



INTERNAL AUDIT DIVISION

REPORT 2025/084

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

**The Representation should reinforce the
strategic planning, management and
monitoring of programmes to improve their
effectiveness and efficiency**

**26 December 2025
Assignment No. AR2025-141-01**

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

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of operations in Bangladesh for the Office of the United Nations High Commissioner for Refugees (UNHCR). The objective of the audit was to assess whether the Representation was managing the delivery of services to forcibly displaced persons in an efficient and cost-effective manner and in line with UNHCR's policy requirements. The audit covered the period from 1 January 2023 to 31 December 2024 and included (a) strategic planning; (b) programme effectiveness and efficiency; and (c) management of resources.

The Representation remained response-driven eight years after the emergency, with 67 per cent of funds allocated to immediate response and only 17 per cent to empowerment and solutions. Shortcomings in programme planning, management and monitoring resulted in inefficiencies and negatively impacted the effectiveness of service delivery to beneficiaries in energy, water sanitation and hygiene (WASH), health and shelter programmes. Control weaknesses identified in the Representation's management of liquefied petroleum gas (LPG), non-food-items (NFIs), construction projects, and funded partners significantly impacted the efficient use of the limited resources available.

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

- Reinforce strategic planning, coordination, and data management processes to ensure that programme objectives are relevant and effectively prioritized; and align its resource allocations to strategic priorities.
- Develop a plan to transition from response modality to a sustainable, cost-effective and solutions-oriented programme delivery model, supported by enhanced risk management.
- Address the shortcomings related to access to, coverage and quality of WASH facilities available to forcibly displaced persons.
- Conduct an impact assessment to inform its redesign of the skills development programme.
- Strengthen the planning and delivery of health services, including optimization of health facilities and equipment in camps and control over medicines.
- Review its implementation modalities through funded partners for cost-effectiveness; and strengthen partner selection and monitoring processes.
- Strengthen its management of procurement framework contracts so they remain competitive, reflect current market conditions, and deliver best value.
- Take steps to reinforce its controls over the receipt, storage, distribution, warehousing, accounting and monitoring of non-food items; and rationalize the number of warehouses.

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

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

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of operations in Bangladesh for the Office of the United Nations High Commissioner for Refugees (UNHCR).
2. The UNHCR Representation in Bangladesh commenced its operations in 1992 following significant displacements caused by civil unrest in Myanmar. Bangladesh is not a party to the 1951 Refugee Convention and the Statelessness Conventions but has ratified the main human rights instruments. In the absence of national legislation governing the administration of refugee and asylum affairs, the Government manages the Rohingya refugee response through directives, letters and administrative instruments.
3. As of 31 December 2024, Bangladesh hosted 1 million Rohingya refugees, most of whom had arrived from Myanmar in 2017. This made it one of the largest protracted refugee situations in the world. The Representation managed 16 of the 33 camps in Cox’s Bazar as well as some 35,000 refugees that were relocated to Bhasan Char Island in 2021 as part of a government project to decongest the camps.
4. The Representation was headed by a Representative at the D-2 level and reported to the Director of the Regional Bureau for Asia and the Pacific. It had 291 regular staff posts (70 international), and 117 affiliated workforce members. The Representation had its country office in Dhaka, one sub-office in Cox’s Bazar headed by Head of sub-office at D1 level (downgraded to P5 from July 2025) and one field office in Bhasan Char Island. Sixty-two per cent of its programme budget in 2024 was implemented by 20 implementing partners and fifty-nine per cent of the 2023 budget was implemented by 24 implementing partners.
5. The Representation’s programme budgets for 2023, 2024 and 2025 are shown in Table 1 below.

Table 1: Programme budget for 2023, 2024 and 2025

Outcome area	2023 \$’000	2024 \$’000	2025 \$’000	Total \$’000
Housing	15,228	19,816	20,145	55,189
Well-being	14,668	16,287	15,880	46,835
Health	16,080	12,557	7,550	36,187
Livelihood	11,035	8,619	7,704	27,358
WASH	7,433	6,365	5,358	19,156
Community	5,357	5,372	5,976	16,705
Systems	10,968	792	1,807	13,567
Education	7,556	3,114	2,534	13,204
Access and documentation	2,928	4,202	2,610	9,740
Children	3,062	2,425	2,456	7,943
GBV	2,339	2,217	2,566	7,122
Policy/Law	2,033	1,835	2,259	6,127
Other areas	3,026	3,653	2,790	9,469
Total	101,713	87,254	79,635	268,602

Source: COMPASS and Cloud ERP data

6. UNHCR relies on its corporate systems for managing its operations. These systems include: (a) Workday for human resources; (b) COMPASS, for strategic planning, budgeting, monitoring, and reporting; (c) Managing for Systems, Resources and People (MSRP) and Cloud ERP, for financial reporting

and supply chain management; and (d) ProGres, UNHCR's corporate registration, identity and case management system. OIOS obtained and reviewed data from these systems for completeness and accuracy and assessed the effectiveness of controls.

7. Comments provided by UNHCR are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

8. The objective of the audit was to assess whether the Representation was managing the delivery of services to forcibly displaced persons in an efficient and cost-effective manner and in line with UNHCR's policy requirements.

9. This audit was included in the 2025 risk-based work plan of OIOS due to the risks associated with managing an operation in a challenging operational context characterized by funding deficiencies.

10. OIOS conducted this audit from May to July 2025. The audit covered the period from 1 January 2023 to 31 December 2024 and included: (a) strategic planning; (b) programme effectiveness and efficiency; and (c) management of resources. Through the review of the above-mentioned areas, OIOS also covered partnership management.

11. The audit methodology included: (a) interviews with key personnel; (b) review of relevant documentation; (c) assessment of data management systems, including COMPASS, Workday, Cloud ERP, PROMS and ProGres; (d) analytical review of data in those systems relevant for the areas reviewed; (e) sample testing of controls; (f) visits to the Representation's Country Office in Dhaka and Sub-Office in Cox's Bazar and five partners implementing UNHCR projects; and (f) observation of programme activities implemented in the camps in Teknaf and Ukhiya.

12. To assess the reliability of data pertaining to the operations in Bangladesh, OIOS assessed the reliability of data related to the operations by (a) performing electronic testing; (b) reviewing existing information about the data in COMPASS, Cloud ERP, PROMS, and Workday; and (c) interviewing UNHCR personnel knowledgeable about the data. In addition, OIOS traced a random sample of data to source documents both from UNHCR and implementing partner records. Based on the assessment, OIOS determined that the data were sufficiently reliable for purposes of addressing audit objectives, except as indicated in this report.

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

III. AUDIT RESULTS

A. Strategic planning

Gaps in strategic planning impacted effective programme prioritization

(a) Multi-year strategy needed to be updated

14. The Representation's multi-year strategy (2023-2025) identified key programme priorities for the period. However, the assumptions underpinning the strategy were no longer relevant thereby rendering it outdated and ineffective in guiding decision making and prioritization. For instance, the strategy assumed that there would be large-scale resettlement and refugee returns to Myanmar but significant contextual changes in 2024 made this unlikely. Further, while the strategy noted that refugees would be integrated into

national health systems, the Government did not recognize the refugees and had not made any commitment in this regard.

(b) Inadequate partner coordination in programmes

15. The strategy was not informed by a comprehensive situation analysis and mapping of contributions of other stakeholders to avoid gaps and duplications in service provision. Situation analysis and mapping of contributions was necessary since UNHCR was only responsible for 16 of the 33 camps in Cox's Bazar and in Bhasan Char, with the Government, other United Nations agencies and operating partners and development actors also providing assistance. The Inter-Sector Coordination Group (ISCG) established in 2017 supported fundraising and communication in the Rohingya response in Cox's Bazar but was less effective in coordination, which resulted in fragmented programme implementation and duplications, and gaps in service delivery by different stakeholders. For example:

- Different agencies/partners contributed to the 128 piped networks, 52 pumping stations and over 20,000 tube wells and construction of latrines in the same blocks. The lack of proper planning resulted in over-concentration in some camps and shortages in others.
- The Representation implemented \$528,528 worth of energy projects in Bhasan Char, despite a memorandum assigning infrastructure development to the Government. This resulted in duplications in: (i) solarization of three facilities already completed by the Government at a cost of \$80,000, and (ii) installation of unnecessary voltage regulators worth \$25,000.
- Several energy projects at Camp 4E and Bhasan Char, totaling \$337,142, remained idle due to overlapping interventions from the Government, some United Nations agencies, and UNHCR in the same areas. A technical review by the Representation's energy technical team in July 2024 identified insufficient storage and backup capacity, workmanship issues, and limited operator training but all these issues remained outstanding over ten months later. This showed that the supervision by the Representation's four energy staff and a supervising partner (the latter at a cost of \$200,000) was weak.
- The Representation and another United Nations agency each managed separately LPG procurement and service delivery, which created incoherencies in the programme such as non-standardized equipment.

(c) Impact of declining resources on operations

16. The Representation received 49, 43, and 38 per cent of its funding requirements for 2023, 2024 and 2025, respectively. Since the Representation's resources were largely earmarked, this decline indicated a decreasing donor interest in this protracted displacement situation. In response to the resource constraints, the Representation handed the responsibility over a couple of sectors, i.e., WASH, nutrition, and education to another United Nations agency. Despite this, the Representation still allocated the same funding amounts to these sectors, e.g., education was allocated \$2.5 million in the 2025 budget. Beyond the handing over of sectors, there was limited evidence of broader, systematic efforts to reassess and adapt the overall response model, operational structure, and delivery mechanisms to align to the funding situation.

(d) Lack of reliable data for decision making

17. The Representation lacked a comprehensive performance framework and reliable data for decision-making. Two of the five strategic priorities in COMPASS were not translated into impact statements in the results framework. Further, COMPASS had no baselines for impact indicators, 136 output indicators were not linked to population groups, 47 lacked 2024 targets, and 63 had no results. It was also costly to monitor

the excessive number and differing health and WASH indicators held across systems. Moreover, inconsistencies in reported results were not analyzed nor addressed. For example, high reported results in WASH, shelter, and health programmes were a result of low set targets rather than actual achievements. Gaps in the budgets in COMPASS also impacted their effectiveness in controlling expenditure.

(1) The UNHCR Representation in Bangladesh should: (a) review its strategic plan for relevance and prioritize its programme objectives within resource constraints; (b) reinforce programme and sector coordination to address gaps and duplications in service delivery; and (c) address gaps in COMPASS to ensure evidence-based decision-making.

UNHCR accepted recommendation 1 and stated that it was reviewing its objectives and adjusting its strategy to ensure alignment with evolving operational and funding conditions. The Representation has also taken steps to strengthen sustainability, oversight, and inter-agency coordination by establishing framework agreements for energy systems maintenance, deploying dedicated energy expertise, conducting comprehensive energy mapping, harmonizing LPG assistance through joint procurement, and integrating distribution data via a unified system. The representation will also deactivate inactive indicators in COMPASS, document data limitations within the system.

Programme delivery model needed to be revised

(a) Limited progress in shifting from a response to solutions approach

18. Eight years into the crisis, the Representation remained response-driven, with 67 per cent of funds allocated to immediate response and only 17 per cent to empowerment and solutions (see table 2 below). This was contrary to UNHCR’s strategic focus that prioritized the latter two impact areas. This was attributed to the Government stance that the Rohingya crisis was temporary, despite limited prospects for repatriation, third-country resettlement, or local integration. Restrictions on refugee movement and employment further hindered livelihoods, leaving displaced persons heavily dependent on humanitarian aid, which was increasingly unsustainable amid declining funding.

Table 2: Allocation of the operating level budget across the four impact areas/strategic goals

Impact Area	2023 \$	2024 \$	2025 \$	Total \$	Percentage %
IA1: Protect	17,919,345	13,762,950	12,454,501	44,136,796	16
IA2: Response	67,233,433	59,045,688	52,874,204	179,153,325	67
IA3: Empower	16,393,400	13,955,784	13,733,695	44,082,879	16
IA4: Solve	170,578	495,085	299,999	965,662	1
Total	101,716,755	87,259,506	79,362,399	268,338,660	100

19. One example highlighting limited progress in transitioning from a response-based approach was the continued operation of the Kutupalong Transit Center. Although originally established as a short-term refugee reception center, the Center remained operational five years later at a cost of \$3.5 million since 2020, without an exit plan. The provision of hot meals by the Center that should have been for two weeks continued for up to six years for some families. Referrals to the Center were also largely initiated by government partners, with minimal assessments being conducted by UNHCR for eligibility. Also, the center’s favorable living conditions discouraged displaced persons from returning to the camps. The Representation’s limited awareness of ongoing operations at the Center indicated ineffective supervision.

(b) Gaps in the risk management arrangements

20. The Representation's November 2024 risk register identified six high, eight medium, and three positive risks. Five of six high risks were attributed to external factors, and thereby not reflecting the gaps in internal controls and programming risks identified in this audit. However, many high risks remained unchanged despite reported mitigation. Although updated, the Representation's risk register was also not comprehensive in as far as it did not reflect the pertinent risks identified in the operation at the time of the audit. OIOS also noted that although prior audit recommendations had been closed based on documentary evidence, the issues were not resolved, and the current audit could not confirm any sustainable improvement in controls. This indicated that risk management was yet to be embedded in the Representation's processes.

(2) The UNHCR Representation in Bangladesh should enhance its programme delivery model by: (a) developing a plan to transition from response modality to a sustainable, cost-effective, and solutions-oriented model, including regarding the Kutupalong Transit Center; and (b) enhancing its management and mitigation of risks that impede the achievement of its strategic objectives.

UNHCR accepted recommendation 2 and stated that the Representation was as part of its 2026-2029 strategy advocating with national authorities to rationalize, realign, and localize programmes. The Representation is planning to fully phase out the use of the Transit Center by 2026 and stops providing hot meals from January 2026. The Representation has strengthened risk management by conducting an annual review and internal control assessment and implementing an audit follow-up matrix for partner external audit year recommendations.

B. Programme effectiveness and efficiency

Programmes did not create the desired impact

(a) Gaps in the delivery of the WASH programme

21. There were inconsistencies in liters of water supplied per person per day (lppd), with Ukhiya reporting 30 lppd and Teknaf only 10 lppd in January 2025¹ against the UNHCR standard of 20 liters. The shortfall in Teknaf was partly due to the abandonment of a \$2 million water supply project that was later repurposed. A further investment of \$1.3 million in 2024 only addressed design flaws rather than improving displaced persons' access. Moreover, the Representation continued to rely on surface water that had high water pumping costs and temporary dams that dried up seasonally.

22. Although latrine coverage standards were met, the Representation did not provide adequate individual or gender-segregated facilities as planned, nor include special features for persons with specific needs. The bathing cubicle coverage by December 2024 was 33 against the global standard of 20 people per facility. Shortfalls in sanitation services delivered were impacted by: (a) Representation's inability to replace 206 decommissioned latrines due to land shortages; (b) 55 latrines and bathing cubicles with construction defects at camp 4E that were resolved subsequent to the audit field work; (c) 2,280 (12 per cent) of 19,000 sites being overdue for de-sludging; and (d) facilities in Camps 2W and IE that were constructed on a slope thereby posing safety and accessibility challenges.

23. Further, hygiene in the camps was impacted by clogged drainage during the rainy season, lack of functional handwashing devices in communal latrines and delays in soap distribution. Inadequate hygiene

¹ This rose to 15 liters by May 2025

conditions contributed to over 1.6 million skin infection cases reported in 2023 and 2024 and 240,000 cases of acute watery diarrhea and dysentery in the same period.

(3) The UNHCR Representation in Bangladesh should address the shortcomings related to access to, coverage and quality of WASH facilities available to forcibly displaced persons.

UNHCR accepted recommendation 3 and stated that the Representation's advocacy with authorities and development actors has led to a desalination plant feasibility study and the initiation of a government-funded pipeline water supply project in 2025. The Representation is using Integrated Settlement Planning to enhance shelter, WASH, and protection outcomes, with plans to scale up subject to funding. Hygiene and drainage management have been strengthened through regular distribution of hygiene kits, community-led education, and active engagement in routine and campaign-based drainage cleaning.

(b) Limited effectiveness of livelihoods programmes

24. The Representation's \$10 million investment in vocational training for 8,900 learners was impacted by refugees lacking the right to work or operate businesses in Bangladesh. Also, training provided was to prepare refugees for their return to Myanmar and thus was irrelevant to the local market. Further, the programme's ability to reach more displaced persons was limited by its reliance on in person rather than online learning and the absence of content in Burmese. The Representation was yet to conduct an impact assessment to identify necessary improvements for enhancing programme effectiveness.

25. The Representation also run nine production centers at \$4.9 million that produced jute bags, reusable sanitary pads, and female underwear. However, pads were sold for between BDT 95 to 420 instead of the approved price of BDT 535 and the Representation was yet to determine how the proceeds would be used. The production centers also lacked proper systems and records to account for sales estimated at \$955,000 between 2020 and June 2025.

(4) The UNHCR Representation in Bangladesh should improve the effectiveness of livelihoods programmes by: (a) conducting an impact assessment to inform its redesign of its skills development programme; and (b) strengthening controls over production centers' payments, sales, stock management and record keeping.

UNHCR accepted recommendation 4 and stated that the Representation will conduct a comprehensive skills-needs assessment and has through the implementing partner registered the livelihood project as a social business, opened a dedicated bank account and will adopt the Cuboid accounting software for record keeping.

(c) Gaps in the implementation of the health programme

26. Some of the facilities constructed and equipment procured were not used, for example: (a) a \$1.5 million specialized hospital in Ukhiya; (b) 20-bed in patient facility in Bhasan Char after refurbishment and installation of solar equipment totaling \$140,000; and (c) an X-ray machine totaling \$74,301. The audit also identified the following issues:

- The Representation’s lack of a communicable disease programme resulted in a surge in acute respiratory infections and Hepatitis C cases in 2024.² Also, the Representation did not prioritize non-communicable diseases despite a 2024 assessment showing a marked increase in them.³
- The Representation lacked epidemic preparedness plans, hindering timely and effective responses to outbreaks in 2024, including: (a) 1.7 million acute watery diarrhea and 193 cholera cases; and (b) scabies and head lice that affected 40 and 35 per cent of the population, respectively.
- The 14.7 and 37.1 per cent reported for Global Acute Malnutrition and stunting⁴ respectively in the 2023 Standardized Expanded Nutrition Survey reflected some ineffectiveness in the \$3.6 million nutrition programme.
- Despite hiring 123 partner staff at a cost of \$850,000, the \$1.82 million referral programme lacked proper beneficiary selection criteria, had outdated guidelines and expired hospital agreements. Additionally, referred patients purchased medicines that were available in the central pharmacy.

27. Frequent reports on stock outs, overstocking and expiry of medicines in facilities indicated gaps in the planning and management of the medicines programme budgeted at \$6 million in the audit period. Further, the Representation: (a) awarded a contract of \$1.82 million to a previously blacklisted vendor that had altered expiry dates on needles; (b) selected a vendor that did not have the lower-priced and compliant offer resulting in a loss of \$97,136; and (c) invested \$165,650 in Health Information System meant to link key stakeholders, i.e., UNHCR, funded partners and the Ministry of Health with the national platform but it was not operational since 2018. Therefore, stakeholders continued using parallel systems, thereby creating inefficiencies and undermining data quality.

(5) The UNHCR Representation in Bangladesh should strengthen the planning and delivery of health services including optimizing the use of health facilities and equipment in camps and reinforcing controls over medicines and health data management.

UNHCR accepted recommendation 5 and stated that the Representation has strengthened refugee health services through the introduction of a Minimum Health Service Package, implementation of targeted programmes including Hepatitis C response, vaccination campaigns, and nutrition interventions that reduced acute malnutrition below SPHERE thresholds. The previously unutilized Hospital is now operational with world bank funding. The Representation has concluded tenders for medical supplies to engage quality-assured local manufacturers by March 2026. A pharmacy software has been rolled out across health facilities to strengthen stock management.

Need to strengthen the management of funded partners

(a) Inadequate modalities for programme implementation

28. Despite having over 400 staff and an affiliated workforce, the Representation delegated 62 per cent of its programme implementation to funded partners without conducting the required comparative advantage assessment to determine whether this approach was more cost-effective than direct implementation. Further, the Representation reduced the number of partners from 24 to 18 between 2024 and 2025 and in line with the localization agenda, replaced international partners with local ones. However, this did not reduce costs, as many local partners lacked the required capacity, forcing the Representation to engage multiple partners for the same outcome areas, e.g., seven partners each for health and shelter in

² The Representation spent \$1 million on testing and treating over 1,000 Hepatitis cases.

³ Forty per cent of households have someone diagnosed with hypertension and/or diabetes.

⁴ Screening relied solely on mid-upper arm circumference instead of the more accurate weight-for-height score

2024. Most local partners also heavily relied on UNHCR for funding, thereby undermining cost-sharing and resulting in project support costs totaling \$6.1 million in the audit period.

29. The Representation delegated procurement to partners without the required cost-benefit analysis. As a result, the Representation's VAT-exempt status was not considered, resulting in partners incurring irrecoverable taxes totaling \$6.5 million during the audit period. Additionally, the absence of a comprehensive procurement plan led to ad hoc purchases and waste. For example, partners procured items already purchased by UNHCR, including shelter materials totaling \$4.2 million, solar and energy projects totaling \$194,000, and medicine and medical equipment totaling \$800,000.

30. The Representation largely relied on funded partners, with refugees having limited involvement in programme implementation. For example, there was limited refugee involvement in the construction, supervision and maintenance of WASH facilities and shelters totaling \$13.7 million. This resulted in more costly programmes, with 70 per cent going towards partner costs. It also impacted the ownership, quality and sustainability of the programmes and was a missed opportunity to support refugee livelihoods. Where refugee volunteers were used, they were paid in cash due to government restrictions, and this carried a high security risk. The Representation in these instances lacked systems to track volunteer incentives payments totaling \$5.9 million; thereby increasing the risk of fraud.

(b) Gaps in controls over the management of funded partners

31. The issues below showed gaps in the efficacy of partner selection and management processes.

- Funded partners' contributions to the Representation's achievement of strategic objectives were not evident because indicators and targets listed in COMPASS were not aligned to those in partnership agreements. Further, weak review of partner budgets resulted in large amounts not having sufficient details for monitoring. This resulted in unnecessary expenditures, such as \$85,000 paid as monthly allowances to government officials and \$95,000 paid as biannual festival allowances.
- The allocation of additional funding at the year-end without adequate guidance resulted in inefficiencies and waste. For example, a government partner received \$430,000 in November 2023 and in a rush to meet year-end deadlines, bypassed procurement rules and had quality issues in the constructions. Other costs in question included \$18,000 spent on honor boards, \$23,000 on staff uniforms, and \$27,000 on a documentary.
- The Representation's multi-functional team (MFT) did not conduct physical verification of programmes and instead relied on partner reports in 2024. Thus, submitted reports did not link targets to results and costs. Moreover, significant issues noted in service quality, weak controls to safeguard resources, and poor value for money were not identified by MFTs.

(6) The UNHCR Representation in Bangladesh should review its implementation modalities through funded partners for cost-effectiveness and strengthen partner selection and monitoring.

UNHCR accepted recommendation 6 and stated that the Representation has completed partner selection and retention to align with the Multi-Year Strategy 2026–2029, consolidating sectors and reducing funded partners from 19 to 13 to enhance cost efficiency and effectiveness. To strengthen partner monitoring, the operation will develop an offline monitoring tool for Multi-Functional Teams to track partners' activities and budgets, complementing documentation in PMC02 and utilizing Aconex's field module for monitoring.

C. Management of resources

Best value not received on procurements

(a) Poor planning resulted in loss of value for money

32. The broad, multi-sector assessments used to identify refugee needs did not capture their specific priorities, with 21 per cent expressing dissatisfaction with NFI distributed items. For instance, they preferred water pitchers to jerrycans (\$87,875) and had no use for the cutlery (\$182,028) since they ate with their hands. Despite these complaints, NFI kits were not adjusted, leading to stockpiles of unused items, including 62,100 kitchen sets worth \$1.32 million.

33. The Representation invested \$2.2 million to construct 99 elephant watch towers which an evaluation later found to be ineffective. A recommendation was made to tear the roofs down as the design on 83 towers was cyclone-inappropriate resulting in losses of materials totaling \$56,025. This was after an investment of \$367,759 was made to extend the durability of elephant watch towers which was unsuccessful. Further, an evaluation in 2025 recommended that the number of towers is reduced but only 12 had been removed at the time of the audit. The removal of the remaining 37 would save a further \$180,000.

34. The Representation had not conducted a needs assessment to inform its decisions on the optimal number and profile of vehicles necessary for service delivery. Thus, the Representation could not justify its fleet of 52 programme vehicles in its 16 camps nor the 48 administrative vehicles for which it had only 29 drivers. Also, at the time of the audit, 10 of the 104 vehicles had not been operational for an extended period, and over \$80,000 was paid for these vehicles in rental fees.

35. The LPG refill purchases totaling \$24.2 million exceeded needs (\$18.7 million) by \$5.5 million.. Additionally, delays in implementing recommendations from the multiple pilot studies conducted on the use of pressure cookers resulted in missed savings estimated at \$2 million.

36. The Representation built a new office in Cox's Bazar for \$240,000 without formal landlord approval, as well as cost recovery plans. A mid-project design change added a third floor, thereby raising costs. After completion, the landlord announced a rent increase despite there being no lease agreement. The office remained unused for five months, while \$11,000/month continued to be paid for the old premises. Table 3 below indicates a summary of potential losses arising from poor planning;

Table 3: summary of potential inefficient costs arising from poor planning

Issue	Amount (\$ millions)
Non-food items not aligned to refugee needs	0.27
Ineffective elephants watch tower investments	0.42
Idle vehicles and poor fleet planning	0.08
LPG procurements exceeding needs	5.5
Unused office building	0.06
Total	6.33

(b) Gaps in procurement and contracting reduced the value obtained on purchases

37. The Representation prequalified vendors and entered into framework contracts but did not review them despite changing conditions, reducing value for money on purchases. For example:

- The Representation used one contractor for all construction contracts and materials totaling \$25 million from 2021 to June 2025. This was despite their prices being 26 per cent above market rates, with potential losses estimated at \$6.5 million.
 - The Representation relied on a single contractor for its shelter and construction programme despite the three-year \$26.5 million frame agreement signed in 2021 not having an exclusivity clause. Four additional vendors selected in 2024 were not awarded any contracts even though their prices were 33-43 per cent lower than the contractor singly used. In one case, this led to the Representation paying this contractor \$279,500 (56 per cent) more for 220 bamboo shelters than what was proposed by another of the selected vendors. Moreover, the Representation extended the singly used contractor’s agreement by six months, corresponding to a ceiling increase of \$9.6 million.
 - The Representation relied on a single long-term vendor for LPG refills, stoves, igniters, pressure cookers, and training, awarding \$30 million (33 per cent) of total procurement to this vendor despite it not being the lowest bidder. Moreover, this vendor subcontracted work, thereby increasing costs. At the same time, the Representation spent \$1.66 million on LPG depot costs although they were contractually the vendor’s responsibility. Further, while accessories like spark lighters were covered under pressure cooker warranties, the Representation purchased more lighters totaling \$65,367. The Representation also paid \$2.33 million as a deposit on the cylinders. It, however, did not monitor quality and movement of returns to make future recoveries from the paid deposit.
38. The rates paid in its \$3.9 million energy and environmental programme were high as noted below:
- The vendor rates in the Representation’s 2021 solar project framework were higher than bills of quantities, market prices, and other partners’ costs in the sector by up to 36 per cent. Unjustified increases in these rates by 19–25 per cent in 2023 resulted in lost savings of some \$294,840 despite a market assessment showing that the vendor was more expensive than competitors.
 - The electrical works under the construction framework exceeded market rates by about 10 per cent, resulting in a loss of \$1.5 million. Increases in contract rates by 10 per cent without a market review violated the fixed-price terms and added \$2.2 million to the total costs.
 - The Representation used the same vendor for conducting feasibility studies, designing and installing electrical installation projects, which represented a conflict of interest. This vendor’s labour costs of 52 per cent were higher than the 20-35 per cent typical in South Asia.
39. Weaknesses in contracting further increased the financial risks the Representation was exposed to. For example, the Representation accepted a \$16,807 performance bond as a safeguard for a \$1.2 million gas cylinder rental contract.
40. Table 4 below shows the summary of potential losses arising from gaps in procurement and contracts management:

Table 4: Potential losses from ineffective procurements and contract management

	Amount (\$ millions)
Use of high-priced single construction vendor	6.5
Non-use of lower-priced construction vendors	0.3
Overpriced solar and electrical works	0.3
Payments for vendor responsibilities of LPG depot costs and spark lighters	1.7
Total	8.8

(7) The UNHCR Representation in Bangladesh should strengthen its planning, procurement, and management of framework contracts so they remain competitive, reflect current market conditions, and deliver best value.

UNHCR accepted recommendation 7 and stated that the Representation completed the distribution of kitchen sets and decommissioned its Elephant Watch Towers by August 2025. It has launched new tenders for construction projects and materials and is finalizing joint LPG and energy systems framework agreements with IOM to standardize quality by April 2026. A framework agreement tendering for pressure cookers and stoves is scheduled for publication in early 2026. The Representation will continue to optimize its fleet in 2026, with ten non-operational vehicles identified for auction.

Weaknesses over the storage, distribution and accounting for purchased items

(a) Proper records not maintained to account for items

41. The Representation issued blanket purchase orders without specifying quantities, which made it difficult to conduct three-way matching, raising the risk that discrepancies between payments, invoices, and deliveries would go undetected. For example, there were variances between the 35,137 LPG refills recorded in the Global Distribution Tool as received, to what the vendor invoiced, i.e., 15,226 refills. Furthermore, the Representation recorded purchases of 95,609 pressure cookers but distributed 84,725, leaving the difference unexplained. The audit identified unexplained differences between the number of cookers procured and what was distributed, as noted in Table 5 below:

Table 5: Unexplained differences between cookers purchased and distributions

	Number purchased	Number distributed	Unexplained difference
Cookers purchased in 2023	95,609	84,725	10,884
Cookers purchased in 2021	6,000	476	5,524
5-liter cookers	28,380	23,303	5,077

42. The Representation’s field staff did not conduct NFI on-site distribution monitoring in four camps despite having over 14 field staff. Further, only two post-distribution monitoring exercises for NFIs were conducted, and resultant recommendations were not implemented. Thus, the Representation lacked information on the quality, sufficiency and utilization of NFIs in mitigating protection risks.

(b) Gaps in warehousing

43. The Representation did not conduct assessments to determine its warehouse needs, resulting in excess facilities, increased operational costs and inefficiencies. For instance, there were 24 partner managed shelter warehouses and distribution points for the 16 camps. No consideration was given to consolidating the 31 partner-managed warehouses under the WASH and shelter programmes, to reduce related costs totaling \$523,581 in 2024. Further, the Representation also paid \$126,000 annually for eight years for a motel that was no longer in use, except for storage and parking. Adjacent to this motel was a larger space up for rent at \$36,000 per year. This resulted in over \$1 million in avoidable costs.

44. NFI stock levels in Camp 2 and Camp 4 warehouses exceeded UNHCR global thresholds, which was attributed to year-end purchases to fully utilize budgets. For example, the WASH programme had stocks totaling \$1.2 million by December 2024, including three diesel pumps (\$32,727) purchased on the last day of 2024. Additionally, items were stored in poor conditions, increasing the risk of damage.

45. The Representation did not maintain proper warehouse records. For instance, it: (i) did not prepare reconciliations between stock received, distributed and balances on hand; (ii) had unexplained discrepancies between records and physical stocks related to 16,375 buckets, 520 kitchen sets and 7,180 sleeping mats totaling \$70,000; and (iii) lacked distribution reports as was noted in the Muchoni shelter warehouse. This raised the risk of diversion and misappropriation.

(8) The UNHCR Representation in Bangladesh should: (a) reinforce its controls over the receipt, storage, distribution, warehousing, accounting and monitoring of non-food items; and (b) reconcile LPG and pressure cooker, deliveries and distributions against population figures; and (c) rationalize the number of warehouses for efficiency.

UNHCR accepted recommendation 8 and stated that from January 2026, the Representation will consolidate four distribution points to integrate NFI and LPG distributions, assign different partners to manage ERP and CUBOID warehouses to strengthen controls, and continue enhanced monitoring using the improved Kobo tool. The Representation will also continue using GDT, Cloud ERP, and CUBOID for monthly NFI reconciliations, develop SOPs for three-way matching of LPG refills, rationalize warehouses by June 2026, and implement bi-annual verification to ensure camp-level stocks remain within UNHCR global thresholds.

IV. ACKNOWLEDGEMENT

46. 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

STATUS OF AUDIT RECOMMENDATIONS

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

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	C/ O ⁷	Actions needed to close recommendation	Implementation date ⁸
1	The UNHCR Representation in Bangladesh should: (a) review its strategic plan for relevance and prioritize its programme objectives within resource constraints; (b) reinforce programme and sector coordination to address gaps and duplications in service delivery; and (c) address gaps in COMPASS to ensure evidence-based decision-making.	Important	O	Receipt of; (a) revised multi-year strategy; (b) a comprehensive partner mapping and sectoral responsibility matrix and (c) evidence of COMPASS data quality assurance and performance reviews.	31 December 2026
2	The UNHCR Representation in Bangladesh should enhance its programme delivery model by: (a) developing a plan to transition from response modality to a sustainable, cost-effective, and solutions-oriented model, including regarding the Kutupalong Transit Center; and (b) enhancing its management and mitigation of risks that impede the achievement of its strategic objectives.	Important	O	Receipt of an action plan to transition from response to a sustainable, cost-effective, and solutions-oriented model and closure of the Transit center (b) Closed	31 December 2026
3	The UNHCR Representation in Bangladesh should address the shortcomings related to access to, coverage and quality of WASH facilities available to forcibly displaced persons	Important	C	NA	Implemented
4	The UNHCR Representation in Bangladesh should improve the effectiveness of livelihoods programmes by: (a) conducting an impact assessment to inform its redesign of its skills development programme; and (b) strengthening controls over production centers' payments, sales, stock management and record keeping.	Important	O	Receipt of evidence for: (a) redesigned skills development programme informed by an impact assessment; (b) roll-out of Cuboid Accounting Software for all production centres; and (c) recovery of proceeds from sales of items.	31 December 2026

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

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

⁷ Please note the value C denotes closed recommendations whereas O refers to open recommendations.

⁸ Date provided by UNHCR in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

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

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	C/ O ⁷	Actions needed to close recommendation	Implementation date ⁸
5	The UNHCR Representation in Bangladesh should strengthen the planning and delivery of health services including optimizing the use of health facilities and equipment in camps and reinforcing controls over medicines and health data management.	Important	O	Receipt of evidence of: (a) implementation of a plan to optimize health facilities and equipment; (b) communicable and non-communicable disease programmes and epidemic preparedness plans; (c) updated referral and nutrition programme guidelines and hospital agreements; and (d) quantification and procurement of medicines supported by forecasting analyses, stock monitoring reports,	30 June 2026
6	The UNHCR Representation in Bangladesh should review its implementation modalities through funded partners for cost-effectiveness and strengthen partner selection and monitoring.	Important	O	Receipt of evidence of: (a) comparative advantage assessments to determine the most effective arrangements for delivering services; (b) alignment of partner budgets to targets in the frame agreements and agreed activities in the workplans; (c) risk-based monitoring plans for funded partners; and (d) roll out of Cash assist and GDT for payment of volunteers.	31 December 2026
7	The UNHCR Representation in Bangladesh should strengthen its planning, procurement, and management of framework contracts so they remain competitive, reflect current market conditions, and deliver best value.	Important	O	Receipt of evidence of (a) fleet sizing plan and rationalisation of Programme vehicles; (b) revised framework agreements for construction, LPG, pressure cookers and energy with market surveys undertaken to ensure prices quoted are aligned to prevailing market conditions; and (c) the new lease agreement for Cox Bazaar Sub-Office	31 December 2026
8	The UNHCR Representation in Bangladesh should: (a) reinforce its controls over the receipt, storage, distribution, warehousing, accounting and monitoring of non-food items; and (b) reconcile LPG and pressure cooker, deliveries and distributions against population figures ; and (c) rationalize the number of warehouses.	Important	O	Receipt of evidence of; (a) NFI on-site and post-distribution monitoring reports; (b) three-way matching of LPG refills and halting of issuance of blanket Purchase orders; (c) reconciliation of LPG and pressure cookers against the population needs ; and (d) rationalization of warehouses.	30 June 2026

APPENDIX I

Management Response

MANAGEMENT RESPONSE

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

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
1	The UNHCR Representation in Bangladesh should: (a) review its strategic plan for relevance and prioritize its programme objectives within resource constraints; (b) reinforce programme and sector coordination to address gaps and duplications in service delivery; and (c) address gaps in COMPASS to ensure evidence-based decision-making.	Important	Yes	Senior Programme Officer	31 December 2026	<p>The Representation accepts the recommendation.</p> <p>1(a) Action already taken:</p> <p>i) The 2023–25 MYS was developed based on assumptions some of which changed as implementation progressed. From 2025 January, and due to increased funding constraints, BGD operation has faced three (03) budget reductions of around 40% from our 2025 initial Indicative Operating Level budget. Office proactively engaged in several meetings with sector leads and partners to discuss and reprioritize objectives through rigorous revision exercises, thereby adjusting the 2025 strategy (Refer to annex 1a). The new Multi – Year Strategy 2026 – 2029 has proactively factored in operational changes by reprioritizing objectives within limited resources. This strategic adjustment is already underway, successfully initiated through two (02) workshops: one</p>

⁹ 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.

¹⁰ 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 ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>internal session and one external session with key partners. The workshops were essential for discussing and agreeing upon the prioritization of 2026 activities (Refer to annex 1a).</p> <p>ii)The critical process of reprioritizing objectives will be institutionalized to continuously align our strategy with the evolving operational context, particularly in response to any future budget fluctuations and along the duration of our Multi Year Strategy.</p> <p>1(b) Actions to be taken:</p> <p>i)To enhance system design, maintenance, and oversight, the Representation is currently in the process of establishing Framework Agreements (FAs) for the maintenance of solar systems and generator repair services. These agreements will comprehensively cover Bhasan Char (Refer to annex 1b)</p> <p>ii)To pursue operational sustainability, the Representation has, in 2025, recruited one energy focal point through a funded partner stationed on Bhasan Char. This</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>personnel possess relevant energy expertise and are tasked with overseeing daily operations, maintenance of energy systems, and preventing duplication of interventions.</p> <p>iii)The operation has embarked on a comprehensive energy mapping across all camps in the Area of Responsibility (AOR), focusing on solar installations, generator-powered facilities, and on-grid electricity connections. This initiative aims to enhance oversight and monitoring of energy infrastructure, identify service gaps, and inform future planning for equitable and sustainable energy access.</p> <p>iv)The other agency referred to – regarding LPG assistance – has committed to shifting its LPG equipment to align with UNHCR’s, and the agencies are currently in the process of finalizing a joint tender for LPG, as detailed below. This will complement progress already made to improve efficiencies and overall coherency in LPG assistance.</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>v)An example of the actions already taken include that the other agency transitioned its distribution management from the WFP SCOPE system to the UNHCR GDT system, enabling UNHCR, for the first time, to access its distribution data across programmes such as WASH, Shelter and LPG. The introduction of GDT brought a unified platform that integrates biometric verification, incorporates anti-fraud mechanisms, and centralizes distribution records (across these sectoral areas). This centralization improved assistance coordination between agencies and allowed both agencies to operate from a shared, real-time dataset. As a result, distribution processes became more consistent, transparent, and better aligned.</p> <p>1(c) Action to be taken: To mitigate the risk related to this point, Bangladesh operation will untick the inactive indicators in Compass and add comments in the data limitation box therein while notifying HQ and waiting for improvement of the tools.</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
2	The UNHCR Representation in Bangladesh should enhance its programme delivery model by: (a) developing a plan to transition from response modality to a sustainable, cost-effective, and solutions-oriented model, including regarding the Kutupalong Transit Center; and (b) enhancing its management and mitigation of risks that impede the achievement of its strategic objectives.	Important	Yes	Senior Programme Officer	31 December 2026	<p>The Representation accepts the recommendation.</p> <p>2(a) Action already taken:</p> <p>i) Since 2022, Sustainable Response is an integral component of the Multi-year Strategy of Bangladesh operation. This has been factored into the 2023 – 2025 and the 2026 – 2029 multi-year strategies. The operation has undertaken significant efforts toward rationalization, realignment, and localization with a view to optimizing the use of available resources. UNHCR Bangladesh has already completed the handover of the education sector to UNICEF. In addition, from 2024, the Representation has been progressively disengaging from, and transitioning the WASH and Nutrition sectors to, specialized organizations with comparative advantages in these areas. These measures reflect a deliberate effort by the operation to streamline its footprint, reduce overlap, and focus resources on core mandate activities. Moreover, due to government policy, which treats the refugee response as temporary and is almost exclusively focused on return rather than self-reliance, inclusion or integration, the implementation of the shift from response to sustainable, cost – effective and solutions oriented has been slow.</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>ii) Bangladesh operation will continue advocating with the Government for a policy shift and more openness, that will enable a more sustainable and solutions oriented model.</p> <p>iii) Regarding Transit Center (TC), with the policy and operational limitations, the Representation is taking further steps to, in the short term, shift the existing modalities at the transit center, including phasing out some forms of assistance and, in cooperation with relevant stakeholders – including the authorities - continuing to advocate for a transition in how referrals are conducted. In the longer term (but within 2026), and subject to a conducive environment, the Representation is planning to phase out the current use of the transit center for its present purposes entirely. To the extent circumstances allow, the Representation will guide the gradual phasing out of the current service delivery model, ensuring that the transition is well-coordinated, protection-sensitive, and aligned with the broader assistance framework. Relevant discussions are ongoing with the Regional Bureau and DIP. This will build on past efforts undertaken to relocate families from the TC (including through regular counseling, intention surveys,</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>identification of places to relocate, etc.)</p> <p>Five (5) Community Awareness Sessions, through focus group discussions with all residents, on the phase out of TC, were conducted in December 2025. Ongoing coordination with relevant stakeholders to shift modes of operation at the TC is in process, including action already taken to plan for changed modalities of assistance from 1 January by both UNHCR and other agencies. A survey has been conducted on alternative community-based shelter options within the camps and is under review and will inform the phase out.</p> <p>Action to be taken: Provision of hot meals to be phased out from January 2026. Ongoing engagement with communities and other interlocutors on relocation and related issues.</p> <p>2(b) Actions already taken: Bangladesh operation has embedded strong risk management culture despite operating in complex environment. The Representation has proactively monitored risks and regularly updated the operational risk register. During the 2026 detailed planning process, the representation completed the mandatory annual risk</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>review. The strategic risks have been identified, analyzed, and evaluated, and will be continuously monitored during the implementation period. In addition, the Representation will develop an audit follow-up matrix to track the progress for the implementation of prior year audit recommendations. Moreover, the Representation conducted Internal Control Self-assessment where the operation reviewed the performance on the internal control activities and identified areas for improvement.</p>
3	The UNHCR Representation in Bangladesh should address the shortcomings related to access to, coverage and quality of WASH facilities available to forcibly displaced persons	Important	Yes	WASH Officer	Completed- November 2025	<p>The Representation accepts the recommendations</p> <p>The Representation acknowledges the audit recommendation and confirms that, within its mandate, capacity, and available resources, it has taken substantial measures to improve access to, coverage of, and the quality of WASH facilities for refugees.</p> <p>Action already taken:</p> <p>i) To address water scarcity in Teknaf, particularly during the dry season, the Representation has engaged in sustained advocacy with government authorities and development actors. These efforts have resulted in two major interventions: a desalination plant,</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>for which the responsible agency completed a full feasibility study in November 2025 (attached feasibility study -annex 3a), and a government-led, development-funded pipeline water supply project that commenced in the third quarter of 2025 (list of projects shared in annex 3a).</p> <p>ii) To improve bathing cubicle coverage, gender segregation, and inclusion, the Representation is applying Integrated Settlement Planning (ISP) to ensure coordinated shelter, WASH, and protection outcomes. For example, in Camp 4X, 295 shelters accommodating 1,373 individuals were constructed alongside 74 latrines and 74 bathing cubicles, achieving 18.5 persons per facility, surpassing global minimum standards (attached the site plan of camp 4X in folder 3b). The Representation will continue upscaling ISP interventions subject to availability of funding.</p> <p>iii) Hygiene conditions and drainage maintenance have also been strengthened through the regular soap and female hygiene kits distribution in line with sector guidelines. In addition, this has been complemented by enhanced community engagement. Refugee volunteers have delivered hygiene education sessions, while community members</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>have assumed ownership of WASH facilities, supporting their operation, routine maintenance, and overall sustainability.</p> <p>Since January 2025, community-based groups have been actively engaged in routine drainage cleaning, as outlined in the Community Engagement Action Plan (attached in annex 3c).</p> <p>By August 2025, these activities were scaled up across all UNHCR-supported camps, resulting in the cleaning of approximately 18,768 feet of drainage with the support of 246 community user groups. In addition, drainage cleaning is implemented as a regular activity, with community groups assigned daily maintenance responsibilities that are monitored on a routine basis. These activities are further complemented by monthly camp-wide cleaning campaigns.</p>
4	The UNHCR Representation in Bangladesh should improve the effectiveness of livelihoods programmes by: (a) conducting an impact assessment to inform its redesign of its skills development programme; and (b) strengthening controls over production centers' payments, sales, stock management and record keeping.	Important	Yes	Head of Sub Office	31 December 2026	<p>The Representation accepts the recommendation.</p> <p>4a) The Livelihoods and Skills Development Sector (LSDS), led by UNHCR, is in the process of procuring a service provider to conduct skills- need assessment</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>exercise. The report is expected to be completed by May 2026.</p> <p>4b) The partner registered the livelihood project with the concerned authorities as a social business in February 2025 and subsequently opened a dedicated bank account for funds management. In addition, the stock is recorded and managed in CUBOID software. However, the accounting records are manually maintained, and the Representation has recommended and will follow up with the partner to implement accounting software by December 2026 to strengthen record keeping.</p>
5	The UNHCR Representation in Bangladesh should strengthen the planning and delivery of health services including optimizing the use of health facilities and equipment in camps and reinforcing controls over medicines and health data management.	Important	Yes	Senior Public Health Officer	30 June 2026	<p>The Representation accepts the recommendations</p> <p>Actions taken:</p> <p>i.) In 2024/2025, the health sector introduced a Minimum Health Service Package (Refer to annex 5.1) covering both communicable and non-communicable diseases (see page 6), aimed at comprehensively addressing refugee health service delivery (pg6).</p> <p>ii.) As part of the health sector, the representation has developed and is implementing a Hepatitis C response program for refugees and strengthened targeted communicable disease interventions and carried out targeted campaigns, including Oral</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>Cholera Vaccination, Typhoid Vaccination, Mass Drug Administration for Scabies, and routine child immunization in 2024 and 2025.</p> <p>iii.) Lastly, under the guidance of the health sector, the first draft for epidemic prone disease surveillance is in circulation for review and finalization (Refer to annex 5.2).</p> <p>iv.) Together with health and nutrition partners, the Representation has supported the development of a Health and Nutrition Strategy (Refer to annex 5.3) that will introduce changes to the service delivery model in 2026 and beyond.</p> <p>v.) A 2024 nutrition survey indicated a significant reduction in acute malnutrition-from 15.1% to 8.6%-in Cox's Bazar and Bhasan Char (refer to the annex 5.4, 5.5), marking a 30% decrease and classifying the operation for the first time below the SPHERE critical threshold (>10%) since the influx in 2017. In the absence of major aggravating factors such as food security deterioration due to funding constraints, the situation is considered stable and improved. UNHCR/UNICEF also carried out a Multi-Indicator-Cluster-Survey in 2025 with final report</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>expected end of Q1 2026 also confirms the improvements.</p> <p>vi.) The Representation acknowledges the disruption of services at the two Ministry of Health hospitals (20-Bed Hospital in Noakhali and Ukhiya Specialized Hospital) previously supported, following their handover to the government. While the need and utility of these facilities were confirmed by service utilization data (Refer to annex 5.6, 5.10, 5.11), the disruption was largely due to limited government capacity and funding amid a political crisis.</p> <ul style="list-style-type: none"> • The 20-bed hospital is now operational with support from World Bank funding to government by an operational partner. (Refer to annex 5.6, 5.8). IOM is now operating the facility on behalf of the government and world bank (31/12/2025) • The government has selected an operational partner (Refer to annex 5.7, 5.9, 5.10); MOU signing is in progress between them to be finalized by 30/03/2026. This partnership will allow full utilization of the equipment provided. • At the camp level, UNHCR has rationalized its health facilities in alignment with sector plans,

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>implemented cost efficiencies, in preparation of any handovers in the future. The operation has also developed a phase out/rationalization plan to guide its implementation in 2026 (refer to annex 5.18.)</p> <p>vii.) Concluded tenders for medical supplies, the new tender process awaiting review by the contracts committee to identify quality-assured local manufacturers to improve delivery lead times and enable a pull-based ordering system. The tender process to be completed by March 2026 (Already ITBs for medical and lab supplies completed, medicines pending submission to the contracts committee).</p> <p>viii.) Rollout of pharmacy software to strengthen stock and warehousing management practices comply with UNHCR guidelines. Training has been conducted and in use in all the health facilities on going (Refer to annex 5.12, 5.16, 5.17).</p> <p>ix.) Redistribution of near-expiry items to health facilities serving refugees and host communities (Refer to annex 5.13)</p> <p>x.) Close monitoring of near expiry items to continue every quarter per the plan (Refer to annex 5.14).</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						xi.) IRHIS/DHIS2 integration project was completed in 2025(Refer to annex 5.15), transitioning to use of one system at the point of care. The project formed a prototype for UNHCR corporate transition from its own IRHIS to global adoption of DHIS2, that will scale up integration worldwide in the coming years.
6	The UNHCR Representation in Bangladesh should review its implementation modalities through funded partners for cost-effectiveness and strengthen partner selection and monitoring.	Important	Yes	Senior Programme Officer	31 December 2026	<p>The Representation accepts the recommendation.</p> <p>Action taken: BGD operation completed partners' selection / retention to align it with its new Multi Year Strategy 2026 – 2029. Regarding cost efficiency and effectiveness, there has been consolidation of some sectors which lead to redistribution of sectors and reduction of the funded partners' number from 19 to 13.</p> <p>Action to be taken: For the reinforcement of implementing partners' implementation, Bangladesh operation will design a more elaborated offline monitoring tool, which will be used by Multi-Functional Teams (MFT) to monitor and inform the partners' activities and budget performances. This offline tool will complete and inform the documentation of the monitoring</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						through the PMC02. Likewise, the operation will make use of the monitoring function (field module) of Aconex for the purpose.
7	The UNHCR Representation in Bangladesh should strengthen its planning, procurement, and management of framework contracts so they remain competitive, reflect current market conditions, and deliver best value.	Important	Yes	Senior Supply Officer	31 December 2026	<p>The Representation accepts the recommendations</p> <p>Action already taken:</p> <p>i) In addressing the needs expressed by the population as identified in the PDM report and in alignment to the distribution and contingency plan, the Representation completed distribution of the 62,100 kitchen sets referenced in paragraph 32. Distribution to further new arrivals is continuing, as per distribution planning and prioritization for 2025 and 2026. Supporting documents (GDT reports, including information on the distribution of kitchen sets) are shared provided (Refer to annex 7a)</p> <p>ii) Elephant Watch Towers under the Representation's responsibility, were decommissioned by 1 August 2025. In line with the recommendation outlined in the report, the Representation is currently coordinating the handover of the remaining 28 Elephant Watch Towers located in the IOM-managed areas to IOM by February 2026. (Supporting document attached in annex 7a).</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>iii)The Representation has already taken steps and launched a new tender, categorizing construction projects into three types: semi-permanent structures, permanent structures, and construction materials. Tenders for these projects were published in June and July 20 monitoring different construction FAs. The tendering process for Semi-permanent and Construction materials has been completed and approved by the HCC, with ten (10) FAs for semi-permanent, shelters and two (02) FAs for construction materials. Regarding the permanent shelters, the technical evaluation is ongoing. This approach aims to expand the supplier pool, addition, for the award of construction materials, a secondary bidding process will be conducted to align with current market prices. The HCC approval is provided (Refer to annex 7b(i))</p> <p>iv) LPG FA; the Representation is currently working on two new tenders for Pressure Cookers and LPG Refill, jointly with IOM. The LPG tender package preparation is in its final stage and is expected to be launched by the end of December 2025 and contract/s awarded by April 2026. In addition, the Representation will reflect the cylinders' rental cost deposit to the performance bond with</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>a clear delegation of responsibilities between the supplier and the Representation in the new LPG contract award.</p> <p>v) To enhance system design, maintenance, and oversight, the Representation is currently in the process of establishing a series of FAs for various energy-related components. These agreements will cover the design and installation of energy systems, including solar power solutions, as well as maintenance and repair services for both solar systems and generators. The aim is to achieve consistent technical standards, improve service quality, and reduce downtime across camps and facilities through streamlined procurement and reliable service provision in April 2026.</p> <p>Action to be taken:</p> <p>vi)The operation will continually assess fleet composition to ensure operational efficiency and cost-effectiveness. A comprehensive fleet optimization review initiated in 2025 will continue in 2026, focusing on vehicle utilization, functional suitability, costs, and service delivery requirements. In terms of the ten (10) vehicles that were reported to be non-operational for extended period of time, this is to confirm that the export permits were received, and the</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>vehicles shipped out of the country for auction in line with GFM requirements. No further action is required on these vehicles.</p> <p>vii)In reference to observation regarding losses previously associated with the non-use of the new building, the facility has since been fully occupied and integrated into operations effective August 2025, resulting in the elimination of losses related to idle capacity. The building is now being utilized in line with its intended purpose, and associated expenditures are justified by operational requirements. As corrective action has been completed and the risk addressed, management considers the matter resolved and no further action is required.</p> <p>viii)The Representation will establish FAs for the pressure cookers and stoves. The tender will be published in early 2026.</p>
8	The UNHCR Representation in Bangladesh should: (a) reinforce its controls over the receipt, storage, distribution, warehousing, accounting and monitoring of non-food items; and (b) reconcile LPG and pressure cooker deliveries and distributions against population figures; and (c) rationalize the number of warehouses.	Important	Yes	Head of Sub Office	30 June 2026	<p>The Representation accepts the recommendations</p> <p>8 (a) Action to be taken:</p> <p>i)The Representation will enhance efficiency through further integration of distribution activities with CCCM interventions. A total of four</p>

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>distribution points will be consolidated from January 2026 to cover both NFI and LPG distribution at the same site. This is expected to increase efficiency and reduce costs.</p> <p>ii)To enhance controls, from January 2026, ERP and Cuboid warehouses will be managed by different entities/partners instead of the current 1 partner. Implementation of the separate control measure (different partners managing ERP and CUBOID) to begin with the new distribution partnerships from January 2026.</p> <p>iii)The Representation has improved monitoring of its distribution interventions through an enhanced kobo tool and will continue with regular monitoring and reporting of findings in 2026. Supporting document attached in folder under tab 8A - LPG NFI Monitoring tool.</p> <p>Action to be taken:</p> <p>iv)The Representation will continue enforcing the use of the GDT, Cloud ERP, and CUBOID (locally developed) software to continue preparing monthly NFI reconciliations (as is the current practice, sample shared in the file) for stock receipts, distribution, and balances at the end of every distribution cycle. Refer to the</p>

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						<p>example reconciliation report shared (in the folder under annex 8 b i) alongside a GDT report for November 2023.</p> <p>8 (b) The Representation will strengthen its controls through developing a standard operating procedure for periodic three-way matching reconciliation of refills delivered by vendor, refills distributed to refugees against payments made to the vendor.</p> <p>8 (c) i) The Representation will conduct further warehouse rationalization in consultation with the respective sectors for a further reduction of the existing warehouses by the end of June 2026. ii) The Representation will prepare a plan adapting regular verification exercise bi-annually to ensure that stocks at the camp level do not exceed the UNHCR global threshold.</p>