and use of evidence in solutions programming by the UN and INGOs. UNHCR is leveraging this position to share evidence generated from various assessments (including HMNA) so that relevant stakeholders can use it in programming in response to the needs of the returnees, IDPs and

Rec. no.	Recommendation	Critical[15]/ Important[16]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						vulnerable host community members. As an example, the Special Trust Fund for Afghanistan (STFA) – a multi-donor pooled fund mechanism managed under the DSRSG/RC/HC – uses the presence of PARRs (areas of high return identified by UNHCR through extensive research) as a key criterion for prioritization in resource allocation. The Representation has also used data coming from various assessments to inform resource mobilization and allocation. Various assessments (including the post return monitoring surveys and UNHCR's 2024 Socio-Economic Vulnerability Assessment) identify livelihoods as a top priority need for returnees and other populations in PARRs. Accordingly, the Representation has used this evidence to ensure that resources are mobilized to meet this priority need. Livelihoods and socioeconomic inclusion represent one of the better funded thematic areas of work for the operation, representing 19% of total funding. In view of above and evidence of implementation of the recommendation provided, the

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						operation requests the OIOS to close recommendation 4.
5	The UNHCR Representation in Afghanistan should enforce consistent eligibility criteria to ensure the equitable and cost-effective delivery of the shelter programme aligned with the beneficiary needs.	Important	Yes	Assistant Representative – Operations	30 June 2026	The Representation has ensured the consistent application of eligibility criteria for the selection of shelter beneficiaries through the implementation of the Household Multi-Sectoral Needs Assessment (HMNA) tool. The HMNA serves as a standardized framework that incorporates key vulnerability indicators and integrates them into the shelter programme, as detailed below. UNHCR targets households who are most in need of support, based on a structured and evidence-based approach. The eligibility assessment and allocation of shelter is based on a combination of HMNA-based assessment and complementary assessment undertaken by shelter experts. Within the HMNA scoring system, households are categorized into four priority levels to guide the delivery of assistance. Following the completion of the scoring process, the selection of target beneficiaries is subsequently guided by a structured prioritization framework, i.e., if the number of Priority 1 households exceeds the available target, assistance is extended sequentially to Priority 2 and then Priority 3 households, subject to available funding. In cases where assistance is

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						delivered across different locations (with funding distributed per location), the number of people per Priority Category may vary accordingly. Conversely, if the total number of eligible households across all priority levels falls short of the target, additional assessments are conducted to identify more eligible households until the target is met. This tiered approach with documented criteria (attached) ensure transparency, consistency, and alignment with both operational objectives and the principles of fairness and accountability in the allocation of shelter assistance based on assessed needs. Further details on beneficiary selection processes are available in the Summary analysis on beneficiary selection annexed. The Representation in Afghanistan have ensured the cost-effectiveness of shelter assistance through consultative and evidence-based decision-making processes. The Implementation Programme Management Committee (IPMC) led a detailed cost-benefit analysis (attached), necessitating the adoption of the current modality of Cash for Shelter, which has proven to be both efficient and preferred by beneficiaries. UNHCR remains committed to maintaining flexibility in its implementation choices;

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						therefore, in situations where the Cash-Based Intervention (CBI) modality is assessed to be unfeasible, the engagement of an Implementing Partner may be considered as an alternative solution in future interventions. In view of above and evidence of implementation of the recommendation provided, the operation requests the OIOS to close recommendation 5.
6	The UNHCR Representation in Afghanistan should strengthen its management of infrastructure projects by: (a) updating Standard Operating Procedures for related projects; (b) systematically applying financial instruments; and (c) strengthening its monitoring of construction works.	Important	Yes	Assistant Representative – Operations	Completed - May 2025	a) The Standard Operating Procedures (SOPs) for UNHCR-supported infrastructures was updated (latest version is attached). The SOP was revised as per evolving operational needs, including the standardization of equipment specifications, the technical evaluation criteria, strengthening the evaluation criteria follow-up to avoid non-compliance and management of risks. b) The Representation does not apply advance payment to vendors to mitigate the risk of loss of funds due to the limitations of the financial system in Afghanistan. Furthermore, the operation has established as of 2024, a pool of 44 technically and financially qualified construction contractors through a comprehensive procurement exercise (Expression of

Rec. no.	Recommendation	Critical[15]/ Important[16]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						Interest, followed by an Invitation to Bid) involving thorough technical and financial evaluation. Frame Agreements have been established that are valid until 2027 based on the HQ Contracts Committee's approval. The EOI (attached), indicated the financial instruments and other aspects to safeguard UNHCR from any risk associated with construction, especially, potential financial capacity to fund up to minimum USD 50,000 first milestone in absence of advance payment from UNHCR (i.e. evidence of access to Financial Resources such as Lines of Credit from reputable financial institutions/banks or Bank Statements with sufficient funds, etc.) and Audited Financial Statements for the last 3 years. These measures have been consistency applied in Afghanistan since 2024. Payments are only made for completed and measured works as per the stipulated milestones in the contract, thereby eliminating associated risks. Furthermore, a construction works procurement strategy was developed together with corresponding SOPs (attached) clearly highlight the different phases and responsibilities of all parties involved in the procurement process.

Rec. no.	Recommendation	Critical[15]/ Important[16]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						c) The Representation has updated the weekly monitoring tool to boost quality monitoring and timely reporting on construction activities. Regular site inspections, compliance checks, and adherence to building standards result ensure project quality. Additionally, a functionality assessment is conducted periodically to ensure that no constructed structure remains unused. These continuous monitoring measures are considered tools for improving transparency, accountability, and the long-term effectiveness of infrastructure constructed for the people we serve. In view of above and evidence of implementation of the recommendation provided, the operation requests the OIOS to close recommendation 6.
7	The UNHCR Representation in Afghanistan should take measures to strengthen the technical evaluation of the submissions.	Important	Yes	Assistant Representative – Operations	Completed - May 2025	UNHCR Afghanistan has undertaken proactive steps to enhance the technical evaluation of solicitations, beginning with the Expression of Interest (EOI) issued in 2024 and followed by the subsequent Invitation to Bid (ITB) for secondary bidding. The solicitation process was strengthened through the refinement of technical specifications and the application of standardized evaluation criteria and scoring methodologies, which led to the

Rec. no.	Recommendation	Critical[15]/ Important[16]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						establishment of frame agreements for the 2024–2027 period. The Technical Evaluation Committee was composed of relevant subject matter experts, thereby improving the quality and rigor of the evaluation process. Additionally, the Representation conducted a comprehensive review of its vendor review procedures, resulting in updated procedures, as documented and evidenced in the attached memo and accompanying materials. In view of above and evidence of implementation of the recommendation provided, the operation requests the OIOS to close recommendation 7.
8	The UNHCR Representation in Afghanistan should enhance its travel management by: (a) effective supervision to ensure full compliance with the organization's travel policy; and (b) reinforcing the controls over travel agent performances.	Important	Yes	Senior Administration Officer	31 December 2025	a) The UNHCR Representation has implemented a systematic comparison of ticket costs (samples attached) for all travel to ensure that the most direct route is selected and/or travelers refund cost linked to deviation between authorized and requested travel routes. A written approval of the ticket cost by an Admin staff with the relevant authority is required prior to the confirmation of ticket purchase. Where visa is required for a traveler, the operation has a standard practice of purchasing tickets only when the relevant visa has been received to avoid cancellation fees. While this approach ensures fewer cancelation

Rec. no.	Recommendation	Critical[15]/ Important[16]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						of tickets, it impacts the cost of the tickets, which often are purchased close to the travel date when the visa is received. Visa procedures are particularly difficult in Afghanistan due to absence of most countries' embassies which require UNHCR to go through embassies in Islamabad and other locations. The Representation will continue to work with the Regional Bureau for Asia and Pacific to agree with the travel agent on mitigating measures. Additionally, the operation will, from June 2025, put in place mechanisms for all travel requests and tickets purchases which will fall short of the 16 days requirement. b) Since August 2024, a travel agency (BCD) based in Bangkok under a centralized contract managed by UNHCR HQ is being used to procure all international travel tickets for operations in the Asia and the Pacific region, including Afghanistan. A pilot project which allows UNHCR staff to directly access the agency's ticketing platform is being tested by the Regional Bureau and is expected to improve coordination, itinerary selection, comparison of costs, etc. The use of a centralized contract allows better oversight on vendor performance directly by HQ which keeps a record of the performance

Rec. no.	Recommendation	Critical[15]/ Important[16]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						assessment and has deemed that the vendor is performing satisfactorily and that the contract ensures an adequate cost-benefit balance for UNHCR Operations in the region including Afghanistan. In view of this, the operation requests the OIOS to close part "b" of recommendation 8**.**