



INTERNAL AUDIT DIVISION

REPORT 2025/073

Audit of the project control function at the Office of the United Nations High Commissioner for Refugees

There was a need to enhance the quality and effectiveness of project control function in ensuring impactful and cost-effective implementation of UNHCR programmes

23 December 2025

Assignment No. AR2024-168-01

Audit of the project control function at the Office of the United Nations High Commissioner for Refugees

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of the project control function at the Office of the United Nations High Commissioner for Refugees (UNHCR). The objective of the audit was to assess the adequacy and effectiveness of the project control function in ensuring impactful and cost-effective implementation of UNHCR programmes. The audit covered the period from 1 January 2023 to 31 March 2025 and included: (a) roles and responsibilities; (b) methodology, approach and scope of the works; (c) resourcing and capacity; (d) systems and tools to support the works; and (e) oversight and support by the second-line.

The project control function is a critical element of UNHCR's programme management for providing assurance over risks in funded programmes. However, gaps in its role and unclear positioning within UNHCR's assurance framework impacted the project control function's ability to identify programme risks in a timely manner. Further, inadequate staff capacity, limitations in scope, methodology, approach, and guidance, and system issues further weakened the quality of the project control function's outputs and its overall effectiveness. At the time of the audit, UNHCR had initiated steps to review and redefine the project control function to optimize assurance resources, particularly in light of reduced funding but with increased earmarking and heightened donor reporting requirements.

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

- Define clearly the roles of the project control function within its broader assurance framework.
- Strengthen the scope, methodology, and risk-based approach employed by the project control function.
- Enhance project control function's resourcing and capacity to deliver.
- Enhance functionalities in the Project Reporting Oversight and Monitoring Solution and the financial verification template.
- Reinforce oversight and support by the second-line over the project control function's activities.

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

CONTENTS

I. BACKGROUND	1
II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY	1-2
III. AUDIT RESULTS	2-9
A. Roles and responsibilities	2-3
B. Methodology, approach and scope of the works	3-5
C. Resourcing and capacity	5-7
D. Systems and tools	7-8
E. Oversight and support by the second-line	8-9
IV. ACKNOWLEDGEMENT	9
ANNEX I	Status of audit recommendations
APPENDIX I	Management response

Audit of the project control function at 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 project control function at the Office of the United Nations High Commissioner for Refugees (UNHCR).
2. UNHCR established a dedicated project control function in December 2012 as part of a broader initiative to strengthen financial management. As an integral part of the organization's programme/project¹ management structure, the project control function was established to oversee and support programmes/projects implemented directly by UNHCR or through funded partners. The UNHCR Administrative Instruction on Partnership Management (UNHCR/AI/2023/05 Rev.1) guides the works of the project control function². The defined roles of project control function are: (a) internal control assessment (ICA); (b) risk assessment; (c) quality assurance; (d) financial verification, which is critical among the roles; and (e) project closure.
3. The project control function at country level monitors and conducts quality assurance on programme/project implementation and provides information to managers on the efficient and cost-effective use of resources. The project control function at the Regional Bureau level provides oversight and support to country operations under the guidance of the Regional Controller or the Head of Bureau Strategic Planning and Management Service. At the global level, the project control function at the time of audit fieldwork was supported by the Implementation Management and Assurance Services (IMAS) of the Division of Strategic Planning and Results³ (DSPR) as part of its role in ensuring effective implementation of programmes through strengthening partnership management and monitoring and improving quality assurance.
4. As of March 2025, UNHCR had 255 project control function positions globally at an annual cost of \$26.2 million. The six country operations reviewed as part of this audit had 40 project control function positions at a cost of \$4.1 million, consisting of 13 International and 27 National staff.
5. Aside from the Project Reporting Oversight and Monitoring Solution (PROMS) (the UNHCR project management system) that mainly supported the project control function, other systems such as the Managing Systems, Resources and People (MSRP) and Cloud ERP (the UNHCR enterprise resource planning systems), and COMPASS (the UNHCR results-based management system) also provided support.
6. Comments provided by UNHCR are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

7. The objective of the audit was to assess the adequacy and effectiveness of the project control function in ensuring impactful and cost-effective implementation of UNHCR programmes.

¹ In the context of managing funded partnerships, a 'project' presents the implementation strategies and activities undertaken to deliver the expected results, aligned to the operation's strategy.

² The Administrative Instruction on Partnership Management (UNHCR/AI/2023/05) operationalized the function effective 1 September 2023. Prior to September 2023, the Administrative Instruction on Management of UNHCR-Funded Agreements (UNHCR/AI/2017/16) was the governing control framework.

³ This role is managed by the Division of Programme and Emergency Support (DPES) effective 1 October 2025.

8. This audit was included in the 2024 risk-based work plan of OIOS due to the criticality of the project control function in ensuring efficient and cost-effective implementation of UNHCR programmes.

9. OIOS conducted this audit from February to May 2025. The audit covered the period from 1 January 2023 to 31 March 2025 and included: (a) roles and responsibilities; (b) methodology, approach and scope of the works; (c) resourcing and capacity; (d) systems and tools; and (e) oversight and support by the second-line.

10. OIOS selected six country operations and the respective Regional Bureaux: Chad under the Regional Bureau for West and Central Africa, Democratic Republic of the Congo under the Regional Bureau for Southern Africa, Ethiopia and Kenya under the Regional Bureau for Eastern and Southern Africa, and Iran and Pakistan under the Regional Bureau for Asia and the Pacific.

11. The audit methodology included: (a) interviews of key personnel; (b) review of relevant documentation; (c) analytical review of UNHCR's data from PROMS, MSRP and Cloud ERP, COMPASS, and Workday (the UNHCR human resources management system); (d) sample testing of controls and consolidation of the results from audits in six country operations; (e) administration of questionnaires and a survey to 193 project control function staff globally on the effectiveness of the function; and (f) visits to select country operations and partner offices.

12. OIOS assessed the reliability of data related to the expenditures and monitoring of projects implemented through partners and directly by UNHCR by: (a) reviewing existing data in PROMS, MSRP and Cloud ERP, COMPASS, and Workday, and (b) interviewing UNHCR personnel in the six country operations covered in this audit. Additionally, OIOS traced a random sample of data to source documents. OIOS determined that overall, subject to the observations made in section D of this report, the data was sufficiently reliable for the purpose of addressing audit objectives.

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

III. AUDIT RESULTS

A. Roles and responsibilities

Limited consideration of project control function within the broader assurance framework

14. The project control function is one of UNHCR's core first-line assurance mechanisms over approximately \$3 billion that is spent at country level. In fulfilling its defined roles in the Programme Management manual, the project control function supports the organization's accountability framework.

15. UNHCR assurance framework did not provide a clear and systematic view of how different assurance providers across the three lines contributed to the effective management of risks. While an assurance map existed, it mainly covered third-line functions and did not reflect first- and second-line assurance activities. Therefore, the role of the project control function within the overall assurance framework, and more specifically in the programme management remained unclear. For example, assurance over project financial risks was provided separately by the project control function, and project external auditors⁴, costing \$3 million annually. These two assurance providers operated in a siloed manner and created the risk of overlaps, gaps, and duplications. Accordingly, there was a need to rationalize the work of these providers to strengthen assurance coverage and improve efficiency.

⁴ IMAS contracted audit service firms who performed project audits of UNHCR-funded partners.

16. Further, the audit noted that the project control function was involved at all stages of the project cycle: internal control and risk assessments and quality assurance during project initiation; financial verification and capacity-building of partners during implementation/execution; and closure of projects. The project control function's involvement in multiple yet potentially conflicting responsibilities contradicted the internal control principle of segregation of duties, thereby impacting its objectivity and effectiveness.

17. OIOS also noted that the deficiencies identified by the project control function were not considered by the six country operations reviewed when making key decisions such as determining: (a) whether to select or retain a partner; (b) the number of financial verifications to conduct; (c) the number and size of disbursements to make to partners; (d) the flexibility to grant to partners in adjusting project budgets; and (e) whether procurement responsibilities could be entrusted to the partner. The failure to use the contribution of project control function was not only inefficient but also, if unaddressed, would compromise accountability and impact of programme delivery.

(1) The UNHCR Division of Programme and Emergency Support should clearly define the roles and responsibilities of the project control function within the broader organizational assurance framework.

UNHCR accepted recommendation 1 and stated that it has initiated a strategic review of the project control function into a broader programme assurance framework that is aligned to the three lines model and this will bring clarity in responsibilities across operational levels, considering resource constraints and operational complexities.

B. Methodology, approach and scope of the works

Gaps in methodology, approach and scope of project control function's works impacted its effectiveness

18. The project control function was the most effective in conducting internal control assessments due to its familiarity with local contexts and funded programmes and partners. However, most of the project control function's effort in the project cycle was devoted to financial verifications of programme activities. For instance, the project control function conducted approximately 950 financial verifications in the six countries reviewed in the period under audit, the effectiveness of which was not evident. OIOS' review of 38 project financial verifications revealed that the project control function primarily identified apparently minor instances of non-compliance, but they did not identify significant shortcomings such as ineligible expenditures, irregularities in procurement procedures and uneconomical expenditures, which were observed in four of the six country operations audits, namely Chad, Ethiopia, Kenya and Pakistan.

(a) Limited scope of project control function

19. The UNHCR Handbook for Designing Field Presences requires that the project control function oversees programmes implemented directly by UNHCR and through partners. However, in practice, as was confirmed in all six country operations reviewed, the project control function primarily focused on funded partnerships, with no coverage of the directly implemented activities totaling \$1.2 billion in 2024. The justification for the project control function's prioritization of funded partnerships over direct implementation was that the former was assessed as presenting higher risk exposure than the latter. However, this was not always the case as directly implemented programmes also presented risks that needed mitigation. For example, OIOS noted the following from the six countries reviewed:

- Field operations' non-compliance with UNHCR procurement guidelines, which in one country resulted in: (a) purchases of \$5.3 million without purchase orders; (b) foregone savings of \$1.8 million; and (c) unauthorized payments totaling \$0.9 million.
- Gaps in fiduciary controls, e.g., one operation's disbursement of six months' worth of cash assistance in advance to a financial institution in local currency during a period of foreign exchange volatility resulted in a \$5.1 million loss due to adverse exchange rate movements.

(b) Gaps in the methodology and approach applied

20. **Limited participation in Multi-Functional Teams (MFTs):** Project control function was supposed to work within MFTs comprising of staff from different disciplines to jointly plan, implement and monitor programmes. However, while all six country operations noted that they participated in MFTs, no documentation was available to evidence this. The collaboration was also not evident due to persistent gaps noted in OIOS audits in linking financial data to programmatic results.

21. **Risk-based approach not effectively applied:** To maximize the use of limited available resources, the UNHCR Programme Handbook for Partners required that a risk-based approach is followed where project risk ratings determine the choice, extent and frequency of the project verification procedures. However, this was not the case in all the six country operations reviewed, with work done by the project control function not differentiated by risk profiles of partners. There was also a weak alignment of the project control function work to areas of highest risk such as supply chain and programme management. This contributed to inadequate coverage of areas assessed to be of higher risk, thereby impacting the effectiveness of the project control function's role in identifying issues for mitigation.

22. **Limited field-based reviews:** Although the project control function was located in field operations, half of the reviews in the six country operations audited were conducted remotely. This impacted the quality and overall effectiveness of the project control function's work. The project control function conducted limited substantive testing of transactions, emphasizing instead a comparison of accounts and bank balances which was done remotely.

23. **Limited samples selected:** Further, the assertion by the six country operations reviewed that there was a qualitative and quantitative rationale for selecting samples for verification was not apparent. OIOS' review of the 38 project financial verification reports showed inconsistencies in project control function's selection of samples for verifications. UNHCR needed to clarify what verification procedures country operations should employ for different risk profiles, partners and programmes.

24. The above issues impacted the effectiveness and use of the project control function's contribution in delivering reliable information for decision-making, mitigation of risks that would impact achievement of objectives and delivery of projects in an efficient and cost-effective manner.

(c) UNHCR was reviewing the future mode of operation for the project control function

25. The convergence of challenges in 2025, including drastic funding reductions, restructuring efforts and shifting mandates, resulted in a cut of project control function posts by 46 per cent. This also provided UNHCR with an opportunity to review its modalities of operation for the project control function so that it becomes more effective. The three options that were under discussion were as below:

- **Centralization:** While centralization offered potential benefits such as greater functional standardization and likely cost-savings, assurance providers lost visibility of local context.

- **Outsourcing:** The outsourcing option focused solely on financial verifications, thereby omitting other key roles of the project control function. It was also likely to be more costly. The verifications would be assigned to project external auditors thereby undermining the segregation of duties. Furthermore, this option did not consider deficiencies identified in previous OIOS audits⁵ of project external audits conducted, raising concerns about the reliability of these firms' work.
- **Hybrid:** Under the hybrid option, high-risk country operations would retain an in-country presence of project control function staff. All others would be supported by centrally managed project control function staff, with roving teams deployed to country operations as required. This leveraged local contextual knowledge while achieving greater efficiencies.

26. OIOS noted that the determination of the modality of the project control function was under consideration without considering other assurance providers across the three lines, which is necessary to ensure a tailored and risk-responsive deployment of assurance resources while ensuring efficiency. Discussions of the various options were largely driven by cost considerations, with limited attention given to other critical factors such as operational complexity and risk exposure, particularly in the context of reduced staffing as well as heightened financial and fraud risks. Thus, UNHCR needed to conduct a data driven cost-benefit analysis to inform its decisions on the three options.

27. UNHCR also needed to consider appropriate assurance approaches across diverse country operations, partners and projects. For instance, if the hybrid option was to be considered, UNHCR would need to determine the conditions that warrant: (a) the deployment of in-country or roving project control function staff; (b) the deployment of either project control function or external audit or both; and (c) the frequency and scope of such reviews.

(2) The UNHCR Division of Programme and Emergency Support should: (i) review the scope, methodology and risk-based approach of the project control function to reinforce its effectiveness; and (ii) conduct a comprehensive analysis to inform its decision on the modality of the function so that it is efficient, adaptive, and relevant to the organization's objectives.

UNHCR accepted recommendation 2 and stated that it will consider direct implementation activities in strategic review of the project control function within the broader programme assurance framework referenced in recommendation 1. Guidance would be updated to ensure project control outputs are systematically used in decision-making.

C. Resourcing and capacity

Gaps in the project control function's resourcing and capacity

28. At the time of the audit, UNHCR had 255 project control function staff, consisting of 245 at Regional Bureaux and country operations and 10 at Headquarters. They consisted of 79 International (25 P-4, 34 P-3 and 20 P-2) and 176 National staff (39 National Officers and 137 General Service). The overall number was set to reduce to 138 staff from 1 October 2025.

⁵ OIOS audits which raised issues about external audit include inappropriateness of the audit opinion rendered by the project auditors given the pervasive financial issues observed by OIOS not reported by the project auditors such as: (a) inaccurate payment of project support costs, (b) human resources and payroll issues, (c) unreconciled balances between the general ledger and PFR, (d) procurement issues, and (e) questionable expenditures related to travel, purchase and use of fuel, unsupported payments of allowances and misclassification of expenses in the general ledger.

(a) Reasonableness of the number of project staff at country operation level

29. While UNHCR outlined the broad criteria for determining whether a country operation should have a project control function, it lacked guidance on the optimal number of staff needed to deliver the project control function in country operations of different sizes, complexities, operational context, risks and mandates. As the decision was left to country operations, differing criteria and management discretion led to inconsistent application and outcomes. Interviewed staff noted that in the absence of such guidance, project control function positions were among the first to be considered for abolishment during challenging financial times.

30. The lack of guidance resulted in unexplained inconsistencies in numbers and grades of project control function staff across regions and countries as shown in table 1.

Table 1: Ratio of project control function staff to overall regional operations budgets

Regional Bureau	OPS budget (in \$ million)	No. of staff	Per capita (in \$ million)
Middle East and North Africa	2,413.1	40	60.3
East and Horn of Africa & Great Lakes	2,208.6	54	40.9
Europe	1,465.8	33	44.4
West and Central Africa	1,115.1	37	30.1
Asia and the Pacific	993.2	35	28.4
The Americas	834.4	24	34.8
Southern Africa	490.9	22	22.3
Total	9,521.1	245⁶	38.9

31. An analysis of the workload in the six country operations revealed that on average, each staff member conducted between 7 and 26 financial verifications as reflected in table 2. In the absence of UNHCR benchmark, OIOS could not determine if the workload in terms of the number of financial verifications was reasonable.

Table 2: Number of reviews per staff in the six country operations reviewed

Country operations	OPS budget (in \$ million)	No. of staff	Per capita (in \$ million)	Average no. of reviews per staff
Kenya	166.0	4	41.5	16
Chad	319.5	6	53.2	7
DRC	249.7	7	35.7	8
Ethiopia	426.0	12	35.5	9
Iran	140.0	4	35.0	8
Pakistan	120.2	7	17.2	26
Total	1,421.4	40	35.5	

32. Most interviewed staff attributed gaps in the project control function to inadequate staff capacity. Five of the six country operations⁷ reviewed asserted that they did not have adequate project control function staff to effectively conduct their work. Yet, UNHCR was set to reduce related numbers from 255 to 138 effective 1 October 2025 as part of the organization-wide restructuring driven by austerity measures. IMAS had not at the time of the audit assessed the impact of these cuts on the project control function.

⁶ This excluded the 10-programme assurance and support staff at IMAS

⁷ Two country operations noted that their resources were limited and three others stated that they were inadequate.

(b) Qualifications to conduct quality project control function work

33. At the time of the audit, 69 per cent of the 255 project control function staff were national staff. Considering UNHCR's resource constraints, the deployment of more national professional staff was not only cost-effective but also ensured that country operations established longer-term staff capacity, who understood the local context. However, 54 per cent of the project control function staff were General Service who typically undertake administrative, secretarial, and clerical support. There was a need to assess how these resources could be retooled and redeployed for greater effectiveness.

34. In line with the UNHCR Handbook for Designing Field Presences, staff in the project control function in five of the six countries reviewed had the requisite qualifications to perform their duties effectively.⁸ Despite staff meeting the minimum qualifications outlined in the job descriptions, this did not necessarily translate into high-quality performance. This indicated that other factors impacted the effectiveness of the project control function such as: (a) junior staff undertaking tasks without adequate coaching and supervision, i.e., verifications were conducted by junior staff with the head only reviewing the verification reports, which was an inefficient use of resources; (b) gaps in practical, workplace-simulated training in key functional areas; and (c) inconsistencies in workload distribution.

(3) The UNHCR Division of Programme and Emergency Support should: (i) define criteria for determining staffing levels across diverse operational contexts; and (ii) provide targeted training to enhance performance.

UNHCR accepted recommendation 3 and stated that it is developing staff benchmarks based on risk categorization and operational complexity for inclusion in targeted training programmes and taking into account the resource constraints.

D. Systems and tools

PROMS did not effectively support the project control function

35. Project control function in country operations requires a robust control framework comprising of policies, systems and tools, to ensure their effective operation. The Handbook for Designing Field Presences required that the project control function uses UNHCR's corporate systems, including COMPASS, PROMS, and Cloud ERP. In particular, it would use PROMS as the designated system for managing partnership agreements.

(a) System deficiencies in PROMS limited effectiveness

36. All six country operations reviewed had rolled out PROMS at the time of the audit. PROMS was a front-end system that was meant to simplify processes by providing an end-to-end solution to establishing, managing and closing projects. However, walkthroughs based on project control staff use of the system in the six country operations reviewed showed that PROMS did not meet some of the objectives for which it was set up. For example:

- **Inability to support analysis:** PROMS was meant to but lacked the capabilities to streamline financial verification and support related analyses and reconciliations to enhance project monitoring and reporting. It thus was used more as a repository of documents.

⁸ Eighty-eight per cent of the 40 staff in the six country operations reviewed had a degree in accounting and auditing; and some 19 staff held master's degrees. Further, the work experience of the 40 staff in the six operations ranged between 2 and 28 years.

- **Manual interventions:** PROMS could not facilitate online collaboration and digital document management as envisaged. It also lacked key functionalities such as the correlation of financial and programme results and facilitation of the follow-up of recommendations. Moreover, project control function activities such as internal control and risk assessments and quality assurance were conducted outside the system. This impacted the system’s ability to improve efficiencies in project control.
- **System underutilization:** PROMS in the six country operations reviewed was only used for programmes implemented through partners and not for those directly implemented by UNHCR.
- **Functional gaps:** PROMS did not provide for modifications to uploaded documents in the system. It also did not accept negative amounts and decimal points in Project Financial Reports. It was not integrated with other systems such as COMPASS and Cloud ERP as planned, e.g., indicators from COMPASS had to be manually copied and pasted into PROMS resulting in inefficiencies.

37. Additionally, survey respondents cited limited knowledge of the system, which they attributed to training gaps during its rollout. This hindered the effective use of the system’s capabilities and contributed to delays in financial reporting.

(b) Financial verification template did not effectively support the verification processes

38. Gaps in the financial verification template impacted the depth and quality of financial verifications as noted below.

- **Inadequate report structure:** The long and short versions of the project financial verification report in PROMS had 57 and 37 questions respectively. These questions primarily comprised of only yes/no questions which did not allow for further analysis or explanations to justify anomalies. Hence, the forms were completed without any underlying analysis and supporting evidence.
- **Ineffective verification template:** The template lacked comprehensive procedures to produce meaningful results. Instead, the template required staff to mechanically confirm that: (a) vouchers were stamped with project symbols; (b) aligned to project budgets; (c) correct project account codes were charged; and (d) costs could be traced to bank account. This resulted in inconsistencies in the work of staff when reviewing complex transactions such as procurement and construction.

(4) The UNHCR Division of Programme and Emergency Support should: (i) address identified deficiencies in the Project, Reporting, Oversight and Monitoring Solution (PROMS) and enhance its interoperability with other systems; and (ii) improve the structure of and requirements in the financial verification template.

UNHCR accepted recommendation 4 and stated that it will improve PROMS to resolve issues related to interoperability, user-friendliness, and integration with other systems.

E. Oversight and support by the second-line

The capacity-building interventions in conducting effective financial verifications were inadequate

39. At the second-line, UNHCR had 20 staff for project control function: 10 across the seven Regional Bureaux and 10 at Headquarters within IMAS. IMAS provided global oversight and support to the project control function by developing relevant policies and guidance and conducting quality assurance of its work.

The Regional Bureaux were responsible for ensuring policy implementation and capturing lessons learned to inform potential policy updates over time.

40. OIOS' review of documentation from the Regional Bureaux and six country operations indicated regular interactions among the Regional Bureaux, IMAS, and country operations. The Regional Bureaux through in-person training, community meetings, and walk-in sessions, provided monitoring, technical support, and capacity-building to strengthen the project control function in the execution of its core mandate. However, despite the training and support provided by the four Regional Bureaux over the six country operations, gaps in the execution of their core roles remained, as was noted above. This indicated a need to assess the adequacy of quality assurance and support mechanisms.

(5) The UNHCR Division of Programme and Emergency Support should develop an action plan to reinforce the oversight and support for strengthening the capacity of the project control function.

UNHCR accepted recommendation 5 and stated that it will consider this recommendation within the review of the broader assurance framework.

IV. ACKNOWLEDGEMENT

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

Internal Audit Division
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of the project control function at the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	C/ O ¹¹	Actions needed to close recommendation	Implementation date ¹²
1	The UNHCR Division of Programme and Emergency Support should clearly define the roles and responsibilities of the project control function within the broader organizational assurance framework.	Important	O	Receipt of the programme assurance framework clearly articulating the positioning and roles and responsibilities of the project control function.	31 December 2026
2	The UNHCR Division of Programme and Emergency Support should: (i) review the scope, methodology and risk-based approach of the project control function to reinforce its effectiveness; and (ii) conduct a comprehensive analysis to inform its decision on the modality of the function so that it is efficient, adaptive, and relevant to the organization's objectives.	Important	O	Receipt of evidence of: (i) implementation of revised scope, methodology and approach for the project control function; and (ii) analysis to support the selected modality for the project control function.	31 December 2026
3	The UNHCR Division of Programme and Emergency Support should: (i) define criteria for determining staffing levels across diverse operational contexts; and (ii) provide targeted training to enhance performance.	Important	O	Receipt of evidence of: (i) defined staff benchmarks and assessment of staff against them for the different operational contexts; and (ii) training programme to address identified staff capacity gaps.	31 December 2026
4	The UNHCR Division of Programme and Emergency Support should: (i) address identified deficiencies in the Project, Reporting, Oversight and Monitoring Solution (PROMS) and enhance its interoperability with other systems; and (ii) improve the structure of and requirements in the financial verification template.	Important	O	Receipt of evidence of: (i) resolved deficiencies in PROMS identified in the audit including interoperability with other systems; and (ii) implementation of the revised financial verification template.	31 December 2026

⁹ Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

¹⁰ Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

¹¹ Please note the value C denotes closed recommendations whereas O refers to open recommendations.

¹² Date provided by UNHCR in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of the project control function at the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ⁹ / Important ¹⁰	C/ O ¹¹	Actions needed to close recommendation	Implementation date ¹²
5	The UNHCR Division of Programme and Emergency Support should develop an action plan to reinforce the oversight and support for strengthening the capacity of the project control function.	Important	O	Receipt of an oversight and support plan of the second-line over the work of the first line project control function.	31 December 2026

APPENDIX I

Management Response

MANAGEMENT RESPONSE

Audit of the project control function at the Office of the United Nations High Commissioner for Refugees

Rec. no.	Recommendation	Critical ¹³ / Important ¹⁴	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
1	The UNHCR Division of Programme and Emergency Support should clearly define the roles and responsibilities of the project control function within the broader organizational assurance framework.	Important	Yes	Head of Programme and Technical Support Service	31 December 2026	UNHCR has initiated a strategic review of the project control function to integrate it into the broader Programme Assurance framework. This includes discussions around the roles within the three lines of risk model in UNHCR to ensure clarity in responsibilities across operational levels and contexts and considering expected significant resource constraints and operational complexities.
2	The UNHCR Division of Programme and Emergency Support should: (i) review the scope, methodology and risk-based approach of the project control function to reinforce its effectiveness; and (ii) conduct a comprehensive analysis to inform its decision on the modality of the function so that it is efficient, adaptive, and relevant to the organization's objectives.	Important	Yes	Head of Programme and Technical Support Service	31 December 2026	UNHCR will broaden the scope of oversight over direct implementation activities in line with the assurance framework referenced in Recommendation 1. What role the Project Control function as it currently will have in relation to direct implementation activities will depend on the outcome of the review. Guidance will be updated and provided to senior management to ensure project control outputs are systematically used in decision-making.

¹³ Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

¹⁴ Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

Rec. no.	Recommendation	Critical¹³/ Important¹⁴	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
3	The UNHCR Division of Programme and Emergency Support should: (i) define criteria for determining staffing levels across diverse operational contexts; and (ii) provide targeted training to enhance performance.	Important	Yes	Head of Programme and Technical Support Service	31 December 2026	UNHCR is developing staffing benchmarks based on risk categorization and operational complexity and taking into account the resource constraints. Targeted training programs will be made available to project control within the new context of resource constraints.
4	The UNHCR Division of Programme and Emergency Support should: (i) address identified deficiencies in the Project, Reporting, Oversight and Monitoring Solution (PROMS) and enhance its interoperability with other systems; and (ii) improve the structure of and requirements in the financial verification template.	Important	Yes	Head of Programme and Technical Support Service	31 December 2026	UNHCR is currently leading improvements of PROMS to resolve most of issues related to interoperability, user-friendliness, and integration with other systems. Future improvements will depend on funding availability which will be assessed before commitments to more systems changes.
5	The UNHCR Division of Programme and Emergency Support should develop an action plan to reinforce the oversight and support for strengthening the capacity of the project control function.	Important	Yes	Head of Programme and Technical Support Service	31 December 2026	UNHCR will consider this recommendation within the review of the broader Assurance framework.