



INTERNAL AUDIT DIVISION

REPORT 2019/117

**Audit of the emergency response in
Colombia for the Office of the United
Nations High Commissioner for
Refugees**

**The Representation needed to strengthen
controls over planning, partnership
management, procurement and vendor
management**

**13 December 2019
Assignment No. AR2019/151/01**

Audit of the emergency response in Colombia for the Office of the United Nations High Commissioner for Refugees

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of the emergency response in Colombia for the Office of the United Nations High Commissioner for Refugees (UNHCR). The objective of the audit was to assess whether the UNHCR Representation in Colombia was effectively responding to the emergency in the country in accordance with UNHCR's policy requirements, with due regard to the risks that it was exposed to in the context in which it was operating. The audit covered the period from 1 January 2018 to 30 April 2019 and included a review of: (a) planning and resource allocation; (b) programme monitoring and reporting; (c) emergency preparedness and response; (d) partnership management; (e) security and staff safety; (f) procurement and vendor management; (g) durable solutions; and (h) favourable protection environment and government relations.

Controls over emergency preparedness, security and staff safety, durable solutions, and favourable protection environment and government relations were assessed as satisfactory. However, there was a need for the Representation to strengthen controls over planning, partnership management, procurement and vendor management.

OIOS made three recommendations. To address issues identified in the audit, the Representation needed to:

- Strengthen controls over planning by ensuring the conduct of a timely and comprehensive needs assessment to determine gaps between the current situation and agreed standards, and use this information to make prioritization decisions in a resource constrained environment; and conduct a comparative advantage assessment for cash-based interventions to make a choice between direct implementation or implementation by partners;
- Implement verifiable measures to strengthen management oversight over: (i) procurement designated to partners; (ii) timely preparation of project partnership agreements; and (iii) financial and performance monitoring of projects; and
- Strengthen controls over procurement and vendor management by: (i) ensuring adequate staffing for the supply function; (ii) conducting the vendor performance annual review; and (iii) ensuring review of contracts by the respective Committee on Contracts.

UNHCR accepted the recommendations and has initiated action to implement them.

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Audit of the emergency response in Colombia for the Office of the United Nations High Commissioner for Refugees

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the emergency response in Colombia for the Office of the United Nations High Commissioner for Refugees (UNHCR).
2. The UNHCR Representation in Colombia (hereinafter referred to as ‘the Representation’) was established in 1998 to prevent displacement, to protect displaced populations and to search for solutions for displaced populations. According to UNHCR statistics as of 31 December 2018, there were 7,816,472 internally displaced persons (IDPs), 310 refugees and 2,880 asylum seekers in the country, of whom 285,241 IDPs, 46 refugees and 726 asylum seekers were assisted by the Representation.
3. For the Venezuela situation, a Level 1 Emergency was declared on 1 May 2017, covering Venezuela, Colombia and other countries in the region to enhance preparedness for a possible deterioration of the situation inside Venezuela and due to the increasing number of Venezuelan arrivals in these countries. On 9 April 2018, the declaration was elevated to Level 2 due to the increasing rate of Venezuelans leaving the country, to further step up operational presence and capacities as well as access to additional human, financial and material resources. In 2019, the inflow of Venezuelans to Colombia was an average of 3,000 persons per day, of whom 40 per cent remained in Colombia, and 60 per cent moved further to other countries such as Ecuador and Peru. As of 31 December 2018, there were 1,171,552 Venezuelans displaced in Colombia, of whom 202,079 were assisted by the Representation.
4. With regard to the Venezuela situation, the Representation co-led, with the International Organization for Migration, the Inter-Agency Mixed Migration Group which coordinated the work of over 50 United Nations agencies and international non-governmental organizations. For IDPs, the Representation co-led the Protection Cluster with an international non-governmental organization. During 2018 and 2019, the most significant objectives of the Representation’s operations for refugees and asylum seekers, which also covered the Venezuela situation, were: improvement of access to the territory and reduction of risk of refoulement; and improvement of access to legal assistance and remedies. For IDP operations, the most significant objective was the development, strengthening and update of a comprehensive solutions strategy.
5. The Representation had a Country Office in Bogota, three Sub-Offices in Medellin, Cucuta and Pasto, and seven Field Offices in Quibdo, Apartado, Arauca, Riohacha, Mocoa, Buenaventura and Barranquilla. In June 2019, it established a new office in Cali and moved the Sub-Office function from Pasto to Cali. As of April 2019, the Representation, headed by a Representative at the D-1 level, had 125 staff members and 95 affiliate workforce. The Representation’s expenditure for 2018 was \$22.9 million and its budget for 2019 was \$32.2 million, of which \$9.8 million was spent by 30 April 2019. During 2018 and 2019, the Representation worked with 34 and 22 partners, respectively. In 2018, the total expenditures of the 34 partners amounted to \$7.8 million and accounted for 60.5 per cent of programme-related expenditure for the year.
6. Comments provided by UNHCR are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

7. The objective of the audit was to assess whether the UNHCR Representation in Colombia was effectively responding to the emergency in the country in accordance with UNHCR's policy requirements, with due regard to the risks that it was exposed to in the context in which it was operating.

8. The audit was included in the 2019 risk-based audit work plan of OIOS due to risks related to UNHCR's operational capacity to deal with the emergency response in Colombia.

9. OIOS conducted the audit from May to August 2019. The audit covered the period from 1 January 2018 to 30 April 2019. Based on an activity-level risk assessment, the audit covered the following higher risk areas: (a) planning and resource allocation; (b) programme monitoring and reporting; (c) emergency preparedness and response; (d) partnership management; (e) security and staff safety; (f) procurement and vendor management; (g) durable solutions; and (h) favourable protection environment and government relations.

10. The audit methodology included: (a) interviews with key personnel; (b) review of relevant documentation; (c) analytical reviews of data, including financial data from Managing for Systems, Resources and People (MSRP), the UNHCR enterprise resource planning system, and performance data from Focus, the UNHCR results-based management system; (d) review of data extracted from proGres, the UNHCR registration and case management system; (e) sample testing of controls; and (f) visits to the UNHCR offices in Bogota, Cucuta, Pasto and Medellin, the offices of two partners implementing UNHCR projects, the offices of the Ombudsman of Villa del Rosario, Colombian immigration authorities, the Municipality in Ipiales, Legal Clinics at three universities in Cucuta and Pasto, as well as border project sites in Medellin

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

III. AUDIT RESULTS

A. Emergency preparedness, planning, monitoring and reporting

The Representation's emergency preparedness was satisfactory, but there was a need to conduct a timely and comprehensive needs assessment

12. To manage the risks of failure to provide the most vital assistance to persons of concern, it is essential that: (i) the Representation undertakes emergency preparedness measures as an integral part of its planning; (ii) the needs of persons of concern are comprehensively assessed; (iii) goals and objectives are established and prioritized in alignment with UNHCR's global strategic priorities, informed by timely and reliable data on the population of concern; (iv) protection and operational strategies are defined; and (v) required outputs and activities are defined, adequate resources are allocated, and deliverables are established. Additionally, achievements need to be assessed and reported through the UNHCR Results Framework.

(a) Emergency preparedness

13. In respect of emergency preparedness, the sudden deterioration of the Venezuela situation was captured in the Representation's risk register as a priority risk. In addition, the Representation had implemented Minimum and Advanced Preparedness Actions and completed the High Alert List for

Emergency Preparedness diagnostic tool for both the Venezuela situation and IDPs. The Representation had also prepared a contingency plan for the Venezuela situation. Based on the above, OIOS concluded that the Representation's emergency preparedness was satisfactory.

(b) Strategy

14. The Representation's strategy was well documented in its Operation Plan and other documents. However, in respect of cash-based interventions (CBI), the Representation had yet to conduct a comparative advantage assessment of direct implementation by UNHCR versus implementation by partners. Such an assessment is an integral part of planning and is also important because direct implementation is UNHCR's preferred way of delivering CBIs as per the UNHCR Policy on CBIs and Strategic Directions for CBIs in the Americas. In the absence of such an assessment, the Representation implemented CBIs through partners and envisaged (as part of risk treatments in its risk register) to: (i) establish model standard operating procedures (SOPs) for new partners implementing the cash programme; and (ii) identify one or two new partners to implement CBI to lessen dependency on existing non-performing partners.

(c) Needs assessment

15. Needs assessments can help provide the information required to make difficult prioritization decisions in light of constraints in resource allocation. Needs assessments involve systematically gathering and analyzing information relating to the needs, conditions, and capacities of persons of concern, in order to determine gaps between the current situation and agreed standards. The Representation conducted 98 participatory assessments and focus group discussions for 2018 and 2019, but the results were only consolidated in June 2019. Therefore, it was not evident how the results of the participatory assessments and focus group discussions had informed the planning process. The Representation supported the nationwide consultation processes between the Government of Colombia and community-based organizations of Venezuelan persons of concern, culminating in the publication in January 2019 of a set of response gaps and concrete recommendations, and it considered a number of these results in the planning process. In order to ensure that the gaps identified during the needs assessment are factored into the planning process, such exercises should be carried out if a new crisis emerges, or if there is a requirement to prioritize resource allocation afresh.

(d) Monitoring and reporting

16. For 2018 and 2019, the Representation did not prepare an impact monitoring plan, formally signed off by the Representative, clearly defining the related methods and responsibilities for data collection and validation. For 2019, however, the plan was prepared whilst the audit was in progress.

17. From 2018 to 2019, in respect of rights group "durable solutions" for IDPs, the Representation discontinued reporting on impact indicator "extent return has been voluntary, and in safety and dignity" which was one of the Global Strategic Priority indicators. This was because the Representation's solutions strategy for IDPs had focused for the past few years on local integration rather than voluntary return. However, the Representation should have informed the Bureau for the Americas and the Division of Programme Support and Management of the discontinuation of the Global Strategic Priority indicator.

18. The conditions explained above indicated a need to strengthen controls over planning, monitoring and reporting.

(1) The UNHCR Representation in Colombia should: (i) strengthen controls over planning by ensuring the conduct of a timely and comprehensive needs assessment to determine gaps between the current situation and agreed standards, and use this information to make prioritization decisions in a resource constrained environment; and (ii) conduct a comparative advantage assessment for cash-based interventions to make a choice between direct implementation or implementation by partners.

UNHCR accepted recommendation 1 and stated that: (i) the Representation was in discussion with the Regional Bureau to determine possible methodologies for establishing the requested consolidated comprehensive needs assessment document for the whole operation; and (ii) the Representation planned to increase its capacity to provide CBI directly, including through a first pilot project in Medellin, which would enable a comparative advantage assessment between direct implementation and implementation through partners. Recommendation 1 remains open pending receipt of evidence of the completion of: (i) a comprehensive needs assessment; and (ii) a comparative advantage assessment for CBI to choose between direct implementation and implementation through partners.

B. Partnership management

There was a need to strengthen management oversight over partnership management

19. In order to achieve expected programme and project results through the use of partners, it is essential to: (i) select or retain partners through an Implementing Partnership Management Committee (IPMC) to ensure that the process is carried out with adequate objectivity, transparency, consistency and timeliness; (ii) sign project partnership agreements (PPAs) before commencement of the project year and transfer project instalments in a timely manner; and (iii) monitor the project activities through a risk-based, multi-functional approach.

(a) Selection and retention of partners

20. The Representation worked with 34 and 22 partners and signed 43 and 26 PPAs in 2018 and 2019 (as of 30 April 2019), respectively. For the period under review, the Representation's IPMC, whose composition was updated in November 2018, convened twice. From 2018 to 2019, one new partner was added and 21 partners were retained. The Representation followed the prescribed procedures for their selection and retention.

(b) Procurement by partners

21. For 2018 and 2019, the Representation delegated procurement to 34 and 22 partners respectively, and the amount of procurement delegated to the partners totalled \$4.1 million and \$3.2 million respectively. For both years, the amount of procurement delegated exceeded \$100,000 for four partners. At the time of the audit, two partners had yet to submit an application to UNHCR headquarters for being pre-qualified for procurement (PQP), which is mandatory to undertake procurement exceeding \$100,000 on behalf of UNHCR. For 2018, the Representation conducted a comparative advantage analysis and a procurement capacity assessment for all the 34 partners but did so only during the implementation of the projects and not prior to engaging the partners. For 2019, the Representation conducted the comparative advantage analysis only for 15 partners and started the procurement capacity assessment for the 22 partners only in mid-2019, following the establishment of its Supply Unit.

22. When the Representation identified 52 potential partners in November 2018, IPMC included “procurement capacity” as one of six selection criteria accounting for 5 per cent of the overall score. However, IPMC awarded the 5 per cent to partner candidates with the PQP status, although the evaluation at headquarters to grant PQP status is only a review of the compatibility of the partner’s procurement policies and procedures with those of UNHCR, and not an assessment of the partner’s actual capacity to perform effective procurement in a given operation. Therefore, a capacity assessment should have been separately conducted by the Representation.

(c) Project agreements

23. For 2018, none of the 43 PPAs were signed before the “start date” stated in PPAs. For 2019, of the 26 PPAs, only two were signed before the “start date”.

24. OIOS’ review of PPA budgets for 2018 and 2019 noted the following weaknesses:

- For one PPA for 2019, project headquarters support cost was overbudgeted by \$1,515;
- For 2018, the Representation incorrectly budgeted procurement of emergency kits, visibility items and office equipment totalling \$33,454 under the account code “seminars and workshops”;
- For international expatriate personnel, the UNHCR Administrative Instruction sets UNHCR’s maximum contribution at \$8,000 per person per month for a 100 per cent time engagement. In one PPA for 2019, the monthly personnel cost for the Country Director was set at \$4,000, whereas the time engagement of this person was 33 per cent, thus exceeding the UNHCR maximum contribution of \$2,640 (i.e., \$8,000 multiplied by 0.33). As per the rules, a proportional reduction of UNHCR’s contribution must be made if the personnel were not dedicated full-time to the UNHCR-funded project;
- For 2018 and 2019, national consultant fees were budgeted as one lump sum under 40 budget lines without breaking them down to monthly costs and the number of months. Without such a breakdown, it was not feasible to assess the reasonableness of the budgeted amounts; and
- For 2018 and 2019, partner personnel costs included visibility items such as caps and T-shirts under 139 budget lines which should have been budgeted separately since they were not personnel costs.

(d) Partner monitoring

25. The Representation adequately followed up on recommendations raised by project audits. In addition, the Representation prepared a monitoring plan for the 43 PPAs (with one exception) for 2018 and the 26 PPAs for 2019. However, of the 43 PPAs for 2018, 6 PPAs were not subject to financial verification visits, but the financial reports of partners were subjected only to a desk review. In addition, although performance verification was conducted for all the 43 PPAs for 2018 except for one, for 6 PPAs it was conducted only in the second quarter of 2019, and reports for 70 PPAs did not indicate the dates when the verification was conducted.

26. These control deficiencies were caused by inadequate management oversight over partnership management. In addition, the Project Control Unit was reinforced only in May 2019. The absence of a Supply Unit also caused weaknesses related to procurement by partners. Noting the difficult operational context in Colombia, OIOS is of the view that the Representation needs to implement mechanisms to mitigate the risk of failure to achieve its intended project objectives and obtain the best value from projects implemented by partners.

(2) The UNHCR Representation in Colombia should implement verifiable measures to strengthen management oversight over: (i) procurement designated to partners; (ii) timely preparation of project partnership agreements; and (iii) financial and performance monitoring of projects.

UNHCR accepted recommendation 2 and stated that: (i) from 2020 onwards, the Representation's Supply and Project Control Units would be strengthened to increase their capacity and to carry out the procurement capacity assessment of partners and make decisions on procurement designated to partners before signing PPAs; (ii) the Representation would reinforce measures to ensure that the start of the implementation period of PPAs in 2020 would not be prior to signature date; and (iii) for 2019 PPAs, financial and performance monitoring of projects had been carried out in accordance with the respective project monitoring plan. Recommendation 2 remains open pending receipt of: (i) confirmation that all partners designated procurement in excess of \$100,000 in 2020 are pre-qualified and that the procurement capacity assessments of all partners were completed; (ii) evidence that the 2020 PPAs were prepared in a timely manner; and (iii) copies of performance and financial verification reports for all PPAs for 2019, including those covering the fourth quarter.

C. Security and staff safety

Controls over security and staff safety were satisfactory

27. It is essential for operations to adopt a risk management approach balancing the criticality of programmes and associated dangers to staff based on a reasonable determination of acceptable risk. UNHCR field operations also need to actively participate in the country United Nations Security Management System, comply with its minimum standards, and fulfil the accountabilities of participating agencies including those related to coordination and staff training and awareness.

28. The security level was rated as “3 Moderate” for Bogota, Riohacha and Barranquilla and “4 Substantial” for the other areas. In Colombia, a programme criticality exercise was required, but had not yet been completed at the time of the audit fieldwork in June 2019. The United Nations Department of Safety and Security was preparing a joint programme criticality exercise to be conducted in August and September 2019. The Security Risk Management Measures (SRMM) replaced the previous Minimum Operating Security Standards in December 2018. Whilst the audit was in progress, the Representation assessed its offices against SRMM, and all the offices were found to be compliant with SRMM requirements. Moreover, the Representation actively participated in the Security Management Team meetings. In Colombia, all United Nations personnel are required to complete BSAFE and Security Induction for Personnel courses. In addition, the Safe and Secure Approaches in Field Environments (SSAFE) course is mandatory for personnel who participate in field missions conducted in rural areas of the country. As of 24 September 2019, all certificates were made available to OIOS, except for one BSAFE certificate. OIOS concluded that controls over security and staff safety were satisfactory.

D. Procurement and vendor management

There was a need to ensure adequate staffing for supply functions and comply with procurement rules

29. In order to ensure the integrity of the procurement process and that UNHCR receives value for money for the acquisition of goods and services to support its operations, it is essential to: (i) prepare an annual procurement plan according to identified needs; (ii) establish an effective vendor management system; (iii) initiate timely procurement activities in accordance with the procurement plan; and (iv) ensure adequate oversight over the procurement activities by establishing a Local Committee on Contracts-(LCC).

30. During the period from 1 January 2018 to 30 April 2019, the Representation raised 687 purchase orders totalling \$4.9 million. Until mid-January 2019, supply activities were undertaken by a staff member at the G-6 level within the Administration/Finance Unit. The Representation was only recently authorized to establish a Supply Unit in the Country Office Bogota, which had one Supply Officer post at the P-3 level temporarily staffed by an Associate Supply Officer at the P-2 level. In addition, the country-wide supply function included five national staff members: two at the G-5 level (Bogota and Cucuta); and three at the G-4 level (Cali, Medellin and Riohacha). In May 2019, the Regional Supply Officer based in Panama recommended a further review of personnel involved in supply, due to the increase in the numbers of contracts to be processed in 2019 and the limited availability of supply staff. Following the setting up of a new Supply Unit in February 2019, the Representation also revised the LCC's composition. Furthermore, the Representation delegated to the Heads of Sub Offices the authority to approve procurement of goods and services up to \$40,000, which is the threshold amount for an LCC.

31. OIOS reviewed 17 purchase orders, 23 contracts and 23 submissions to the LCC, totalling \$2.3 million and representing 47 per cent of total procurement during the period under review, and noted the following weaknesses in the Representation's procurement and vendor management.

(a) Vendor management

32. The Representation had 2,360 approved vendors, of whom four had duplicate records. The Representation requested headquarters to deactivate them while the audit was in progress. The Representation did not conduct the vendor performance annual review, which should have been conducted by the end of March 2019.

(b) Procurement plans

33. The Representation prepared annual procurement plans for 2018 and 2019, covering both administration and programme needs. However, OIOS observed insufficient planning in one case where LCC awarded two contracts totalling \$133,005 to one vendor within only six weeks. It also awarded two contracts totalling \$92,639 to another vendor again within six weeks.

(c) Involvement of LCC

34. A review conducted by the Regional Supply Officer identified four procurements of goods and services totalling \$146,141 which should have been submitted to LCC.

35. These weaknesses were caused by the considerable increase in the Representation's operational activities, and the absence of a Supply Unit for most of the period under review. As a result, the Representation was exposed to the risk of failure to achieve its intended objectives and obtain the best value from procured goods and services.

(3) The UNHCR Representation in Colombia should strengthen its controls over procurement and vendor management by: (i) ensuring adequate staffing for the supply function; (ii) conducting the vendor performance annual review; and (iii) ensuring review of contracts by the respective Committee on Contracts.

UNHCR accepted recommendation 3 and stated that: (i) the strengthening of the Supply Unit structure was ongoing; (ii) vendor performance annual review would be performed; and (iii) with the establishment of a Supply Unit in 2019, all new contracts to be established were reviewed by the respective Committee on Contracts. Recommendation 3 remains open pending receipt of: (i) the

new organigram of the Supply Unit showing adequate staffing; and (ii) the results of the completed vendor performance annual review.

E. Durable solutions

Controls over durable solutions were satisfactory

36. In order for persons of concern to access durable solutions, it is essential for UNHCR to: (i) accurately identify gaps in the durable solutions and understand their impact on persons of concern; (ii) plan, deliver and monitor well-defined interventions designed to close these gaps; (iii) understand the concerns of the host government and have protocols for liaising with relevant officials to resolve issues related to durable solutions; and (iv) continuously monitor the impact of UNHCR and other interventions on the durable solutions and adjust activities if needed.

37. Expenditure for 2018 and budget for 2019 (as of 10 July 2019) allocated to this activity amounted to \$3.1 million and \$3.0 million respectively, of which expenditure for 2018 and budget for 2019 allocated to IDP projects amounted to \$2.9 million for each year. The Representation's 2019 budget for durable solutions activities related to the Venezuela situation amounted to \$134,234. Under this rights group, an objective "comprehensive solutions strategy developed, strengthened or updated" was dominant, whose 2018 expenditure and 2019 budget amounted to \$2.7 million and \$2.9 million respectively. In the 2019 budget totalling \$2.9 million for this objective, the account "seminars and workshops" amounted to \$397,291.

38. The Representation's strategy on the objective "comprehensive solutions strategy developed, strengthened or updated" mainly focused on: (i) empowering displaced and host communities in their achievement of durable solutions; (ii) strengthening national and local authorities and institutions in their ability to provide durable solutions; and (iii) facilitating the legalization of urban IDP informal settlements as a door-opener to guaranteeing IDP rights. It also had a livelihoods component. In this respect, the Division of Resilience and Solutions at UNHCR headquarters confirmed that the Representation's role in livelihoods and economic inclusion to advocate and facilitate inclusion of people of concern into programmes and services of the government, development actors and private actors was in line with the multi-stakeholder approach outlined in "Refugee Livelihoods and Economic Inclusion: 2019-2023 Global Strategy Concept Note".

39. OIOS visited the largest partner involved in this objective and found that the activities checked were supported by sufficient documentary evidence and photographs, including the minutes, lists of participants and information materials of seminars and workshops. The Representation coordinated with governmental and local authorities satisfactorily, supported by the Four-Year Plan signed between the Government of Colombia and the Representation in November 2015. OIOS, therefore, concluded that the controls over the Representation's activities related to durable solutions were satisfactory.

F. Favourable protection environment and government relations

Controls over favourable protection environment and government relations were satisfactory

40. In order to ensure persons of concern are able to enjoy a favourable protection environment, it is essential for UNHCR to: (i) accurately identify protection gaps and understand their impact on persons of concern; (ii) plan, deliver and monitor well-defined interventions designed to close these gaps; (iii) understand the concerns of the host government and have protocols for liaising with relevant officials to

resolve protection issues; and (iv) continuously monitor the impact of UNHCR and other interventions on the protection environment and adjust activities if needed.

41. This activity was the Representation's most important emergency response. Expenditure for 2018 and budget for 2019 (as of 10 July 2019) allocated to this activity amounted to \$2.3 million and \$4.4 million respectively, of which expenditure for 2018 and budget for 2019 allocated to refugee and asylum seeker programmes amounted to \$1.8 million and \$4.2 million respectively. Under this activity, two objectives, "access to the territory improved and risk of refoulement reduced" and "access to legal assistance and legal remedies improved", were dominant.

42. The Representation implemented the objective "access to the territory improved and risk of refoulement reduced" mainly through: (i) advocacy vis-à-vis the Colombian authorities for access to the territory; (ii) identification of persons in need, provision of information, orientation, child friendly spaces and other services across the country; (iii) coordination with the Ombudsman Office; and (iv) border and protection monitoring. The other objective "access to legal assistance and legal remedies improved" was implemented mainly through: (i) cooperation with the Ombudsman Office; and (ii) Legal Clinics at 19 universities.

43. The Representation's personnel, including affiliate workforce, recorded the findings of the border and protection monitoring by using a protection monitoring tool, and a partner implementing Legal Clinics activities systematically and electronically kept the minutes, lists of participants and information materials of seminars and workshops targeting students providing beneficiaries with legal advice and for advocacy. In addition, the Representation effectively coordinated with governmental and local authorities, supported by the Four-Year Plan signed between the Government of Colombia and the Representation in November 2015. During the audit, the Representation also prepared SOPs on access to the territory and respect for the principle of non-refoulement. OIOS therefore concluded that controls over activities related to favourable protection environment and government relations were satisfactory.

IV. ACKNOWLEDGEMENT

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

(Signed) Eleanor T. Burns
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Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of the emergency response in Colombia for the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	The UNHCR Representation in Colombia should: (i) strengthen controls over planning by ensuring the conduct of a timely and comprehensive needs assessment to determine gaps between the current situation and agreed standards, and use this information to make prioritization decisions in a resource constrained environment; and (ii) conduct a comparative advantage assessment for cash-based interventions to make a choice between direct implementation or implementation by partners.	Important	O	Submission to OIOS of evidence of the completion of: (i) a comprehensive needs assessment; and (ii) a comparative advantage assessment for CBI to choose between direct implementation and implementation through partners.	31 March 2020
2	The UNHCR Representation in Colombia should implement verifiable measures to strengthen management oversight over: (i) procurement designated to partners; (ii) timely preparation of project partnership agreements; and (iii) financial and performance monitoring of projects.	Important	O	Submission to OIOS of: (i) confirmation that all partners designated procurement in excess of \$100,000 in 2020 are pre-qualified and that the procurement capacity assessments of all partners were completed; (ii) evidence that the 2020 PPAs were prepared in a timely manner; and (iii) copies of performance and financial verification reports for all PPAs for 2019, including those covering the fourth quarter.	31 March 2020
3	The UNHCR Representation in Colombia should strengthen its controls over procurement and vendor management by: (i) ensuring adequate staffing for the supply function; (ii) conducting the vendor performance annual review; and (iii) ensuring review of contracts by the respective Committee on Contracts.	Important	O	Submission to OIOS of: (i) the new organigram of the Supply Unit showing adequate staffing; and (ii) the results of the completed vendor performance annual review.	31 March 2020

¹ Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

² Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

³ C = closed, O = open

⁴ Date provided by UNHCR in response to recommendations.

APPENDIX I

Management Response

Management Response

Audit of the emergency response in Colombia for the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	The UNHCR Representation in Colombia should: (i) strengthen controls over planning by ensuring the conduct of a timely and comprehensive needs assessment to determine gaps between the current situation and agreed standards, and use this information to make prioritization decisions in a resource constrained environment; and (ii) conduct a comparative advantage assessment for cash-based interventions to make a choice between direct implementation or implementation by partners.	Important	Yes	(i) Deputy Representative, Programme Officer (ii) CBI Officer	March 2020	i) The Representation in Colombia implements different mechanisms to identify and characterize protection needs, covering the mixed situation in Colombia (response to internal displacement and large-scale arrivals from Venezuela). This includes: i) the Protection Monitoring Tool, a regional data collection exercise conducted by UNHCR and Partners to monitor the protection situation of persons of concern; ii) Registration in PRIMES, the global UNHCR Registration & Case management tool; iii) Field monitoring missions and iv) Participatory assessments according to standard UNHCR methodology (98 in 2018). These complementary tools allow the Operation to maintain an up-to-date understanding of protection needs. The Operation is currently in discussion with the Regional Bureau to determine possible methodologies for establishing the requested consolidated comprehensive needs assessment document for the whole Operation, to be used in the strategic planning process for 2021 in March 2020, to support the prioritization of protection risks, strategies and resource allocation

⁵ Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

⁶ Important recommendations address important (but not critical or pervasive) deficiencies in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

Management Response

Audit of the emergency response in Colombia for the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ⁵ / Important ⁶	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						<p>decisions. This consolidated document will be shared by March 2020.</p> <p>ii) The Representation has been implementing its cash strategy mainly through Partners considering the existing capacities and the low amount to be implemented (USD 600,000 out of USD 40 million in 2019). This has allowed the Operation to be efficient in responding to the emergency given the situation on the ground.</p> <p>The Representation plans to increase its capacity to provide CBI directly, including through a first pilot project in Medellin. This will enable a comparative advantage assessment between direct implementation and implementation through partners so as to inform cost-efficient decision-making considering the operational realities in which UNHCR works in Colombia. Based on lessons learned from the pilot project, and a new tool developed to assess the CBI capacities of implementing partners, the comparative advantage assessment will be shared by March 2020.</p>
2	The UNHCR Representation in Colombia should implement verifiable measures to strengthen management oversight over: (i) procurement designated to partners; (ii) timely preparation of project partnership agreements; and (iii)	Important	Yes	Senior Project Control Associate	March 2020	i) For 2018 and 2019 procurement capacity assessment of partners was carried out during the implementation period of the projects. From 2020 onwards, Supply and Project Control Units will be strengthened aiming to increase their staffing capacity in order to be able to carry out the assessment and

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	financial and performance monitoring of projects.					<p>make decisions on procurement delegation to all partners before signing PPAs. A matrix of partners' risks has been prepared by Project Control aiming to support these decisions and prepare the monitoring plan for PPAs 2020.</p> <p>ii) According to the Programme Manual (Chapter 4) and the Audit recommendation, the Representation will reinforce measures to ensure that the start of the implementation period of Project Partnership Agreements (PPAs) in 2020 will not be prior to signature date. As main mechanism, any PPA signed after start implementation period, will be approved in the UNHCR System (MSRP) by the reviewing Officer. All PPAs signed for 2020 will be shared by March 2020.</p> <p>iii) For 2019 PPAs, financial and performance monitoring of projects has been carried out in accordance with i) the respective project monitoring plan and ii) A matrix of Partner's risk prioritization prepared by Project Control. To ensure this follow up, the project control unit's staffing capacity will be further strengthened for 2020, considering the large number of Partners and PPAs in the Operation. As of November 2019, there are 39 partners with 49 signed PPAs in the Operation, most of them expected to continue for 2020.</p>

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3	The UNHCR Representation in Colombia should strengthen its controls over procurement and vendor management by: (i) ensuring adequate staffing for the supply function; (ii) conducting the vendor performance annual review; and (iii) ensuring review of contracts by the respective Committee on Contracts.	Important	Yes	Supply Officer	March 2020	<p>i) The strengthening of the Supply Unit structure is ongoing. The organigram is shared by November 2019.</p> <p>ii) According to UNHCR guidelines and the Audit recommendation, annual review has been performed. Supporting documents will be shared by February 2020.</p> <p>iii) With the establishment of a Supply Unit in 2019, all new contracts to be established are being reviewed by the respective Committee.</p> <p>Reviews in MSRP will be regularly done to ensure that procurement approvals accompany all Purchase Order transactions.</p>