



INTERNAL AUDIT DIVISION

REPORT 2025/095

Audit of operations of the United Nations Human Settlements Programme in Burkina Faso, Guinea-Bissau and Senegal

Strategic, project and administrative management at the country offices needed to be strengthened

30 December 2025

Assignment No. AA2025-250-01

Audit of operations of the United Nations Human Settlements Programme in Burkina Faso, Guinea-Bissau and Senegal

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of operations of the United Nations Human Settlements Programme (UN-Habitat) in Burkina Faso, Guinea-Bissau and Senegal. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes in the management of UN-Habitat operations in the three countries. The audit covered the period from 1 January 2022 to 30 April 2025 and included a review of: (a) strategic management and governance; (b) project management; (c) finance, procurement and human resources management; and (d) systems, practices and processes for managing data.

The country offices in Burkina Faso, Guinea-Bissau and Senegal serve as UN-Habitat's frontline operational entities, translating its global mandate. However, OIOS noted several issues that affected their operations, including misalignment of delegated authorities and accountabilities, the lack of a Habitat Country Programme Document (HCPD) for Burkina Faso, missing country-specific risk assessments, lack of monitoring framework for tracking project implementation progress and projects not being evaluated as required. Moreover, project deliverables were not fully aligned with the United Nations Sustainable Development Cooperation Framework (UNSDCF). Additionally, incomplete data in the Integrated Planning, Management, and Reporting (IPMR) module undermined the accuracy of information available for decision-making. Administratively, there were delays in closure of donor grants and support arrangements at the country level were not formalized with the service provider.

OIOS made nine recommendations. To address issues identified in the audit, UN-Habitat needed to:

- Conduct a comprehensive assessment of the devolved authorities and update the Organizational and Personnel Accountability Framework.
- Develop and implement a monitoring framework for tracking project implementation progress at the country level to assess results and support evidence-based decisions.
- Expedite the closure of all expired grants.
- Expand user access to IPMR to ensure timely update of data in the system.

UN-Habitat Regional Office for Africa needed to:

- Ensure that project deliverables by country offices are aligned with UNSDCF.
- Develop a HCPD for Burkina Faso Country Office.
- Ensure that country-level risk assessments in Senegal, Guinea-Bissau and Burkina Faso are documented in risk registers that are regularly updated and used for risk mitigation.
- Ensure that all projects undergo evaluations as stipulated in the evaluation framework and monitor implementation of evaluation recommendations.
- Formalize Guinea-Bissau and Burkina Faso's administrative support arrangements with the service provider and ensure that supporting documents are maintained for all procurement transaction.

UN-Habitat accepted all recommendations and has yet to initiate action to implement them. Actions required to close the recommendations are indicated in Annex I.

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Audit of operations of the United Nations Human Settlements Programme in Burkina Faso, Guinea-Bissau and Senegal

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of operations of the United Nations Human Settlements Programme (UN-Habitat, or the Agency) operations in Burkina Faso, Guinea-Bissau and Senegal.

2. UN-Habitat promotes socially and environmentally sustainable towns, cities, and human settlements worldwide. Operating in over 90 countries, the Agency supports transformative urban development through normative and operational approaches. Its normative work focuses on developing global policies, frameworks and standards, generating knowledge, and building institutional capacity to guide sustainable urbanization. Operational activities translate these frameworks into concrete results through country-level programmes that provide technical assistance, implement projects, and strengthen local capacity in areas such as urban planning, housing, and climate resilience.

3. In 2020, UN-Habitat adopted a decentralized structure through a regional architecture, which aimed at empowering regional offices with greater decision-making authority and technical capacity. UN-Habitat also established sub-regional offices to support country operations and promote effective participation in the development and implementation of the system's Common Country Analyses and the United Nations Sustainable Development Cooperation Frameworks (UNSDCFs). Within this context, the country offices in Senegal, Guinea-Bissau, and Burkina Faso serve as UN-Habitat's frontline operational entities, translating its global mandate into national priorities and ensuring alignment with the Sustainable Development Goals, the New Urban Agenda, and the UNSDCFs.

4. In line with the regional architecture, UN-Habitat signed a memorandum of understanding (MOU) with the Government of Senegal in May 2025 to formally establish the West Africa Sub-Regional Hub (the Hub), operating under the Regional Office for Africa (ROAF) that is located in Nairobi, Kenya. Based in Dakar, Senegal, the Hub serves 16 countries across West Africa and had a project portfolio of \$47.5 million as of 30 April 2025. These included 16 projects in Burkina Faso, Guinea-Bissau, and Senegal, with a combined value of \$25.78 million that were either active or nearing completion during the audit period.

5. To effectively execute project activities, the three country offices in Burkina Faso, Guinea-Bissau, and Senegal engaged a total of 39 personnel. The personnel comprised 2 professional staff at the P4 level, 2 national officers at NO-C level, 1 general service staff at G6 level, 19 staff with service contracts, 11 individual contractors, and 4 United Nations Volunteers. Oversight was provided by the Head of the Hub, who also served as senior programme officer (P-5), based in Dakar.

6. The Hub and the three country offices rely on Umoja for processing payments, travel and procurement activities, as well as recruitment and management of project personnel. The Umoja Integrated Planning, Management, and Reporting (IPMR) module is used to enhance project management capabilities. This module supports comprehensive project planning and design, as well as monitoring and reporting of project implementation against established performance indicators.

7. Comments provided by UN-Habitat are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

8. The objective of the audit was to assess the adequacy and effectiveness of governance, risk management and control processes in the management of UN-Habitat operations in Burkina Faso, Guinea-Bissau and Senegal.

9. This audit was included in the 2025 risk-based work plan of OIOS due to the risk that potential gaps in the management of these UN-Habitat operations could adversely affect project implementation and accomplishment of mandate objectives.

10. OIOS conducted this audit from May to November 2025. The audit was undertaken in Burkina Faso, Guinea-Bissau, Senegal and Kenya, and covered the period from 1 January 2022 to 30 April 2025. The audit covered: (a) strategic management and governance; (b) project management; (c) finance, procurement and human resources management; and (d) systems, practices and processes for managing data.

11. The audit methodology included: (a) interviews with key personnel; (b) review of relevant documentation; (c) analytical review of data; (d) sample testing of financial transactions selected through a judgemental sampling approach; and (e) physical verification of a sample of projects through field visits to implementation sites in the three countries.

12. OIOS assessed the reliability of data in IPMR related to the three UN-Habitat operations by: (a) reviewing existing information in IPMR such as data monitoring reports and project related documents in the system; and (b) interviewing UN-Habitat personnel knowledgeable about IPMR data. In addition, OIOS traced a random sample of data to source documents. Based on the assessment, OIOS determined that the data was sufficiently reliable for the purpose of addressing audit objectives.

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

III. AUDIT RESULTS

A. Strategic management and governance

Need to align authorities, accountabilities and responsibilities to devolved structure

14. The UN-Habitat Organizational and Personnel Accountability Framework (HSP/EB.2020/24), emphasized that establishing clear accountability was essential for effective, efficient, and transparent management. The Framework stated that accountability was most effectively achieved when responsibilities, authorities, and resources were properly aligned.

15. In May 2025, ROAF, which oversees the Hub, received expanded delegation of authority to sign various agreements of cooperation, including partnership agreements, MOUs, private sector agreements, letters of agreement, community agreements and contribution agreements. This mitigated delays in approvals and authorizations that had previously affected operational efficiency at the regional and country levels. However, the devolved authorities were only at the regional level, and no assessment was conducted to establish the suitability of further devolving these authorities to sub-regional offices, including the West Africa Hub, and the country offices to ensure alignment with the revised structure. Additionally, the existing accountability framework, which covered the period from 2020 to 2023, was not updated to reflect the new regional architecture or to address the functional accountabilities of sub-regional entities in the newly devolved structure.

(1) UN-Habitat should: (a) conduct a comprehensive assessment of the devolved authorities to ensure they are aligned with the responsibilities and resources transferred to the sub-regional hub; and (b) update the Organizational and Personnel Accountability Framework to reflect the revised regional structure and clearly define accountabilities for all levels.

UN-Habitat accepted recommendation 1 and stated that a recent mission to Senegal by the UN-Habitat Executive Director had accelerated the process of establishing a host country agreement for the West Africa Hub, and had also marked the beginning of the formalization of the Hub's standard operating procedures (SOPs), which will be endorsed by the Executive Director. The formulation of the SOPs involved assessing the devolved authorities at the Hub, defining a sustainable financing mechanism, and establishing a clear organizational and personnel accountability framework.

Need to align deliverables with the United Nations Sustainable Development Cooperation Framework

16. UNSDCF is produced by the resident coordination system and is instrumental for planning and implementing United Nations development activities at the country level to help countries to achieve the Sustainable Development Goals. It serves as the primary strategic anchor for all United Nations agencies, to enhance coherence, eliminate duplication, and maximize the collective impact of the United Nations system's support to host governments. Country office management is responsible for ensuring that project and programme results are derived from, and aligned with, UNSDCF outcomes, with annual reporting by the United Nations country team to evidence each agency's contribution.

17. A review of the reporting process revealed that some of the deliverables for Burkina Faso and Guinea-Bissau projects were not clearly linked to UNSDCF outcome indicators. Additionally, none of Senegal's deliverables were mentioned in the 2024 UNSDCF annual report. According to the country offices' management, the misalignment between project deliverables and the UNSDCF results frameworks occurred because the frameworks were developed prior to UN-Habitat's active participation in their formulation, limiting opportunities to ensure inclusion of the Agency's core work.

18. As a result, there was a risk that UN-Habitat's contributions are not aligned with UNSDCF, and they could be understated within UNSDCF reporting, reducing the visibility of the Agency's work.

(2) UN-Habitat Regional Office for Africa should ensure that project deliverables by country offices are aligned with the United Nations Sustainable Development Cooperation Framework to strengthen the visibility of UN-Habitat's contributions towards achievement of the Sustainable Development Goals and ensure complete reflection of the Agency's work within United Nations system-wide reporting processes.

UN-Habitat accepted recommendation 2 and stated that the heads of the country programmes in Burkina Faso, Guinea-Bissau and Senegal would be responsible for ensuring better alignment of project deliverables with the respective UNSDCF's, especially in the UNSDCF annual reporting system-wide exercise. This would be done annually.

Need for a Habitat Country Programme Document in Burkina Faso

19. The Habitat Country Programme Document (HCPD) is the UN-Habitat corporate instrument for articulating national priorities, defining programmatic alignment with the UNSDCF, and ensuring coherence with the Agency's strategic plan. It is therefore a requirement for all UN-Habitat country offices to develop and institute a HCPD to guide country-level engagement and ensure accountability to national partners and the United Nations system.

The Burkina Faso Country Office did not have a HCPD. Instead, the Office had developed and adopted a Country Office Strategy. While this strategy articulated the Office's alignment with national frameworks, outlined contextual challenges, and thematic areas of intervention, it did not serve as a substitute for the HCPD. Without the HCPD, the Country Office lacked a well-defined results framework as well as formal government endorsement and stakeholder validation, which were vital in enhancing the document's legitimacy as a nationally owned framework.

(3) UN-Habitat Regional Office for Africa should develop a Habitat Country Programme Document for Burkina Faso, using the existing Country Office Strategy as a foundation.

UN-Habitat accepted recommendation 3 and stated that, despite not having a formal HCPD for Burkina Faso, UN-Habitat had managed to expand its country portfolio thanks to the support from the national government, with which the Agency's work is fully aligned. UN-Habitat will develop a formal HCPD for Burkina Faso, endorsed by all concerned parties and aligned with UNSDCF.

Need to institutionalize country-level risk assessments and maintain risk registers

20. Country-level risk assessments are a fundamental element of sound programme management, as recognized in UN-Habitat's enterprise risk management policy and the United Nations system-wide framework on risk. These assessments, when conducted regularly, enable country offices to anticipate, evaluate, and mitigate potential threats to project delivery, ensuring operational resilience and the effective use of resources.

21. The three country offices in Senegal, Burkina Faso, and Guinea-Bissau had not undertaken country-specific risk assessments and did not maintain updated risk registers. This was despite the presence of external and internal factors that adversely affected project implementation, including delayed delivery of projects as articulated in the latter part of this report. The factors included changes in the political environment; poor infrastructure, which hampered access to project sites; limited institutional and vendor capacity, which affected the quality, quantity, and timeliness of goods and services; and currency fluctuations, which had reduced the scale of deliverables for one of its projects from 500 to 312 housing units. Other challenges included insecurity in certain locations, and low community capacity.

22. Management stated that risk assessments were conducted regularly when making project decisions, although they were not systematically documented. Also, management relied on the United Nations Department of Safety and Security and the United Nations Office for West Africa and the Sahel for information on security-related risks.

23. Without timely identification, documentation and mitigation of risks, the country offices were exposed to operational vulnerabilities and limited capacity to respond effectively to evolving challenges.

(4) UN-Habitat Regional Office for Africa should ensure that country-level risk assessments in Senegal, Guinea-Bissau and Burkina Faso are documented in risk registers that are regularly updated and used for risk mitigation.

UN-Habitat accepted recommendation 4 and stated that risk assessments were done regularly by project managers, who were implementing projects in challenging and varying settings. Although risks were not systematically documented, they were continuously assessed and considered in daily decision-making. Based on the audit recommendation, a proper risk registry will be established in Senegal and Burkina Faso, as one already exists in Guinea-Bissau.

B. Project management

24. The three country offices in Senegal, Burkina Faso, and Guinea-Bissau implemented a range of project interventions aimed at addressing critical issues such as spatial planning, housing, basic services, urban resilience, public spaces, and peacebuilding, among others. The country offices implemented the projects and were accountable for the results, while the Hub provided technical support, coordination, quality assurance and performance monitoring, and ROAF offered strategic direction, oversight as well as compliance assurance.

25. A breakdown of the 16 projects, collectively valued at \$25.78 million, that were either ongoing or nearing completion at the time of the audit is given in table 1. OIOS reviewed the planning, implementation, reporting, and monitoring and evaluation of various samples of these projects, including site visits.

Table 1: Number and value of projects in Burkina Faso, Guinea-Bissau and Senegal as at 30 April 2025

Country	Number of projects	Value of projects \$ million
Burkina Faso	4	9.90
Guinea-Bissau	7	13.47
Senegal	5	2.41
Total	16	25.78

There was an established project planning process, and gaps in environmental and social safeguards and risk assessments were addressed

26. Country offices initiated the project planning process with the identification of critical urban challenges in consultation with the governments. Based on the identified challenges, project concepts were developed and used for resource mobilization, and the project design was outlined in a project document, which underwent review by the Project Review Committee (PRC) at UN-Habitat Headquarters. PRC, composed of senior representatives from the executive office, Headquarters branches and regional offices, evaluated the projects' design quality, feasibility, and compliance with Environmental and Social Safeguards System (ESSS), risk assessment, and capacity requirements. There were, however, gaps in the ESSS and risk assessments, on which management had taken action, as discussed below.

27. UN-Habitat's ESSS and enterprise risk management framework require that all projects undergo a comprehensive and context-specific review of potential risks, with clear mitigation measures. These safeguards are critical to protecting vulnerable populations, addressing gender and social inequalities, preventing environmental harm, and ensuring project sustainability in complex operational environments. OIOS selected a sample of eight projects valued at \$17.9 million (comprised two projects from Burkina Faso valued at \$3.8 million, one project from Senegal valued at \$1.3 million and five projects from Guinea-Bissau valued at \$12.8 million) and reviewed checklists used to assess ESSS and project documents in which project level risks were identified and assessed.

28. The review noted that two projects for Guinea-Bissau valued at \$900,000 lacked ESSS checklists. For the remaining six projects, some of the mitigating measures documented in the checklists were either vague, generic, or were acknowledged but not analyzed in sufficient depth to inform project design. Four of the six checklists were incomplete, as they were not reviewed and approved, and omitted the names of the staff responsible for their preparation. Additionally, PRC members did not address these gaps during their review meetings prior to approving the projects. Without comprehensive and well-contextualized risk assessments, the projects were exposed to vulnerabilities, their sustainability was undermined, and organizational accountability was limited.

29. At the time of the audit, UN-Habitat had appointed a staff member responsible for providing technical support on the integration of ESSS during project design and implementation. A new PRC policy, pending approval from the Executive Office and scheduled for promulgation in January 2026, mandated the inclusion of an ESSS specialist in the PRC during the review of project documents. Additionally, both the draft PRC policy and the newly approved Implementing Partner Risk Management Policy, effective from 1 November 2025, had enhanced the roles of the PRC in evaluating the adequacy of project-level risk assessments. Considering the measures that management has taken, OIOS did not make a recommendation.

Verification of project implementation activities

30. During the audit, OIOS reviewed project implementation reports and conducted field visits to verify activities across the three countries. In Burkina Faso, OIOS inspected a \$4.7 million project comprising 312 housing units, borehole construction, and rehabilitated school and health facilities, as well as a \$3.14 million project, which included 300 housing units and water infrastructure. In Guinea-Bissau, OIOS physically verified a medical warehouse, inspected water infrastructure and rehabilitated government facilities in three locations. OIOS also visited community conflict mediation groups and attended a development plan validation workshop. In Senegal, OIOS inspected road expansion works, public spaces and a cereal transformation centre for a women's community group. At each site, OIOS inspected physical works, interviewed beneficiaries, implementing partners and project staff, and reviewed supporting documentation including technical reports, spatial frameworks, and resilience plans. OIOS did not observe any reportable exceptions.

Delayed project implementation

31. Timely delivery of projects is a core expectation of UN-Habitat's project management framework, as it ensures efficient resource utilization, sustains donor confidence, and leads to timely achievement of intended developmental outcomes.

32. Projects were executed primarily by UN-Habitat personnel, with limited interventions done through implementing partners. The partners were engaged through a competitive process that began with calls for expressions of interest, followed by established UN-Habitat partner selection procedures. Of the 16 projects valued at \$25.78, \$1 million had been disbursed to 7 implementing partners. OIOS reviewed supporting documentation for the amounts disbursed to the implementing partners and conducted site visits to projects implemented by three partners with disbursements amounting to \$519,774.

33. OIOS noted that 11 of the 16 projects implemented by the three countries, valued at approximately \$8.8 million, experienced delays and multiple extensions, with implementation timelines extended between 12 and 42 months. The delays were attributed to several interrelated factors, including inadequate vendor and partner capacity, inefficient procurement processes, slow administrative procedures, unrealistic project timelines, and delayed fund disbursements. Additionally, coordination gaps with national and local authorities further complicated delivery. External challenges such as political instability, changes in government administration, insecurity in certain locations, and COVID-19 restrictions also impeded access to project sites and slowed implementation.

34. Although the country offices identified several interrelated factors as noted above as key contributors to delayed implementation, OIOS found that many of these issues also stemmed from inadequate mechanisms for risk identification, assessment, and mitigation, as well as the absence of a comprehensive and structured monitoring framework. The Agency did not have a monitoring policy or a structured system that the Hub could adopt for tracking project performance, assessing results, and using evidence to improve decision-making. Consequently, monitoring practices across the three countries were limited and lacked consistency.

35. Among the three country offices, only Guinea-Bissau had a dedicated Monitoring and Evaluation (M&E) Officer. However, the role was predominantly focused on reporting functions, including updating project results in IPMR and preparing contributions for the UNDCF annual report. As a result, essential activities such as project progress monitoring, verification of performance indicators in the logical frameworks, and in-depth performance assessments were not comprehensively undertaken.

36. In Burkina Faso, despite a recommendation made in a July 2023 evaluation done for a European Union-funded project to establish robust monitoring systems, it had not yet been implemented. This was of particular importance given that there is projected fivefold increase in the country's project portfolio in the coming year. According to management, monitoring activities were consistently undertaken from the Hub in Senegal through meetings and progress updates during project implementation, although documentation was not always maintained.

37. In response to a similar observation in OIOS report no. 2025/020 titled "Audit of management of implementing partners at the United Nations Human Settlements Programme," UN-Habitat undertook to establish a system for tracking projects "at-risk", including delayed projects, through more rigorous project and a partner performance monitoring process. These efforts need to be complemented with proactively strengthening the capacity of the monitoring function at the country level.

(5) UN-Habitat should develop and implement a monitoring framework for tracking project implementation progress at the country level, to assess results and support evidence-based decision-making.

UN-Habitat accepted recommendation 5 and stated that it would be addressed along with a similar recommendation in OIOS report no 2025/020.

UN-Habitat undertook to establish mechanisms to track timely donor reporting

38. The three country offices were required to regularly submit periodic narrative and financial reports to donors as per signed agreements. These agreements typically required annual or semi-annual narrative and financial reports within 30 to 60 days after each reporting period.

39. OIOS reviewed project report submissions for 12 projects valued at \$24.71 million (four projects from Burkina Faso valued at \$9.9 million, one project from Senegal valued at \$1.34 million and seven projects from Guinea-Bissau valued at \$13.47 million). The audit noted that only the Senegal project had fully complied with donor reporting requirements. The prescribed timelines or reporting requirements were not met for the remaining 11 projects. The audit also noted coordination lapses in preparing and submitting narrative reports and financial statements. In several instances, narrative reports were prepared without corresponding certified financial statements, and finance teams prepared expenditure summaries that were not shared with donors. This fragmented approach resulted in incomplete submissions and inconsistencies between programmatic achievements and expenditure records. The non-compliance largely stemmed from the absence of a centralized tracking mechanism for donor reporting deadlines. UN-Habitat undertook to establish appropriate mechanisms to address these issues.

Need to streamline country office evaluation mechanisms

40. The UN-Habitat Evaluation Policy of January 2013 and the Revised UN-Habitat Evaluation Framework of September 2015 require that all projects exceeding \$1 million undergo independent external evaluations, while those below this threshold are subject to mandatory UN-Habitat self-evaluations upon closure. Funds were also to be set aside in the project budget to support project evaluations. Best practice

also supports the systematic tracking of evaluation recommendations to ensure accountability, support to organizational learning, enhanced programmatic impact as well as operational efficiency.

41. During the period under review, seven projects with a combined value of \$8.2 million were eligible for evaluation as project activities had ended. Two of the projects (both from Burkina Faso and valued at \$6.1 million) had a value of over \$1 million each and were therefore eligible for external evaluations. The remaining five projects were eligible for UN-Habitat self-evaluation. The following were noted after the review of the evaluation mechanisms in place for these projects:

- (a) Only one of the two Burkina Faso projects, valued at \$4.7 million, which ended in July 2023, underwent an evaluation. No reason was provided as to why the second project (valued at \$1.4 million) was not evaluated despite meeting eligibility criteria and having an allocated budget for the evaluation. For the five projects below \$1 million, one of them from Guinea-Bissau valued at \$659,000 had completed an external evaluation in August 2022, while an evaluation for another project for Burkina Faso valued at \$600,000 was ongoing. While these two projects had funding below the threshold, they were part of a larger project for which joint programming was done with other United Nations agencies. The remaining three projects did not undergo any UN-Habitat self-evaluation even though budgets were allocated for this purpose.
- (b) For the two completed evaluations, there was no mechanism for tracking implementation of recommendations made by the evaluators. Examples of some recommendations included: the need to document and share lessons learned with key stakeholders; address logistical, managerial, and administrative limitations affecting timely project implementation; strengthen country offices by hiring more permanent staff; and implement better reporting and monitoring systems.

42. The lack of consistent evaluations of projects and systematic follow-up on recommendations may limit the Organization's ability to learn from these reviews and increased the likelihood of repeating the operational and strategic shortcomings.

(6) UN-Habitat Regional Office for Africa should develop an action plan to ensure all projects undergo evaluations as stipulated in the evaluation framework and monitor implementation of the evaluation recommendations to enhance organizational learning, accountability, and operational efficiency.

UN-Habitat accepted recommendation 6 and stated that it would be addressed along with a similar recommendation issued by the Board of Auditors in 2024.

C. Finance, procurement and human resources management

Delayed financial closure of expired grants

43. The three country offices of Burkina Faso, Guinea-Bissau, and Senegal managed their grants using the United Nations Office at Nairobi (UNON) SOP 114, which required that financial closure of grants takes place within 12 months of the end date of the related project operations that are funded by the grant. The financial closure is the responsibility of UN-Habitat Corporate Management Division.

44. At the time of the audit, four projects (one in Burkina Faso and three in Guinea-Bissau all valued at \$1.6 million) were still open almost two years beyond their intended completion date, while another two (one in Burkina Faso and one in Guinea-Bissau valued at a total of \$5.4 million) were closed after a similar amount of time had lapsed. As a result, closure of grants related to these projects was delayed. UN-Habitat attributed these delays to several factors, including delayed issuance and misallocation of inter-office

vouchers from the service provider, substantial outstanding commitments linked to construction and procurement activities, a delayed end-term evaluation, and foreign exchange fluctuations affecting donor refunds. One project from Guinea-Bissau valued at \$400,000 had multiple cost and time adjustments, which further extended the grant closure timelines.

45. Project delays impacted financial closure of the related grants, affecting the timeliness and reliability of financial reporting and resulting in delayed accountability for grants given by the donors, which could lead to negative reputation for the three country offices and the Agency.

(7) UN-Habitat should expedite the closure of all expired grants in line with standard operating procedures on financial closure of projects by strengthening monitoring of commitments and receivables and enhancing coordination with the service provider to expedite inter-office reconciliations.

UN-Habitat accepted recommendation 7 and stated that grants closure was already ongoing in coordination with the Corporate Management Division, which deals with finance and administration aspects of the Agency.

Need to formalize administrative support arrangements and strengthen documentation controls

46. The three country offices of Burkina Faso, Guinea-Bissau, and Senegal received administrative support from UNON and the United Nations Development Programme (UNDP). The latter was utilized more often because it was a resident agency that had strong in-country presence and existing support systems in place. Administrative support included provision of office space, financial and procurement services, human resources services as well as information, communication and technology services. These services were required to be articulated in service level agreements (SLAs), also outlining fees and pricing. OIOS noted gaps, as below:

- (a) Guinea-Bissau and Burkina Faso did not have SLAs with UNDP but relied on an informal understanding for service provision. As a result, critical parameters, such as scope of support, performance standards, roles and responsibilities and corresponding delegated authorities were neither formally defined nor confirmed. This increased the risk of ambiguity in service delivery, weakened accountability, and made performance assessment difficult. Furthermore, while UN-Habitat and UNDP had a high-level MOU in place signed in October 2008, it was outdated. Additionally, Section 3.1 of the MOU stipulated that the two entities must establish SLAs at the country office level to outline detailed arrangements for the necessary administrative support.
- (b) During the period under review, the three country offices procured goods and services valued at \$4.1 million. Of these, OIOS conducted verification of payments totalling \$1.28 million as well as procurement plans and observed the following:
 - i) Procurement for the three country offices was undertaken through UNDP with the participation of UN-Habitat in technical evaluations during the vendor selection process. Nevertheless, supporting documentation for three procurement transactions valued at \$551,876 (out of the selected sample of six transactions amounting to \$1.13 million) was not available in Burkina Faso country office. Instead, OIOS verified the related construction activities by other means, including reports by the Peacebuilding Fund, which funded some of the transactions.
 - ii) In Senegal and Guinea-Bissau, while documentation for expenditure totalling to \$145,394 was received and reviewed, the two country offices did not maintain annual procurement plans to guide the acquisition planning for project related and country specific goods and services. In Guinea-

Bissau, for example, reported delays for two projects were attributed to low vendor capacity, challenges in obtaining necessary raw materials locally, and delayed procurement approvals. Implementing procurement planning could therefore have been instrumental in identifying and mitigating such supply chain vulnerabilities and risks. Since OIOS has made a recommendation on strengthening risk management in recommendation 4, no recommendation is made here in this regard.

(8) UN-Habitat Regional Office for Africa should: (a) formalize Guinea-Bissau and Burkina Faso’s administrative support arrangements with the service provider through a comprehensive and approved service level agreement; and (b) ensure that supporting documents are maintained for each procurement transactions.

UN-Habitat accepted recommendation 8 and stated that it would work with UNDP to finalize the SLAs.

Need for clear distinction of consultancy roles from staff functions

47. During the period under review, Burkina Faso, Guinea-Bissau, and Senegal collectively engaged 39 personnel, encompassing both staff and affiliate staff members. Administration for these personnel was either undertaken by UNON or UNDP. A breakdown of these personnel is outlined in table 2.

Table 2: Staff and non-staff personnel engaged in Burkina Faso, Guinea-Bissau and Senegal as at 30 April 2025

Country	UNON administered contracts				UNDP administered contracts		Total
	Professional staff	National officers	General service	UN Volunteers	UNDP service contracts	Consultants and individual contractors	
Burkina Faso	1	1	1	-	6	-	9
Guinea-Bissau	1	1	-	3	13	6	24
Senegal	-	-	-	1	-	5	6
Total	2	2	1	4	19	11	39

48. As seen in the table above, 30 of the 39 personnel engaged were employed under contracts administered by UNDP. This group included 19 locally recruited staff members hired on service contracts, and 11 mostly internationally recruited individuals engaged as consultants or individual contractors.

49. Unlike full time employees, personnel engaged under consultancy and individual contractor agreements were typically required to deliver task-specific and time-bound outputs. However, from the review of 6 of the 11 consultants and individual contractors engaged by Guinea-Bissau and Senegal, OIOS noted that these personnel performed functions akin to those of full-time staff, including day-to-day project management and communication activities. Additionally, a review of their most recent assignments indicated that their duties had evolved beyond the scope outlined in their original contracts. They were also reassigned across projects, further blurring the distinction between core staff functions and consultancy services.

50. Effective 1 January 2026, UN-Habitat plans to transition personnel contract management responsibilities from UNDP to the United Nations Office for Project Services. Under this new arrangement, local staff will be converted to Local Individual Contractor Agreements, while international personnel will transition to International Individual Contractor Agreements. Although this is part of a broader organizational shift, management indicated that, subject to funding availability, it would explore options to regularize the status of consultants and individual contractors whose duties were considered core to the operations of the country offices. Management also stated that it may consider introducing fixed-term

limited staff contracts aligned with project timelines and administered through UNON where feasible and financially sustainable.

51. In view of these planned measures and management's commitment to strengthen personnel contract compliance and role alignment, OIOS did not issue a recommendation.

D. Systems, practices and processes for managing data

Need to ensure accuracy and completeness of project data in IPMR

52. UN-Habitat uses the IPMR module for end-to-end project management. It is designed to strengthen accountability, transparency, and alignment with strategic priorities, and enables staff to plan, implement, monitor, and report on projects within a single integrated platform. IPMR supports project managers by providing standardized templates, automated workflows, and real-time data tracking of performance indicators and other information.

53. OIOS reviewed IPMR records for all 16 projects and noted shortfalls in IPMR data management across all the projects. Information in the system was either incomplete or inaccurate and performance indicators were not updated, with vital documents such as progress documents, project reports, and PRC minutes not uploaded. Additionally, there was no information in the system for two Senegal projects valued at \$270,000. For two Guinea-Bissau projects valued at \$1.3 million, the indicators contained errors, thereby compromising their reliability for performance monitoring.

54. A key underlying cause of the deficiencies observed across the three countries was the limited number of personnel with access to the IPMR system. Only 4 of the 39 personnel had access to the system, of whom only 2 actively managed data for all the projects. Many project leads held UNDP contracts, and were not eligible for IPMR access, resulting in over-reliance on a limited number of staff for data updates. This structural constraint, coupled with limited oversight by senior managers at country-office level, reduced accountability and weakened reliability on the system for performance monitoring.

55. At the corporate level, from the first quarter of 2025, management commenced preparing quarterly monitoring reports summarizing IPMR data-compliance statistics, which are reviewed and discussed at the senior management level. Beginning 2026, management plans to institute accountability measures and is currently revising the PRC Guidelines to make project managers directly responsible for ensuring that IPMR data for their respective projects is complete, timely, and accurate. At the sub regional level, management initiated corrective action, but the updates were only partial and did not address all critical data gaps. However, these measures may not fully address the challenges observed in the West Africa Hub, where the key underlying issue stems from lack of access to the system.

(9) UN-Habitat should expand user access to the Integrated Planning, Management, and Reporting module by reviewing eligibility criteria of project staff who can access the system to ensure timely update of data in the system.

UN-Habitat accepted recommendation 9 and stated that a solution had been identified to map project staff to IPMR, and the West Africa Sub-Regional Hub was already implementing it so that all project staff can access and populate IPMR information. In addition, the Hub had organized weekly meetings to train the country level staff on using and populating IPMR, as well as on other project management issues such as project design, project budgeting and reporting.

IV. ACKNOWLEDGEMENT

56. OIOS wishes to express its appreciation to the management and staff of UN-Habitat 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 UN-Habitat operations in Burkina Faso, Guinea-Bissau and Senegal

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	UN-Habitat should: (a) conduct a comprehensive assessment of the devolved authorities to ensure they are aligned with the responsibilities and resources transferred to the sub-regional hub; and (b) update the Organizational and Personnel Accountability Framework to reflect the revised regional structure and clearly define accountabilities for all levels.	Important	O	Receipt of the results of comprehensive assessment of the devolved authorities at the Hub, and the updated Organizational and Personnel Accountability Framework.	30 June 2026
2	UN-Habitat Regional Office for Africa should ensure that project deliverables by country offices are aligned with the United Nations Sustainable Development Cooperation Framework to strengthen the visibility of UN-Habitat's contributions towards achievement of the Sustainable Development Goals and ensure complete reflection of the Agency's work within United Nations system-wide reporting processes.	Important	O	Receipt of evidence that project deliverables of country offices are aligned with the respective United Nations Sustainable Development Cooperation Frameworks.	31 December 2026
3	UN-Habitat Regional Office for Africa should develop a Habitat Country Programme Document for Burkina Faso, using the existing Country Office Strategy as a foundation.	Important	O	Receipt of the Habitat Country Programme Document for Burkina Faso.	30 June 2026
4	UN-Habitat Regional Office for Africa should ensure that country-level risk assessments in Senegal, Guinea-Bissau and Burkina Faso are	Important	O	Receipt of risk registers for Senegal, Guinea-Bissau and Burkina Faso and action plan for their regular updates.	31 December 2026

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

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

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

⁴ Date provided by UN-Habitat in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of UN-Habitat operations in Burkina Faso, Guinea-Bissau and Senegal

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
	documented in risk registers that are regularly updated and used for risk mitigation.				
5	UN-Habitat Regional Office for Africa should develop and implement a monitoring framework for tracking project implementation progress at the country level, to assess results and support evidence-based decision-making.	Important	O	Receipt of a copy of the monitoring framework developed for tracking project implementation progress and assessing results.	31 December 2026
6	UN-Habitat Regional Office for Africa should develop an action plan to ensure all projects undergo evaluations as stipulated in the evaluation framework and monitor implementation of the evaluation recommendations to enhance organizational learning, accountability, and operational efficiency.	Important	O	Receipt of a copy of an action plan developed to ensure all projects undergo evaluations and that the implementation of evaluation recommendations is monitored.	31 December 2026
7	UN-Habitat should expedite the closure of all expired grants in line with standard operating procedures on financial closure of projects by strengthening monitoring of commitments and receivables and enhancing coordination with the service provider to expedite inter-office reconciliations.	Important	O	Receipt of evidence that expired grants have been closed.	31 March 2027
8	UN-Habitat Regional Office for Africa should: (a) formalize Guinea-Bissau and Burkina Faso's administrative support arrangements with the service provider through a comprehensive and approved service level agreement; and (b) ensure that supporting documents are maintained for each procurement transaction.	Important	O	Receipt of copies of signed SLAs for Guinea-Bissau and Burkina Faso, and evidence that supporting documents for procurement transactions are obtained and maintained.	30 September 2026
9	UN-Habitat should expand user access to the Integrated Planning, Management, and Reporting	Important	O	Receipt of evidence that user access to the Integrated Planning, Management, and Reporting	30 September 2026

STATUS OF AUDIT RECOMMENDATIONS

Audit of UN-Habitat operations in Burkina Faso, Guinea-Bissau and Senegal

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
	module by reviewing eligibility criteria of project staff who can access the system to ensure timely update of data in the system.			module has been expanded to include all eligible staff.	

APPENDIX I

Management Response

Management Response

Audit of operations of the United Nations Human Settlements Programme in Burkina Faso, Guinea-Bissau and Senegal

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UN-Habitat should: (a) conduct a comprehensive assessment of the devolved authorities to ensure they are aligned with the responsibilities and resources transferred to the sub-regional hub; and (b) update the Organizational and Personnel Accountability Framework to reflect the revised regional structure and clearly define accountabilities for all levels.	Important	Yes	Director, Regional Office for Africa	30 June 2026	Thanks to the recently concluded mission of the UN-Habitat Executive Director (ED) to Senegal (3-6 Dec. 2025), the process of establishing a Host Country Agreement for the West Africa Hub to be established in Dakar has accelerated. This is the starting point to formalize the Standing Operating Procedures (SOPs) regarding the West Africa Sub-Regional Hub, to be endorsed through a memo to be signed by the UN-Habitat ED. The formulation of the SOPs implies carrying out the assessment of the devolved authorities at the Hub level, defining a sustainable financing mechanism of the Hub and a clear organizational and personnel accountability framework.
2	UN-Habitat Regional Office for Africa should ensure that project deliverables by country offices are aligned with the United Nations Sustainable Development Cooperation Framework to strengthen the visibility of UN-Habitat's contributions towards achievement of the Sustainable Development Goals and ensure complete	Important	Yes	The Heads of Country Programme in Burkina Faso, Guinea-Bissau and Senegal	31 December 2026	The Heads of Country Programme in Burkina Faso, Guinea-Bissau and Senegal will be responsible to better align project deliverables with the respective United Nations Sustainable Development Cooperation Framework (UNSDCF), especially in the UNSDCF annual reporting system-

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

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

Management Response

Audit of operations of the United Nations Human Settlements Programme in Burkina Faso, Guinea-Bissau and Senegal

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	reflection of the Agency's work within United Nations system-wide reporting processes.					wide exercise. This will be done yearly.
3	UN-Habitat Regional Office for Africa should develop a Habitat Country Programme Document for Burkina Faso, using the existing Country Office Strategy as a foundation.	Important	Yes	The Head of Country Programme in Burkina Faso	30 June 2026	Despite not having a formal Habitat Country Programme Document (HCPD) for Burkina Faso, UN-Habitat managed to expand its country portfolio thanks to the support from the national government, with which UN-Habitat's work is fully aligned. UN-Habitat will develop a formal HCPD for Burkina Faso endorsed by all concerned parties and aligned with UNSDCF.
4	UN-Habitat Regional Office for Africa should ensure that country-level risk assessments in Senegal, Guinea-Bissau and Burkina Faso are documented in risk registers that are regularly updated and used for risk mitigation.	Important	Yes	The Heads of Country Programme in Burkina Faso, Guinea-Bissau and Senegal	31 December 2026	Risk assessments are done on a regular basis by project managers, that are implementing projects in challenging and varying settings (e.g. high turnover of key government officials, political instability, poor infrastructure...). Although risks are not systematically registered in writing, they are continuously assessed and considered in daily decision making. Based on the audit recommendation, a proper risk registry will be established at the country level – it already exists in Guinea-Bissau.
5	UN-Habitat Regional Office for Africa should develop and implement a	Important	Yes	Director, Regional	31 December 2026	As UN-Habitat continues to implement the recommendations from

Management Response

Audit of operations of the United Nations Human Settlements Programme in Burkina Faso, Guinea-Bissau and Senegal

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	monitoring framework for tracking project implementation progress at the country level, to assess results and support evidence-based decision-making.			Office for Africa		OIOS report no 2025/20, this similar recommendation is expected to be addressed.
6	UN-Habitat Regional Office for Africa should develop an action plan to ensure all projects undergo evaluations as stipulated in the evaluation framework and monitor implementation of the evaluation recommendations to enhance organizational learning, accountability, and operational efficiency.	Important	Yes	Director, Regional Office for Africa	31 December 2026	UN-Habitat would like to stress that there is already a recommendation issued by the Board of Auditors in its report of 2024 related to the same: <i>“The Board recommends that UN-Habitat strengthen compliance with UN-Habitat Evaluation Policy and ST/AI/2021/3, further enhance evaluation results use by refining online knowledge-sharing and evaluation repository, tracking platform or any other possible measures. The Board also recommends that UN-Habitat ensure adequate capacity and conditions for evaluation function to strengthen coordination between the IEU and regional offices.”</i> Therefore, this recommendation is expected to be implemented as part of efforts to implement the BOA recommendation.
7	UN-Habitat should expedite the closure of all expired grants in line with standard operating procedures on financial closure of projects by strengthening monitoring of commitments and receivables and	Important	Yes	Director of Corporate Management Division	31 March 2027	This is well noted and work for closing grants is already on-going in coordination with the Corporate Management Division (CMD) dealing

Management Response

Audit of operations of the United Nations Human Settlements Programme in Burkina Faso, Guinea-Bissau and Senegal

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	enhancing coordination with the service provider to expedite inter-office reconciliations.					with finance and administration aspects of the Agency.
8	UN-Habitat Regional Office for Africa should: (a) formalize Guinea-Bissau and Burkina Faso's administrative support arrangements with the service provider through a comprehensive and approved service level agreement; and (b) ensure that supporting documents are maintained for each procurement transaction.	Important	Yes	Director, Regional Office for Africa	30 September 2026	UN-Habitat accepts this recommendation and will work with UNDP to finalize the country level SLAs.
9	UN-Habitat should expand user access to the Integrated Planning, Management, and Reporting module by reviewing eligibility criteria of project staff who can access the system to ensure timely update of data in the system.	Important	Yes	Director, Regional Office for Africa	30 September 2026	By the time of this report, a solution was already found to map project staff to IPMR by the ICTS UNON in coordination with UN-Habitat. Therefore, the West Africa Sub-Regional Hub is already taking action to map all the project staff, so they can have access and populate IPMR information. In addition, the Hub has organised weekly meetings to train the country level staff to use and populate IPMR, as well as on other project management issues (ex: project design, budget, reporting...).