INTERNAL AUDIT DIVISION

Office of Internal Oversight Services

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Audit of the operations of the Office for the Coordination of Humanitarian Affairs in Somalia

While coordination mechanisms were functioning at the national level, coordination at the regional level and between humanitarian and development partners needed to be strengthened and implementation of the Centrality of Protection Strategy monitored

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Audit of the operations of the Office for the Coordination of Humanitarian Affairs in Somalia

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of the operations of the Office for the Coordination of Humanitarian Affairs (OCHA) in Somalia. The objective of the audit was to determine whether OCHA Somalia delivered its mandate in an efficient and effective manner in line with OCHA's strategic objectives. The audit covered the period from 1 January 2018 to 31 July 2019 and included: (a) coordination of the humanitarian response in Somalia; (b) management of the Somalia Humanitarian Fund (SHF); and (c) management of staff and other resources.

National coordination mechanisms were established and functioning adequately. However, improvements were needed to strengthen coordination: at the regional level; between humanitarian and development partners; and at the OCHA Somalia sub-office level. While programming, allocation and implementation of SHF projects were generally adequate, improvements were needed to maximize the potential of the Grant Management System (GMS), and in areas such as security risk management and periodic testing and training on the business continuity plan (BCP).

OIOS made eight recommendations. To address issues identified in the audit:

OCHA Somalia needed to:
- Support the Humanitarian Coordinator to clarify the operational structures, deliverables and reporting requirements of the regional humanitarian response coordination mechanisms;
- Also support the Humanitarian Coordinator to develop a system to monitor implementation of the Centrality of Protection Strategy and mainstream protection in implementing partners' programmes;
- Ensure annual work plans of sub-offices specify their activities and deliverables and establish reporting requirements and performance metrics for the sub-offices;
- Facilitate the update by implementing partners of due diligence information in GMS and expand the scope of information available in the system to maximize its potential in supporting the management of SHF implementing partners;
- Implement, in collaboration with the Department of Safety and Security in Somalia, the security risk management process including prompt dissemination of pertinent security information to all staff, including those visiting for short durations; and
- Conduct simulation exercises of the BCP and provide periodic training to staff to ensure they can execute the plan.

OCHA needed to:
- Develop operational guidance regarding humanitarian-development collaboration to ensure consistent approach in all country offices; and
- Finalize the memorandum of understanding with the United Nations Support Office in Somalia to formalize the support it would provide to OCHA Somalia.

OCHA accepted the recommendations, implemented two of them and initiated action to implement the remaining.

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Audit of the operations of the Office for the Coordination of Humanitarian Affairs in Somalia

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the Office for the Coordination of Humanitarian Affairs (OCHA) in Somalia.

2. OCHA is responsible for bringing together humanitarian actors to ensure a coherent response to emergencies. By its resolution 46/182 dated 19 December 1991, the General Assembly created OCHA as a part of the United Nations Secretariat to further strengthen and make more effective the collective humanitarian efforts of the United Nations system in responding to complex emergencies and natural disasters in countries in need. The mission of OCHA is to: (a) coordinate the global humanitarian response to save lives and protect people in humanitarian crises; and (b) advocate for effective and principled humanitarian action.

3. Climate-related shocks, armed conflict and inter-clan violence are the main drivers of displacement of people in Somalia. The country is highly vulnerable to natural hazards mainly drought, cyclones and flash floods due to the Gu rains, which occur every March. Food and nutrition gaps remain prevalent especially among internally displaced persons. Chronic levels of insecurity and violence were also taking a heavy toll on civilians. To counter this, the African Union Mission in Somalia (AMISOM) and the Somali National Army intensified their efforts to fight Al-Shabaab, the main terrorist group in the region.

4. Somalia's Humanitarian Response Plans (HRPs) for 2018 ($1.54 billion targeting 5.4 million people) and 2019 ($1.08 billion targeting 3.4 million people) focused on lifesaving, security, protection and resilience interventions. The HRPs were actively supported and promoted through the Somalia Humanitarian Fund (SHF). In the period 1 January 2018 to 31 July 2019, the SHF was funded through voluntary contributions from 14 donors amounting to $96.2 million. SHF allocations in the same period totaled $94.3 million to 108 United Nations agencies and implementing partners. Some 45 per cent of the funds were allocated to national non-governmental organizations (NGOs). Combining flexibility and strategic focus, the SHF ensures timely allocation and disbursement of resources, to enable effective humanitarian action by the various humanitarian partners. Allocations are made to clusters taking into consideration specific needs and in complementarity with other funding sources. SHF allocations for 2018 were 3.4 per cent of total HRP requirements as shown in Table 1.

Table 1
2018 SHF allocations against HRP requirements (in millions of United States dollars)

Cluster	HRP requirement	SHF allocation
Camp coordination and camp management	41.7	2.6
Education	51.0	5.0
Food security	632.0	8.4
Enabling programmes	26.0	0.5
Health	124.0	6.4
Logistics	9.8	1.1
Nutrition	254.0	5.9
Protection	98.0	5.0
Shelter and non-food items	70.0	6.6
Water, sanitation and hygiene	129.6	11.5
Multi-sectoral assistance	53.0	-
Refugee response	52.9	-
Total	**1 542.0**	**53.0**

5.   Funds from the Central Emergency Response Fund (CERF) were also used to supplement the SHF to provide on-going life-saving humanitarian assistance. CERF allocations to Somalia were $17.2 million in 2018 and $49.9 million in 2019.

6.   The OCHA Somalia office (OCHA Somalia) was established in 1999 to facilitate voluntary repatriation of Somali refugees from their countries of asylum and to help with their reintegration. OCHA Somalia supports the Humanitarian Coordinator (HC) in the coordination of strategic and operational response to the humanitarian crisis in Somalia.

7.   OCHA Somalia's head office is in Mogadishu, Somalia and it has a support office in Nairobi, Kenya. OCHA maintains sub-offices in the state capitals of Somaliland (Hargeisa), Puntland (Garowe), South West (Baidoa) and Jubaland (Kismayo). Sub-offices also exist in four other locations.

8.   OCHA Somalia is headed by a Head of Office at the D-1 level and in 2019 had 76 approved posts with a budget of $8.8 million.

9.   Comments provided by OCHA are incorporated in italics.

II.   AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

10.   The objective of the audit was to determine whether OCHA Somalia delivered its mandate in an efficient and effective manner in line with OCHA's strategic objectives.

11.   This audit was included in the 2019 risk-based work plan of OIOS due to risks associated with the activities related to the coordination and delivery of humanitarian response in Somalia.

12.   OIOS conducted this audit from July to October 2019 in New York, Nairobi and Mogadishu. The audit covered the period from 1 January 2018 to 31 July 2019. Based on an activity-level risk assessment, the audit covered higher and medium risks areas in the OCHA Somalia operations, which included: (a) coordination of the humanitarian response in Somalia; (b) management of SHF; and (c) management of staff and other resources.

13.   The audit methodology included: (a) interviews with key personnel, (b) review of relevant documentation, (c) analytical review of data, and (d) sample testing of selected transactions.

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

III.   AUDIT RESULTS

A.   Coordination of humanitarian response in Somalia

The coordination of humanitarian response in Somalia needed to be improved

15.   In accordance with the Inter-Agency Standing Committee (IASC) Transformative Agenda Principles OCHA Somalia: (a) established humanitarian structures for coordinating key aspects of the response at the national and regional levels; (b) coordinated with the clusters and other partners including government counterparts and affected populations to conduct assessments necessary to develop the HRP; and (c) collected, aggregated and synthesized data into reports that were shared with the various humanitarian partners.

16.   Somalia was making progress in rebuilding government and security institutions and had a peaceful transition of power following the electoral process in 2016. OCHA Somalia continued to support federal and regional authorities to prepare for and respond to humanitarian needs. For example, it worked closely with the Federal Government of Somalia, the Ministry of Humanitarian Affairs and Disaster Management, and aid agencies to launch a drought impact response plan in 2019. OCHA Somalia also worked with clusters to gather and analyze information related to the crisis in Somalia and identified trends, risks and opportunities to ensure a well-informed humanitarian response.

17.   At the national level, the key coordination structures were the Humanitarian Coordination Team (HCT) and the Inter-Cluster Coordination Group (ICCG). The HCT made key decisions on humanitarian strategies, policies and priorities, while the ICCG provided advice on HCT operational strategies, concerns and gaps in humanitarian operations. OCHA Somalia provided secretariat support to the HCT and ICCG and in this regard prepared agenda and minutes for monthly and bi-weekly meetings respectively. OCHA also provided secretariat support for joint HCT-ICCG meetings which were held periodically. In addition, various working groups were established such as the Information Management Working Group, Assessment Working Group, Access Task Force and Implementation Support Group for HCT's Centrality of Protection Strategy. At the regional level, the key coordination mechanism was the Regional Inter-Cluster Coordination Groups (RICCGs).

18.   In addition to the bi-weekly ICCG meetings attended by cluster coordinators, the OCHA SHF manager, OCHA Somalia Head of Office and the OCHA Inter-Cluster Coordinator met the cluster coordinators on a weekly basis for briefing on emerging issues relevant to the cluster system. Periodically, partners were invited to make presentations on topical issues such as protection against sexual exploitation and abuse and the centrality of protection. Action points were identified and followed up in subsequent ICCG meetings.

19.   OIOS interviewed 11 HCT members and cluster coordinators to obtain their views on OCHA's role in coordinating humanitarian response in Somalia. The HCT members and cluster coordinators recognized the strong leadership by the OCHA Somalia Head of Office, OCHA's effectiveness in coordinating the Humanitarian Programme Cycle process and the effective management of SHF/CERF funding. They also acknowledged OCHA's professional engagement with the government of Somalia. However, the HCT and cluster coordinators identified the following areas where OCHA Somalia could improve its humanitarian response coordination efforts:

(a)   There was a general perception among some cluster coordinators that most SHF funding allocations went to the same clusters particularly food security, nutrition, health and water, sanitation and hygiene, which in their opinion were already well funded. However, such perceptions were not borne out in the results of OIOS analysis, which indicated that the SHF was being used to meet underfunded needs. Also, OCHA Somalia periodically shared information on the basis on which clusters were selected to receive allocations, including inputs from the clusters on the SHF and CERF integrated allocation strategy.

(b)   There was a need to improve coordination of humanitarian response at the regional level. While the RICCGs were established, there was no clarity on their operational modalities including deliverables and reporting requirements. RICCG meeting minutes were also not shared with the national ICCG to inform them of the regional cluster activities. This concern was consistent with independent reviews of the regional coordination mechanisms, which in 2016 and 2018 recommended strengthening of sub-national coordination structures. In addition, the light assessment of sub-national cluster performance conducted by OCHA Somalia in May 2019 identified the need for improved coordination between the national and regional cluster coordination mechanisms in the areas of planning and communication.

(c) Attendance at HCT meetings needed improvement. OIOS review of attendance records for the 23 HCT members identified several absences of primary members and instances where they were represented by junior staff members. The HCT terms of reference require representation on the HCT to be at the highest level, i.e., country representative level or designated alternate only. OCHA Somalia, as the HCT secretariat, also conducted a study of HCT meetings attendance in July 2019 and sent the results to relevant HCT members to encourage them to improve their participation. OCHA may consider formally soliciting the assistance of the HC if the attendance to HCT does not improve.

(d) Inter-cluster coordination became challenging in the absence of the physical space previously occupied by the Somalia Disaster Operations Coordination Centre. All cluster coordinators cited a decrease in operational efficiency in the absence of a common space as they were all working from different offices (see also paragraph 47).

(e) Security concerns diminished access of humanitarian partners to people in need. In addition, violence against aid workers continued to obstruct delivery of humanitarian assistance. For example, in January 2019, Al-Shabaab fired mortars which landed inside the United Nations and AMISOM facilities in Mogadishu.

20.   Failure to address the concerns of the humanitarian partners may impact the effectiveness of OCHA's coordination efforts.

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(1)   OCHA Somalia should support the Humanitarian Coordinator in addressing the concerns of the Humanitarian Country Team members and cluster coordinators regarding coordination of humanitarian response including by clarifying the operational structures, deliverables and reporting requirements of the regional humanitarian response coordination mechanisms.

OCHA accepted recommendation 1 and stated that as the cluster system was a collaborative effort with cluster lead agencies, it was difficult to predict the willingness of those agencies to make meaningful changes to address concerns regarding coordination of the humanitarian response, especially if resources were involved. OCHA subsequently provided evidence that the HCT and ICCG held a joint meeting in March 2020 to review coordination of the cluster system at the sub-national level, and had identified necessary actions for improvement, including adequate representation of cluster leads at meetings. Based on actions taken, recommendation 1 has been closed as implemented.

Need to develop a humanitarian-development collaboration framework

21.   The Secretary-General's report on repositioning the United Nations development system to deliver on the 2030 Agenda (A/72/124) calls for all entities across the United Nations system to work together with a greater emphasis on prevention to address the root causes of instability, vulnerability, exclusion and conflict. Enhanced engagement between humanitarian and development actors is also one of the commitments of the Grand Bargain and other global commitments and mandates such as the 2016 World Humanitarian Summit Commitment to Action; the Joint Steering Committee to Advance Humanitarian and Development Collaboration (JSC); and General Assembly resolutions on the quadrennial comprehensive policy review.

22.   While OCHA Somalia prioritized providing immediate life-saving response to the humanitarian crisis, deliberations were ongoing on the need to also support longer term initiatives that would address chronic needs and optimize the impact of response. Accordingly, HCT discussions included identifying ways of strengthening the engagement and coherence between humanitarian, development and peace-

building actors and discussions on operationalization of the Recovery and Resilience Framework in Somalia. In addition, the humanitarian and development partners in Somalia agreed to work together (for instance through simultaneous short-term humanitarian action and medium- to long-term development programming) to respond to humanitarian needs. Efforts geared towards greater sustainability included engaging donors to provide multi-year funding and engaging with development partners and the government to identify collective outcomes and plan how resilient programmes can be implemented.

23.   In the recent past, a number of global guidance documents[1] on humanitarian and development collaboration have been developed or are under development. However, OCHA needed to prepare guidance to facilitate greater field staff awareness of the agreed humanitarian-development collaboration and operationalize them in their programmes. For example, the heads of OCHA Somalia sub-offices held different views on the practical implementation of development programmes that would address humanitarian crises in the long run; with some supporting resilience projects and others thinking that Somalia was too unstable for development projects. Consequently, while some OCHA sub-offices were working with the clusters to identify suitable resilience projects in some regions, others did not, depending on the decision of the head of OCHA sub-office. The HC stated that a strategy would be developed once the resident/humanitarian coordinator office had been strengthened but global guidance from OCHA Headquarters was also needed.

> **(2)   OCHA should develop operational guidance regarding humanitarian-development collaboration to ensure it is consistently considered and operationalized as appropriate in all country offices.**
>
> *OCHA accepted recommendation 2 and stated that it was developing guidance on operationalizing humanitarian-development collaboration, which would be informed by the lessons learned from operationalizing the Collective Outcomes guidelines.* Recommendation 2 remains open pending receipt of finalized guidance on humanitarian-development collaboration at the country office level.

There was a need to coordinate mainstreaming of protection

24.   The IASC 2016 Policy on Protection in Humanitarian Action defines centrality of protection[2] in humanitarian response. It also emphasized IASC's commitment to prioritize protection and contribute to collective protection outcomes, including through the development of an HCT protection strategy to address the most critical and urgent protection risks and violations. OCHA Somalia's principles guiding the 2019 allocations identified that protection risks were on the rise across the country given increased population displacement and burgeoning forced evictions. Consequently, OCHA Somalia designed mechanisms to mainstream protection in its programmes and to ensure centrality of protection in all SHF-funded interventions. The ICCG also provided a platform for the clusters to work together to jointly deliver humanitarian response with meaningful protection outcomes through sharing information on protection, gender analysis and agreeing on joint strategies to meet protection needs.

25.   HCT adopted the 2018-2019 Centrality of Protection Strategy wherein the protection cluster, in consultation with the HCT and ICCG, identified and made recommendations to address significant protection challenges in humanitarian response. OCHA Somalia vetted projects submitted in the HRP to

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[1] OCHA developed a lesson learned and best practices document in August 2019 highlighting operational guidance for the implementation of collective outcomes based on field experiences, including from Somalia. The new United Nations Sustainable Development Cooperation Framework guidance contains references to humanitarian, development and peace collaboration, and the IASC Task Team on humanitarian-development collaboration is currently developing global operational guidance on collective outcomes/humanitarian-development collaboration for member entities.

[2] The Policy on Protection requires humanitarian partners to actively seek to mainstream protection in their activities, to ensure that such activities do not result in or perpetuate discrimination, abuse, violence, neglect or exploitation. Protection of all persons affected and at risk needs to be central to all humanitarian decision making and response including preparedness efforts, as part of immediate and life-saving activities, and throughout the duration of humanitarian response and beyond.

ensure centrality of protection in all SHF-funded interventions. The protection cluster was invited to all HCT meetings and protection was a standing agenda item in all HCT meetings during which the protection cluster coordinator gave an update on protection activities at the cluster level. However, the HCT was not actively deliberating on the implementation of the Centrality of Protection Strategy. For instance, implementation of the Strategy was only discussed in 3 out of the 15 HCT meetings held in 2019 as at 11 September 2019. In addition, the minutes of the three meetings did not clearly articulate the results of monitoring the implementation of the Centrality of Protection Strategy.

26. Additionally, while implementing partners disclosed in their proposals on how they would mainstream protection in their programmes, OCHA did not require them to report on how such mainstreaming had been executed in their activities. Without the reporting requirement, OCHA may not be assured that it is achieving the desired protection outcomes.

> **(3) OCHA Somalia should support the Humanitarian Coordinator in developing a system for monitoring protection outcomes including those relating to: (i) implementation of the Centrality of Protection Strategy; and (ii) mainstreaming of protection in implementing partners' programmes.**
>
> *OCHA accepted recommendation 3 and stated that it had reiterated to the protection cluster lead agency to fulfill its commitments regarding monitoring the mainstreaming of the Centrality of Protection Strategy. The agency indicated that it was consulting with individual HCT members on a revised strategy and would arrange a meeting with OCHA Somalia to strengthen its support in driving the protection agenda around the new strategy.* Recommendation 3 remains open pending receipt of the revised strategy and evidence of implementation of action points from the meeting between OCHA Somalia and the protection cluster lead agency on the support OCHA Somalia can provide to support the agenda.

There was a need for OCHA Somalia to articulate the work activities and reporting requirements of its sub-offices

27. OCHA Somalia prepared annual work plans for both 2018 and 2019, which included an analysis of the current situation, key areas of focus and outlook for the future. However, the work plans did not adequately reflect specific activities of the sub-offices. For example, the 2019 work plan stated that the field sub-offices were responsible for supporting the functioning of clusters at the cluster level without articulating specific outputs, which limited objective monitoring and measurement of the performance of the sub-offices.

28. Also, other than providing daily, weekly and monthly reports on the humanitarian situation, there were no other reporting requirements for OCHA Somalia sub-offices. For example, the 2019 work plan identified that field sub-offices were responsible for organizing and following up on monthly and ad hoc meetings of the RICCG; however, there was no requirement for them to report on the outcomes of these activities. The absence of reporting requirements and related performance indicators may limit the sub-offices' accountability in contributing to effective humanitarian response coordination in Somalia.

> **(4) OCHA Somalia should ensure: (a) annual work plans of its sub-offices sufficiently describe their activities and deliverables; and (b) establish reporting requirements and performance metrics of the sub-offices.**
>
> *OCHA accepted recommendation 4 and stated that the head of Field Coordination in OCHA Somalia had been tasked to develop sub-office work plans in line with the overall office work plan.* Recommendation 4 remains open pending receipt of workplans for OCHA Somalia sub-offices.

B. Management of the Somalia Humanitarian Fund

<u>Programming, allocation and reporting on SHF projects were generally adequate</u>

29.   During the audit period, 206 SHF projects with total funding allocations of about $94 million were implemented. The main funding modality was the standard allocation, which included a strategic review of projects that were approved by the HC in consultation with the Advisory Board. As of 31 July 2019, about $72 million or 77 per cent of the SHF funds had been programmed under this modality. The other funding modality was the reserve allocation, which was used for proposals responding to the humanitarian needs gaps identified in the HRP and other emerging humanitarian needs. Some 23 per cent or about $22 million of the funds were programmed through this modality during the audit period.

30.   O1OS reviewed a sample of 30 SHF projects valued at $18 million to assess the project selection process, funds disbursement timelines, compliance with project implementation and reporting requirements and project monitoring results. The audit identified that funds were disbursed within the timeframe in the grant agreements and required financial reports and progress and final narrative reports were submitted timely with minimal delay as shown in Table 2.

Table 2
SHF project reporting status

	Report type	Required at the time of the audit	Submitted timely	Percentage
Financial reports	Final	16	14	88%
Narrative reports	Progress	24	20	83%
	Final	16	13	81%

31.   OIOS concluded that programming, allocation and reporting on SHF projects were generally adequate.

<u>Need to improve project monitoring activities</u>

32.   The SHF Operational Manual required monitoring activities to be conducted to verify the implementation of projects and qualitative aspects of the interventions. In this regard, OCHA Somalia developed a humanitarian response monitoring framework, which defined the monitoring activities, methodology and timeframes for each allocation of funds in accordance with the Fund's operational modalities.

33.   In the period under review, OCHA Somalia conducted 149 monitoring field visits, 16 third-party monitoring and 62 remote call monitoring (whereby telephone interviews are held with key informants using structured multiple-choice questionnaires). The reports from the field visits and third-party monitoring activities described the status of the project, highlighted anomalies and made recommendations.

34.   OCHA Somalia established a contract with a vendor to provide remote call monitoring services for a not-to-exceed amount of $548,715 over three years. OIOS review of 30 remote call reports identified that the results were generic and did not address specific risks inherent in similar types of projects, such as failure to achieve project objectives, diversion of project funds and resources, and failure to uphold aid principles including gender considerations and human rights. The remote call reports mainly included analyses of the methodology used during the call and statistics on the profiles of the beneficiaries. Also, there was insufficient information to indicate whether the responses were related to projects implemented

using SHF funds. In addition, there was no overall conclusion and there were no recommendations to address anomalies identified.

35. After the fieldwork, OCHA made changes to address concerns observed during the audit regarding limitations of the remote calling monitoring tool; therefore, OIOS did not make a recommendation on this issue.

<u>Implementing partners' risk management and project review procedures needed to be improved</u>

36. OCHA implemented standard processes to identify and respond to partner risks and reviews and to manage partners' applications for SHF funds. The outputs of these processes were documented in the Grant Management System (GMS) together with other supporting documents relating to projects undertaken including results from project monitoring activities and partners' performance reviews during project implementation.

37. Implementing partners had access to their initial risk score as determined through capacity assessments. Changes in a partner's risk level were triggered by several factors including timeliness of reports, achievement of project objectives and targets, findings of audits and financial spot checks and results of other monitoring activities. These events were duly recorded in GMS, which generated a revised risk rating used to determine the number and frequency of disbursements that would be made to the partner. While the Somalia Humanitarian Financing Unit (SHFU) endorsed the revised risk ratings, partners were not notified through GMS of their revised risk ratings to encourage them to establish and maintain appropriate internal control systems.

38. The three parties to the grant agreement – the HC, implementing partner and OCHA Executive Office – were printing, manually signing and transmitting grant agreements via email to the next person. This process was not efficient both in terms of time and resources used. GMS could be enhanced to enable electronic signing of grant agreements to enhance operational efficiency. OCHA indicated that it was exploring the use of electronic signature at least for the HC and Executive Officer and would consult with the Office of Legal Affairs for relevant guidance.

39. In addition, the potential of GMS as a decision-making tool and its use to promote transparency in the grant management process could be maximized by considering the following:

(a) Implementing partners were submitting requests to SHFU via email to unlock GMS to enable them to update due diligence information in the system. Enhancing GMS to allow implementing partners to update information without this prior request may increase operational efficiency.

(b) The Strategic Review Committee, responsible for vetting whether a project proposal is in line with the HRP and cluster strategy and objectives, was not providing comprehensive information to support its decision to recommend the approval or rejection of a proposal.

(c) The status of implementation of recommendations from monitoring activities in GMS was not being updated in a comprehensive manner by implementing partners. GMS notifications or a dashboard showing outstanding recommendations may also enable prompt follow-up by both OCHA Somalia and the implementing partners.

> **(5) OCHA Somalia should maximize the potential of the Grant Management System in supporting the management of implementing partners of the Somalia Humanitarian Fund by: (i) reviewing the viability of displaying changes in partner risk ratings in the system;**

> **(ii) making it easier for implementing partners to update the system with due diligence information and the status of implementation of monitoring recommendations; and (iii) updating the system with information on the reasons for rejecting project proposals.**
>
> *OCHA accepted recommendation 5 and stated that it would continue to assess the value of displaying partner risk ratings. Also, OCHA would introduce measures to further facilitate partner due diligence updates and request the Strategic Review Committee to provide more comprehensive feedback on the justification for rejecting individual project proposals.* Recommendation 5 remains open pending receipt of evidence of implementation of these actions to improve the use of GMS as a platform to manage SHF implementing partners.

C.   Management of staff and other resources

Protection against sexual exploitation and abuse was prioritized

40.   In accordance with the 2013 Secretary-General's bulletin (ST/SGB/2003/13) on the protection against sexual exploitation and abuse (PSEA), OCHA developed standard operating procedures which were aligned with and reinforced the IASC Guidelines to Implement the Minimum Operating Standards for Protection from Sexual Exploitation and Abuse by UN and non-UN Personnel. The procedures provided information and instructions on the implementation of PSEA mechanisms in OCHA including establishing mechanisms to ensure accountability and for receiving complaints, reporting, investigation and victim assistance.

41.   OCHA Somalia appointed a PSEA focal point and an alternate, both at senior levels, who were responsible for creating and maintaining internal arrangements and a work environment that prevents SEA. The PSEA focal points attended regular meetings convened by the Somalia PSEA task force coordinator, where they jointly addressed issues relating to PSEA training, awareness-raising activities and complaints mechanisms.

42.   OCHA also supported mainstreaming of PSEA in the work programmes of partners they were working with and in this regard, PSEA issues were discussed at the HCT level. OIOS concluded that PSEA related activities in OCHA Somalia were adequate.

Controls over procurement and other contractual arrangements were adequate

43.   During the audit period, OCHA Somalia's low-value procurement activities totaled $112,048 from 41 vendors. A review of 30 vendor files accounting for $82,054 (73 per cent) showed that the low-value local procurement complied with applicable procurement guidelines. Three quotations were obtained, and payments were made based on certification that goods and services had been received. OCHA Somalia also prepared procurement plans for 2018 and 2019.

44.   OCHA Somalia had six lease agreements with various United Nations entities for premises in Somalia. In addition, OCHA Somalia's administrative and financial operations were managed under service level agreements and memoranda of understanding (MOUs) with various service providers, setting out the range of services provided (such as human resources management, financial management services, procurement and general administrative services) and the responsibilities of each entity. OCHA Somalia's Administration and Finance Unit monitored monthly local expenditures against financial authorizations. The Unit also verified the inter-office vouchers that were generated monthly. OCHA Somalia was updating its service level agreement with one service provider to more accurately reflect the current services provided.

45.   OIOS concluded that controls over procurement and other contractual arrangements were adequate.

Need to streamline UNSOS provision of support

46.   In Mogadishu, OCHA Somalia was co-located with the United Nations Support Office in Somalia (UNSOS), which is also part of the Secretariat. However, OCHA staff were not always accorded the same treatment as UNSOS staff including in the following cases:

(a)   OCHA Somalia staff were often removed from UNSOS flight manifests at the last minute to accommodate requests from UNSOS staff.

(b)   The same company provided medical insurance coverage for both OCHA Somalia and UNSOS staff. However, bills related to visits by OCHA Somalia staff to the UNSOS medical facility were sent through OCHA Somalia to staff to submit claims to their insurance provider. UNSOS staff did not have to make similar claims as they were obtaining treatment upon presenting their medical insurance cards at the medical facility and the Mission was processing the reimbursement.

47.   OCHA and UNSOS were in the process of drafting an MOU that would include harmonizing staff entitlements and benefits. In addition, OCHA had requested UNSOS to include in the MOU an arrangement regarding UNSOS' land that OCHA would use to construct hard wall office and accommodation facilities. The MOU would also include OCHA's use of UNSOS' property disposal contract. However, the MOU had remained at the drafting stage for over 10 months, which negatively impacted OCHA's operations. For instance, without formalizing the land arrangement, OCHA was not able to move ahead with the construction of its new office facilities. Consequently, following the January 2019 mortar attack, OCHA staff were all working from one hard-walled room with very little space per person and no privacy, which may impede their productivity, and the cluster coordinators did not have a common space to work from.

> **(6)   OCHA should finalize the memorandum of understanding with UNSOS to formalize the support UNSOS would provide to OCHA Somalia.**
>
> *OCHA accepted recommendation 6 and stated it was awaiting final approval of the MOU by UNSOS.* Recommendation 6 remains open pending receipt of a copy of the approved MOU.

Mandatory training was being monitored to ensure higher rate of completion

48.   The Secretary-General's bulletin on United Nations mandatory training programmes (ST/SGB/2018/4) defines the mandatory training for all staff members of the United Nations Secretariat. Staff members are required to complete the mandatory learning programmes within six months of joining the Organization. During the audit fieldwork, OCHA Somalia staff took steps to complete mandatory training as evidenced in the improved compliance rate between July and October 2019 as shown in Table 3.

Table 3
Mandatory training completion rates

	24 July 2019		21 October 2019	
	No of staff	Percentage	No of staff	Percentage
All training completed	6	9%	34	51%
1-2 training pending	34	51%	18	27%
3-5 training pending	15	22%	6	9%
6-8 training pending	11	16%	9	13%
9 training pending	1	2%	0	0%

49.   OCHA Executive Office launched a campaign on completion of mandatory training, which included several broadcasts from the OCHA Under-Secretary-General as well as targeted reminders to individual staff and managers. OIOS concluded that OCHA was taking adequate steps to monitor completion of mandatory training and did not make a recommendation on this issue at this time.

Gender parity and geographical representation of staff was being addressed

50.   The OCHA People Strategy Action plan developed in July 2018 articulated the various steps that OCHA will take to ensure that the strategy's objectives and principles are consistently and coherently met across the Office. As part of the action plan, OCHA management periodically issued guidance to heads of offices to remind them of the need to achieve geographical diversity and gender parity.

51.   As at 18 July 2019, 68 out of OCHA Somalia's 76 authorized posts were encumbered: 23 (34 per cent) by female staff and 45 (66 per cent) by male staff. There was a gender imbalance for national staff where 36 out of 48 nationally recruited staff were male (75 per cent), while 12 were female (25 per cent). The gender balance for the international staff was adequate at 45 per cent for female and 55 per cent for male.

52.   Table 4 shows the geographical representation for international staff.

Table 4
Geographical representation for international staff

Region	No. of staff	Percentage
Africa	7	35%
Asia	2	10%
Europe	8	40%
Middle East	1	5%
North America	2	10%
Total	**20**	**100%**

53.   OCHA Somalia stated that it was difficult to achieve geographical representation due to the security concerns in Mogadishu, which did not make it an attractive duty station. It was also difficult to obtain gender parity for national staff due to the challenges of attracting equally qualified females.

54.   OCHA stated that gender parity and geographic diversity were priorities for the OCHA Top Management Team and the Assistant Secretary-General-led OCHA People Strategy and Management Committee. OCHA had developed a corporate Gender Parity Action Plan that was aligned with the Secretary-General's Gender Parity Strategy and launched a Leadership Development Programme that actively promoted and prioritized national staff career development as a key pipeline for geographically

diverse talent for international professional positions. OCHA Somalia was engaged in the United Nations Country Team Gender Theme Group and a gender parity concept note had been established to support human resources on gender activities. OIOS concluded that OCHA was taking adequate actions to improve the gender parity and geographic diversity of staff and did not make a recommendation on this issue at this time.

The security risk management process needed to be improved

55. The 2019 programme criticality assessment for Somalia was endorsed by the Security Management Team and used to review the balance between risk and programme criticality. The assessment rated Somalia as programme criticality level 2. Accordingly, requests for security clearance for official travel were addressed to the Designated Official indicating programme criticality and the measures that would be taken to mitigate related risks.

56. The Department of Safety and Security (DSS) in Somalia conducted a detailed safety and security risk assessment of United Nations personnel, assets and operations in specified areas of Somalia in March 2019. The risk assessment identified some security management procedures that were partially implemented and were being addressed.

57. OCHA's duty of care framework defines the security responsibilities of management including ensuring that pertinent information on security matters is promptly disseminated to staff. Staff, including those visiting for short periods, stated that they were not promptly shown the sites of the security bunkers, which were in various locations. Other staff stated that they were not satisfied with the drills that had been conducted on the use of the bunkers as they were not well coordinated or comprehensive. For instance, staff stated that they were not aware what they should do if they find the bunkers they are trying to access already occupied.

> **(7) OCHA Somalia should, in collaboration with DSS in Somalia, ensure that the security risk management process is implemented including prompt dissemination of pertinent security information to all staff, including those visiting for short durations.**
>
> *OCHA accepted recommendation 7 and stated that OCHA would seek to strengthen the support and coverage it receives from DSS Somalia.* Recommendation 7 remains open pending receipt of evidence that OCHA Somalia has put in place a system to provide feedback to DSS Somalia on security risk management in Somalia, including a communication strategy.

OCHA Somalia needed to conduct business continuity plan simulation exercises

58. OCHA Somalia developed a business continuity plan (BCP) which was updated in July 2019. The BCP provided policy and guidance to ensure continuation of critical operational services when exposed to a crisis event in Somalia and Kenya. The BCP articulated, inter alia, critical operational services and functions, roles and responsibilities and designated staff for activation of the plan, possible relocation sites, and the decision-making process during an emergency or crisis event. It also included a categorization of risks into impact and likelihood of occurrence and reconstitution process after the crisis.

59. The BCP required semi-annual reviews for necessary updates and identified periodic testing and training on the BCP as essential for maintaining preparedness capability. However, comprehensive testing and training had not been conducted as at 20 September 2019. Consequently, staff directly involved in BCP simulations may not be fully aware of their roles and responsibilities, which may threaten the safety and security of staff and properties and lead to non-recovery of a critical function in a timely manner. In

addition, without testing the BCP, deficiencies in plans and procedures may not be identified for prompt correction.

> **(8) OCHA Somalia should develop a system of validating the business continuity plan (BCP) by conducting simulation exercises and providing periodic training to staff to ensure they are able to properly and efficiently carry out key aspects of the BCP.**
>
> *OCHA accepted recommendation 8 and stated that a first simulation of the BCP took place in April 2020. OCHA Somalia also developed and activated a COVID-19 specific BCP, which enabled it to continue operations during the pandemic.* Based on actions taken by OCHA, recommendation 8 has been closed as implemented.

IV.   ACKNOWLEDGEMENT

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

(*Signed*) Eleanor T. Burns
Director, Internal Audit Division
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of the operations of the Office for the Coordination of Humanitarian Affairs in Somalia

Rec. no.	Recommendation	Critical[3]/ Important[4]	C/ O[5]	Actions needed to close recommendation	Implementation date[6]
1	OCHA Somalia should support the Humanitarian Coordinator to address the concerns of the Humanitarian Country Team members and cluster coordinators regarding coordination of humanitarian response including by clarifying the operational structures, deliverables and reporting requirements of the regional humanitarian response coordination mechanisms.	Important	C	Action completed	Implemented
2	OCHA should develop operational guidance regarding humanitarian-development collaboration to ensure it is consistently considered and operationalized as appropriate in all country offices.	Important	O	Receipt of the finalized guidelines on humanitarian-development collaboration at the country office level.	31 December 2020
3	OCHA Somalia should support the Humanitarian Coordinator in developing a system for monitoring protection outcomes including those relating to: (i) the implementation of the Centrality of Protection Strategy; and (ii) mainstreaming of protection in implementing partners' programmes.	Important	O	Receipt of the revised strategy and evidence of implementation of action points from the meeting between OCHA Somalia and the protection cluster lead agency on the support OCHA Somalia can provide to support the protection agenda.	31 December 2020
4	OCHA Somalia should ensure: (a) annual work plans of its sub-offices sufficiently describe their activities and deliverables; and (b) establish reporting requirements and performance metrics of the sub-offices	Important	O	Receipt of workplans for OCHA Somalia sub-offices.	30 June 2020
5	OCHA Somalia should maximize the potential of the Grant Management System in supporting the management of implementing partners of the Somalia Humanitarian Fund by: (i) reviewing the	Important	O	Receipt of: (i) conclusions from the assessment of the value of displaying partner risk ratings in the GMS; (ii) evidence of introduction of measures to facilitate partner due diligence	30 June 2021

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[3] 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.

[4] 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.

[5] Please note the value C denotes closed recommendations whereas O refers to open recommendations.

[6] Date provided by OCHA in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of the operations of the Office for the Coordination of Humanitarian Affairs in Somalia

Rec. no.	Recommendation	Critical[3]/ Important[4]	C/ O[5]	Actions needed to close recommendation	Implementation date[6]
	viability of displaying changes in partner risk ratings in the system; (ii) making it easier for implementing partners to update the system with due diligence information and the status of implementation of monitoring recommendations; and (iii) updating the system with information on the reasons for rejecting project proposals.			updates in GMS; and (iii) a copy of OCHA's request to the SRC for more comprehensive feedback on the reasons for rejecting project proposals.	
6	OCHA should finalize the memorandum of understanding with the United Nations Support Office in Somalia (UNSOS) to formalize the support UNSOS would provide to OCHA Somalia.	Important	O	Receipt of a copy of the approved MOU with UNSOS.	31 December 2020
7	OCHA Somalia should, in collaboration with DSS in Somalia, ensure that the security risk management process is implemented including prompt dissemination of pertinent security information to all staff, including those visiting for short durations.	Important	O	Receipt of evidence that OCHA Somalia has put in place a system to provide feedback to DSS Somalia on security risk management. including a communication strategy.	31 December 2020
8	OCHA Somalia should develop a system of validating the business continuity plan (BCP) by conducting simulation exercises and providing periodic training to staff to ensure they are able to properly and efficiently carry out key aspects of the BCP.	Important	C	Action completed.	Implemented

APPENDIX I

Management Response

United Nations ✶ Nations Unies
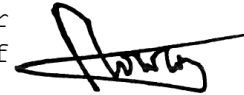
INTEROFFICE MEMORANDUM   MEMORANDUM INTERIEUR

TO: A:	Ms. Muriette Lawrence-Hume, Chief New York Audit Service, Internal Audit Division, OIOS	DATE:	6 May 2020
		REFERENCE:	

THROUGH:

S/C DE:

FROM: Mark   Lowcock,   Under-Secretary-General   for
DE: Humanitarian Affairs and Emergency Relief
            Coordinator

SUBJECT: **Draft report of an audit of the operations of the Office**
OBJET: **for the Coordination of Humanitarian Affairs in Somalia**
            (Assignment N0: 2019/590/04)

      In reference to your memorandum dated 26 February 2020, I
am enclosing herewith OCHA's management response to the
detailed audit results and the recommendations issued.

      Copy to: Ms. Menada Wind-Andersen, Executive Officer, OCHA

Management Response

Audit of the operations of the Office for the Coordination of Humanitarian Affairs in Somalia

Rec. no.	Recommendation	Critical[1]/ Important[2]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	OCHA Somalia should support the Humanitarian Coordinator to address the concerns of the Humanitarian Country Team members and cluster coordinators regarding coordination of humanitarian response including by clarifying the operational structures, deliverables and reporting requirements of the regional humanitarian response coordination mechanisms.	Important	Yes	Head of Office	December 2020	The March 2020 HCT meeting is planned as a joint HCT-ICCG (Inter-Cluster Coordination Group) meeting with an examination of the cluster system at the sub-national level. As the cluster system is a collaborative effort with cluster lead agencies, it is difficult to predict the willingness of those agencies to make meaningful changes, especially if resources are involved, to address the concerns. However, support to the HC by the OCHA office is on-going and will be sustained.
2	OCHA should develop operational guidance regarding humanitarian-development collaboration to ensure it is consistently considered and operationalized as appropriate in all country offices.	Important	Yes	Chief, Humanitarian-Development Collaboration Section - NY Assessment, Planning and Monitoring Branch, Coordination Division	Ongoing – the guidance remains a living document which will continuously be updated based on lessons learned from operational experience implementing humanitarian-development collaboration	OCHA is developing guidance on operationalizing humanitarian-development collaboration. The guidance, *Operationalizing Collective Outcomes*, which is based on best practices and lessons learnt from seven countries mainly in the Sahel, the Lake Chad and Horn of Africa Region, is available publicly at: https://www.unocha.org/sites/unocha/files/ Operationalizing_Collective_Outcomes_DraftV3.pdf

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[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.

Management Response

Audit of the operations of the Office for the Coordination of Humanitarian Affairs in Somalia

Rec. no.	Recommendation	Critical[1]/ Important[2]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
3	OCHA Somalia should support the Humanitarian Coordinator in developing a system for monitoring protection outcomes including those relating to: (i) the implementation of the Centrality of Protection Strategy; and (ii) mainstreaming of protection in implementing partners' programmes.	Important	Yes	HoO	December 2020	The opportunity to monitor implementation of the Centrality of Protection Strategy was agreed when the Strategy was adopted by creating a standing agenda item for the Protection Cluster to update the HCT on implementation and for the HC to take action with the HCT to adjust or make any corrective action. Unfortunately, the Protection Cluster has instead used the time allotted to cover general protection concerns and not track the Strategy. Using the Audit recommendation, OCHA has reinforced with UNHCR as the Protection Cluster lead agency to fulfill its commitments on Strategy monitoring and mainstreaming. UNHCR has indicated that it is consulting with individual HCT members on a revised strategy and a meeting is being arranged with OCHA staff so the office can strengthen its support in driving the protection agenda around the new strategy.
4	OCHA Somalia should ensure: (a) annual work plans of its sub-offices sufficiently describe their activities and deliverables; and (b) establish reporting requirements and performance metrics of the sub-offices.	Important	Yes	Head of Field Coordination	1 June 2020	The head of Field Coordination has been tasked to develop such plans in line with the overall office work plan. With the arrival of three new sub-office heads over the course of March and April, the plans will be completed by 1 June 2020
5	OCHA Somalia should maximize the potential of the Grant Management System in supporting the management of the Somalia Humanitarian Fund by: (i) reviewing the viability of displaying changes in partner risk ratings in the system; (ii) making it easier for implementing partners to update the system with	Important	Yes	Head, CBPF Section, Pooled Funds Management Branch, Humanitarian Financing and Resource Mobilization	June 2021	The upgrades and development of the Grant Management System (GMS) are managed centrally by OCHA by the Country-based Pooled Funds Section (CBPFS) that, with the input from the field and based on other GMS priorities. (i) The analysis of added value of displaying partner risk rating has been conducted by CBPFS at several occasions, leading to conclusion that that would add

Management Response

Audit of the operations of the Office for the Coordination of Humanitarian Affairs in Somalia

Rec. no.	Recommendation	Critical[1]/ Important[2]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	due diligence information and the status of implementation of monitoring recommendations; and (iii) updating the system with information on the reasons for rejecting project proposals.			Division & Head, Humanitarian Financing / Somalia Humanitarian Fund (SHF) manager		limited value at this stage. OCHA will continue assessing added value of this. (ii) OCHA will introduce measure that will further facilitate partner due diligence updates and accuracy information. That will include the use of GMS reminder module and regularly bulk move (as configured in the system) of due diligence status of all the partners into draft mode with an alert notification for partners. Partners already have the opportunity and do report on the status of implementation of recommendations made in monitoring activities, but OCHA will explore opportunities how this could be presented in a more automated and interactive manner. (iii) The GMS already has information about the justification for rejecting individual project proposals, but OCHA Somalia agrees that information provided could be expanded. Additional efforts will be put into requesting Strategic Review Committees to provide a more comprehensive feedback. In addition, OCHA HQ is highlighting that the optimal use of the GMS is not equal to making improvements to the GMS in the different part of this recommendation. As such OCHA would request that the draft audit report text be revised from: "*Recommendation 5 remains open pending receipt of evidence of improvements made to GMS to maximize its use in managing SHF implementing partners*" to: "*Recommendation 5 remains open pending receipt of evidence on the **improved use of the GMS as a platform to manage SHF implementing partners**. "*

Management Response

Audit of the operations of the Office for the Coordination of Humanitarian Affairs in Somalia

Rec. no.	Recommendation	Critical[1]/ Important[2]	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
6	OCHA should, **in coordination with UNSOS DMS,** finalize the memorandum of understanding with the United Nations Support Office in Somalia (UNSOS) to formalize the support UNSOS would provide to OCHA Somalia.	Important	Yes	UNSOS Director of Mission Support, /EO OCHA/Head of OCHA Somalia	December 2020	The memo has been under negotiation and is with UNSOS for signature.
7	OCHA Somalia should, in collaboration with DSS in Somalia, ensure that the security risk management process is implemented including prompt dissemination of pertinent security information to all staff, including those visiting for short durations.	Important	Yes	Head of Office	December 2020	While OCHA will again seek to strengthen the support and coverage it receives from DSS Somalia, the problem remains the fact that the office, which in size and operation is comparable to a medium sized UN agency in Somalia that would have multiple international security officers, must rely on DSS security officers who are not dedicated to OCHA's needs in what is one of the highest risk environments for the UN.
8	OCHA Somalia should develop a system of validating the business continuity plan (BCP) by conducting simulation exercises and providing periodic training to staff to ensure they are able to properly and efficiently carry out key aspects of the BCP.	Important	Yes	Head of Office	12 April 2020	The BCP will be reviewed and validated by The OCHA Somalia Head of Office; a tracking matrix will be used to record lesson learnt from the excises. Two simulation exercises will be conducted every year: the first simulation is scheduled to take place on 12 April