



INTERNAL AUDIT DIVISION

REPORT 2022/075

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

The Representation needed to advocate for increased protection of persons of concern, and strengthen the delivery of services to persons with specific needs and management of cash-based interventions and livelihoods programmes

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

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of the operations in Türkiye for the Office of the United Nations High Commissioner for Refugees (UNHCR). The objective of the audit was to assess whether the Representation was managing the delivery of services to its persons of concern (PoCs) in a cost-effective and efficient manner. The audit covered the period from 1 January 2020 to 30 June 2022 and included (a) strategic planning, (b) fair protection process and documentation; (c) services to persons with specific needs (PSNs); (d) self-reliance and livelihoods; (e) procurement and contract management; and (f) cash-based interventions (CBIs).

The Representation operated in an environment characterized by deteriorating socio-economic conditions, a shrinking protection space due to the elections in 2023 and increased tensions between PoCs and host communities. These challenges notwithstanding, the Representation through its support to public institutions played a catalytic role in the Government's delivery of services to PoCs. However, the effectiveness of funded programmes in delivering quality services in a timely and cost-effective manner was impacted by the protection environment, unavailability of data for decision making and inadequate coordination of service provision among key stakeholders.

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

- Reinforce advocacy with the Government for adequate PoCs protection; develop an acceleration plan to address registration and refugee status determination backlogs; and develop an exit plan detailing the gradual phasing out of support to the Government as conditions become conducive.
- Strengthen the delivery of services to PSNs by formalizing the referral system that supports identifying, coordinating, tracking and reporting of assistance to beneficiaries; and allocating adequate staff resources and monitoring their delivery of services to beneficiaries cost-effectively.
- Update the livelihood and economic inclusion strategy to align with the global organizational direction; and streamline and capacity-build funded projects to ensure their success.
- Collaborate with the working group on cash assistance to address duplications in cash based interventions (CBIs) paid to beneficiaries by different agencies; review PoCs eligibility to cash assistance and sufficiency of amounts paid; and reinforce the monitoring and reporting of the CBI programmes.
- Reinforce procurement processes by ensuring that criteria are followed during technical evaluations; and monitor partners' purchases to obtain the best value.
- Advocate with the Government counterpart for access to PoCs data for decision making; strengthen programme performance management; and update the risk register to reflect emerging risks.

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

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

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the operations in the Republic of Türkiye (hereinafter referred to as ‘Türkiye’) for the Office of the United Nations High Commissioner for Refugees (UNHCR).

2. The UNHCR Representation in Türkiye (hereinafter referred to as ‘the Representation’) was established in 1960. As of 31 December 2021, Türkiye had 3.7 million registered Syrian refugees who had been granted temporary protection status,¹ and 327,500 refugees and asylum seekers of other nationalities seeking international protection who lived in a non-camp setting.

3. The Representation’s strategic priorities were to (i) promote access to and provide protection to persons of concern (PoCs); (ii) strengthen protection and access to quality of services to persons with specific needs (PSNs); (iii) promote social cohesion and harmonization; (iv) work towards durable solutions; and (v) increase multi-stakeholder support to the refugee response. The Syrian refugee response was coordinated through the inter-agency Regional Refugee and Resilience Plan, which was co-led by UNHCR and another United Nations agency. The Presidency of Migration Management (the Government counterpart), through its 81 provincial directorates, implemented the Law on Foreigners and International Protection under which persons of concern (PoCs) in Türkiye are protected.

4. The Representation was headed by a Representative at the D-2 level who reported to the Director of the Regional Bureau for Europe. It had, at the time of the audit, 349 regular staff posts and 20 affiliate staff. It had a country office in Ankara and a field presence in Ankara, Gaziantep, Hatay, Istanbul, Izmir, Sanliurfa and Van. The Representation recorded a total expenditure of \$98 and \$99 million in 2020 and 2021, respectively. It worked with 21 and 16 partners in 2020 and 2021, respectively with expenditure incurred by partners in the period under audit amounting to \$44 million (28 per cent) of the total programme costs-related expenditures in the audit period.

5. Comments provided by UNHCR are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

6. The objective of the audit was to assess whether the Representation was managing the delivery of services to its PoCs in a cost-effective and efficient manner.

7. This audit was included in the 2022 risk-based work plan of OIOS due to the challenging operating environment and protracted refugee situation in Türkiye.

8. OIOS conducted this audit from May to July 2022. The audit covered the period from 1 January 2020 to 30 June 2022 and included the following areas: (a) strategic planning, (b) fair protection process and documentation; (c) persons with specific needs (PSNs); (d) self-reliance and livelihoods; (e) procurement and contract management; and (f) cash-based interventions (CBIs).

¹ Temporary protection status is provided under the Turkish law to foreigners who have been forced to leave their country and have arrived at or crossed the borders of Türkiye in a mass influx situation seeking immediate and temporary protection.

9. The audit methodology included: (a) interviews with key UNHCR personnel and staff of implementing partners; (b) review of relevant documentation; (c) analytical review of data, including financial data from Managing for Systems, Resources and People (MSRP), the UNHCR enterprise resource planning system, and performance data from FOCUS, the UNHCR results-based management system; and (d) sample testing of controls.

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

III. AUDIT RESULTS

A. Fair protection process and documentation

Need to strengthen advocacy to address restrictive registration practices and RSD backlog

11. The Representation was, until 2018, conducting registrations and RSD and issuing documentation on behalf of the Government. With the Government assuming these functions in 2018, the Representation's role shifted to advocacy and providing financial and technical support.

12. From 1 January 2020 to 31 December 2021, the Representation spent \$37 million on personnel costs, rent and renovations in 64 of the 81 provincial directorates that served 95 per cent of PoCs. As of January 2022, it covered costs for 509 personnel, representing 73 per cent of the Government staff component. Continuing this level of contribution would not be possible in an environment of reduced resources, but the Representation was hesitant to phase out its support, as this could present risks to PoCs protection. The Representation, however, needed to develop an exit plan, starting with phasing out non-technical support (e.g., security guards and cleaners) and reducing technical staff over time.

Registration

13. The Government's provincial directorates were responsible for registering protection applicants. Overall registration backlogs were estimated at 6,203, but this number could not be validated as the provincial directorates lacked systems to track application status. In August 2020, the Representation had proposed a newcomer registration system to facilitate online applications and capture applicants' biometrics, but this proposal was pending approval by the Government. In the meantime, unregistered PoCs could not get an identity card number, which impacted their access to government services.

14. The Government-led registration was impacted by delays in deploying personnel due to slow government security clearance processes and the lack of working space and/or equipment. For instance, only 23 of the 33 new registration personnel had started work by May 2022. This not only extended PoCs' waiting time for registration by 2-3 months, but also increased the workload of available staff. This situation could have been addressed through better planning and coordination with the Government.

15. The Representation's advocacy with the Government and technical support to provincial directorates did not result in the Government meeting the registration target for non-Syrian PoCs. This was attributed to issues arising from the COVID-19 pandemic and restrictions on arrivals due to the up-coming elections, among other things. Additionally, 57 per cent of provincial directorates were not registering Afghan nationals and others referred them to other provinces without considering their protection needs. PoCs access to registration services was also impacted by the Government's limited guidance to provincial directorates, which resulted in the inconsistent application of procedures. For instance, persons with vulnerabilities were not always prioritized for registration, and those without visible disabilities had to

obtain documentation to substantiate their disability claims, e.g., court verdicts and medical reports. The Representation needed to increase its advocacy efforts for improved access to asylum seekers.

16. To remediate the situation, the Representation supported protection desks in 50 provinces responsible for identification of PSNs and trained 456 personnel. However, since 2021, in the absence of Government approval, the Representation had not conducted any planned protection monitoring missions. Further, PoCs were not aware of the existence of the two national complaint hotlines (YIMER and CIMER) and those that did were hesitant to use them for fear of retaliation. The Government did not share with the Representation data on complaints received and how they were handled.

Refugee Status Determination

17. From 1 January 2020 to 31 December 2021, the country processed 92,987 RSD cases, with only 21,980 (23 per cent) recognized as refugees. The country refugee recognition rate was lower than the European Union rate of 42 per cent. This left a backlog of 304,970 RSD cases (93 per cent of applicants) by the end of 2021. The Representation did not have access to RSD data, including processing timelines, which prevented it from fully understanding and mitigating the root causes of the backlogs. It however generally attributed the backlogs to complex processes employed by provincial directorates due to the varied nature of caseloads, including irregular migrations. These circumstances significantly increased RSD waiting periods and exacerbated PoC protection risks as they could not access services one year after registration, e.g., medical services. The Representation needed to advocate with the Government to develop an acceleration plan to address the RSD backlog.

18. The Representation implemented the European Union-funded reinforcement project to strengthen the Government's RSD technical capacity from 2017 to 2024. One of the project milestones was the processing of a cumulative target of 150,000 cases between the period 2022 to 2024. However, while the project timeline was midway, the RSD backlog remained significant, thereby raising questions on its effectiveness. The Representation therefore needed to work with the Government counterpart to implement a plan that addresses identified registration and RSD backlogs.

19. The Representation identified several procedural issues that affected the quality of RSD, such as (i) PoCs not being provided with psycho-social and legal counselling as part of the interview process; (ii) failure to inform PoCs of their rights and obligations; and (iii) inadequate legal analyses to ensure quality RSD. OIOS visited four provincial directorates and noted that some did not have case supervisors, interpreters or interview rooms. They also did not have provisions for submitting complaints.

20. The Representation attributed the issues above to institutional capacity gaps, given that the Government had only recently taken over registration and RSD, and the dual reporting lines of provincial directorates, which affected their accountability. The Representation's advocacy with the Government and extensive technical and operational support had seen limited progress in addressing the registration and RSD backlogs, and the cost-effectiveness of current arrangements was therefore questionable. Unless these issues are addressed, PoCs protection will continue to be negatively impacted.

(1) The UNHCR Representation in Türkiye should: (i) reinforce its advocacy with the Government for adequate protection of persons of concern; (ii) develop with the Government counterpart a plan to address registration and refugee status determination backlogs; and (iii) develop an exit plan detailing the gradual phasing out of support to the Government as conditions become conducive.

UNHCR accepted recommendation 1 and stated that the Representation will share a consolidated plan that addresses registration and refugee status determination backlogs and an exit plan detailing the gradual phasing out of support to the Government.

B. Persons with specific needs

Need to strengthen provision of services to persons with specific needs

21. The Government counterpart estimated that there were 785,500 PSNs. In 2020 and 2021, the Representation spent \$71 million on PSNs, \$19 million of which was through implementing partners. Included in its expenditure was the material, logistical and human resources support amounting to \$11 million that the Representation provided to the Ministry of Family and Social Services, its social service centres and provincial departments. The Representation signed a protocol of cooperation with the Government regarding its provision of services to PSNs between 2022 and 2023, but its implementation was affected by delays in agreeing on related workplans.

22. The Representation assisted 17,385 beneficiaries through CBI under the cash for specific needs programme. However, while the programme reached a diverse group of beneficiaries, it did not identify and target persons with specific protection vulnerabilities. Also, PSNs received \$8.4 per person per month, a sum that had not been reviewed for several years and which beneficiaries found insufficient to meet their needs. Although the programme had been running prior to 2016, the Representation did not conduct post distribution monitoring on PSN-related cash assistance. It, therefore, lacked information on the adequacy and effectiveness of CBI in mitigating PSN protection risks. A related recommendation is raised under Section D of this report.

23. Protection desks completed 146,472 interviews and made 550,908 referrals to service providers for assistance. Additionally, 10 and 6 implementing partners in 2020 and 2021, respectively, made referrals concerning children, women, the disabled and the elderly; however, state authorities did not provide partners with feedback on the status of referrals received. There were also no coordination and follow-up mechanisms in place to ensure that PSNs received the services they needed from the entities to which they were referred. After the audit field work, the Representation held a two-day workshop in November 2022 to facilitate discussions to advance the Ministry's Civil Society Vision (2022-2023). However, the workshop did not formalize the referral system that supports the identification, coordination, tracking and reporting of assistance to beneficiaries by all key stakeholders providing services to PSNs.

24. Since 2018, the Representation did not systematically record new cases in proGres but tracked referrals manually. Thus, referral intakes remained in email folders and MS Excel spreadsheets, with no mechanism in place to consolidate and track them. The spreadsheets also lacked key details such as the date of receipt and to whom the referral was made. The Representation was in the process of developing standard operating procedures on case management for protection cases outside of proGres and piloting a ticketing system to track intakes.

25. The Representation received 52 per cent of PSN referrals from its counselling line. The Representation could not tell how many of the received referrals were completed over time since it only maintained records of cases opened. It also could not indicate the aging of different categories of tickets that were above 30 days and did not have a mechanism to identify and send reminders to staff on over-due tickets. Additionally, the Representation's reporting system had over 70 sub-categories of issues, and this created challenges in classifying tickets by nature of the issue. The Representation noted that it was aware that it had a backlog of cases to address and was prioritizing existing cases over new ones.

26. The timeliness and quality of services offered to PSNs were also impacted by staff related matters. There was inequitable allocation of available resources, with some service centres having more staff than needed while others had insufficient staff. For instance, Gaziantep, which had 226,000 refugee children (some of whom were out-of-school girls that were assessed as being of high protection risk) and 27 per cent of PSNs, was allocated only six per cent of the available staff positions in 2021. On the other hand, social workers in four other service centers had no cases to process and 10 other staff had not conducted house visits nor counselling for several months in 2021. Moreover, there were reports that personnel were demotivated, with 45 per cent of them failing to meet key performance indicators and thus being categorized as poor performers in May, August and December 2021.

27. The issues above were caused by the lack of a referral system that recorded and tracked referral cases to ensure timely services and that the most vulnerable were identified and targeted with assistance. To ensure that PSNs received services in a timely manner, the Representation also needed to tackle the inequitable staff allocation across locations and low staff motivation.

(2) The UNHCR Representation in Türkiye should strengthen service delivery to persons with special needs by: (i) formalizing a referral system among key stakeholders that supports the identification, coordination, tracking and reporting of assistance to beneficiaries; (ii) allocating adequate staff resources and monitoring their delivery of services in a cost-effective manner; and (iii) strengthening the recording of referrals under process.

UNHCR accepted recommendation 2 and stated that it organized a two-day workshop in November 2022 to facilitate discussions between the Government and Non-Governmental Organizations in advancement of the Government's civil society vision for 2022-2023. The Representation is still refining the reporting tools to support analysis of intakes and these will be ready by Q1 2023.

C. Self-reliance and livelihoods

Need to reinforce the strategy for cost-effective delivery of livelihoods programme

28. The Representation's livelihoods programme aimed to support and strengthen institutional, legal and administrative frameworks for the economic inclusion of refugees and to facilitate their access to livelihoods and labor market opportunities. The Representation spent \$8.2 million in 2020-2021, \$6.2 million of which was implemented directly and \$2 million through six and five partners in 2020 and 2021, respectively. The Representation participated in an inter-agency Livelihoods Working Group that advocated for creating an enabling environment for refugees' formal employment. This included building their technical and language skills and supporting their access to employment information and services. Also, the Representation collaborated with the World Bank to support social cooperatives.

29. Although its priorities aligned with the Global Strategic Concept Note, the Representation continued to provide individualized support to PoCs, contrary to its well-articulated vision of creating an enabling environment for the economic inclusion of refugees and facilitating their access to livelihoods and labor markets. The Representation implemented 14 projects that provided language, vocational and life-skills training, and issued guidance on labor market opportunities. However, it did not have mechanisms in place to collect data on the effectiveness of these projects in creating employment for PoCs. There is no official employment data on refugees to measure the impact of the livelihoods programmes.

30. The Representation supported 20 cooperatives involved in agriculture, textile and cleaning services costing \$160,000 in 2021 and engaged partners to develop a social entrepreneurship platform. While members expressed a general appreciation for these projects, they were not profitable and, therefore, not

sustainable. The Representation attributed the projects' lack of profitability to products having short shelf lives and high production costs and to PoCs' limited knowledge of sales and partnership creation, all factors that could be addressed through training. From a comprehensive review of these projects in March 2022, the Representation was aware that most projects did not create the desired impact on PoCs livelihoods. It committed to continuing with only eight cooperatives likely to succeed; however, it still funded 23 cooperatives in 2022. Discussions were underway to reduce the number it would fund in the future.

31. The Representation did not achieve 40 per cent of livelihoods related performance indicators in 2020 due to the restrictions caused by the COVID-19 pandemic. For instance, face-to-face training was suspended, and there was a higher rate of vocational training dropouts because of economic pressures. Consequently, the Representation decreased its 2021 targets by up to 75 per cent, but this was not aligned with the work plans and budgets, which remained unchanged. It thus overachieved on its 2021 indicators, e.g., it achieved up to 354 per cent on advocacy sessions held. Going forward, the Representation needed to review its targets for livelihoods activities.

32. Due to the gaps in staffing, the Representation did not have adequate technical expertise to plan and manage the programme. The Representation also lacked a strategy to direct its livelihoods programme with the draft livelihood strategy (2020-2021) only partly implemented. At the time of the audit, it had drafted another livelihood strategy (2022-2026), which, however, was not informed by the mapping of key stakeholders in Türkiye and the recommended study in the 2018 programme evaluation on the refugee barriers and misconceptions about joining the workforce. Because of all these issues, there were limited opportunities for PoCs to become self-reliant.

(3) The UNHCR Representation in Türkiye should: (i) review its livelihood and economic inclusion strategy and related performance framework in line with the UNHCR global direction, and as informed by relevant studies; and (ii) streamline the number of social cooperatives projects it will fund and provide them with the necessary capacity building to ensure their success.

UNHCR accepted recommendation 3 and stated that the livelihood strategy is in its final stage pending endorsement and that the number of social cooperatives will be reduced, and capacity-building activities undertaken.

D. Cash-based interventions

Need to strengthen controls over CBI and capacity to manage the programme

33. The Representation distributed \$32.2 million in cash assistance to 763,533 beneficiaries in 2020 and 2021. This primarily comprised COVID-19 emergency cash amounting to \$23.5 million (73 per cent of the total cash distributed). The Representation effected CBI through one financial service provider and primarily targeted PSNs to mitigate negative coping strategies. COVID-19 cash assistance was also provided to address the emerging needs of the most vulnerable refugees that were not recipients of the Emergency Social Safety Net (equivalent to approximately 45 per cent of refugees). PoCs received \$137 and \$95 per month in 2020 and 2021 respectively, which per a 2020 monitoring report, was found to be insufficient in meeting their basic needs. Although the cash was not meant to fully cover all the needs, the significant gap meant that PoCs resorted to negative coping mechanisms.

34. The Representation received referrals for COVID-19 cash assistance at different points in time, from various sources, including the Government counterpart, its provincial directorates, implementing partners and field offices. The Representation worked with a partner to identify duplicate payments with

Emergency Social Safety Net. However, the multiplicity of sources of referrals, the lack of an effective modality for sharing data among agencies and strict data privacy laws meant that the risk of duplication remained prevalent. From its review of 17 distribution lists, the audit identified three instances of duplicate payments, for which corrective action was taken immediately. This reflects gaps in current arrangements regarding coordination and complementarity of cash-related programmes. The Representation needs an effective coordination modality to address risks of duplications and errors.

35. The Representation obtained lists of CBI beneficiaries from the Government counterpart. However, the Representation and the Government counterpart were unable to conduct household visits and case reassessments of beneficiaries' socio-economic status, coping capacities and needs during the COVID-19 pandemic. Thus, eligibility lists had not been validated for over three years, which raised the risk that some beneficiaries no longer met the eligibility criteria. From two spot-checks conducted in May and July 2020, the Representation noted that one per cent of the referrals did not meet the criteria and therefore were ineligible to receive the assistance. This amounted to the payment of ineligible costs estimated at \$235,000.

36. In 2020, 18 per cent of beneficiaries (19,205 households) did not collect their assistance. The Representation learnt from its post distribution monitoring that 25 per cent of those interviewed could not read the SMS notifying them of the cash assistance, did not understand it, or had not noticed it. Another 16 per cent were not in Türkiye at the time, and 13 per cent had issues with their pre-paid cards. Further, the Representation's discontinuation of the delivery of cards at home affected another three per cent of respondents who could not collect their cash assistance due to health problems. Consequently, vulnerable refugees did not receive their assistance, and 82 per cent of them could not inform the Representation of this since they were not aware of complaint and feedback mechanisms. The 2021 post distribution monitoring had not been completed at the time of the audit.

37. A review of the CBIs revealed that PoCs complained about insufficient funds to meet their needs. There were also inconsistencies in the amounts provided, with PSNs receiving \$8 and adolescents and transgender people getting \$66 per person per month. The Representation had not assessed the adequacy and effectiveness (quality, sufficiency and utilization) of CBI as a modality of service delivery in mitigating protection risks. This was attributed to capacity issues in the CBI unit since they also had to implement the large scale COVID-19 cash assistance programme, and to restrictions occasioned by the pandemic.

38. The Representation did not have a system that facilitated the reconciliation of beneficiary lists with the bank that effected the payments. The Representation's plans to implement CashAssist (UNHCR's cash assistance management system) in 2019 could not proceed due to concerns regarding data protection laws and its incompatibility with proGres V3. While the Representation envisaged that there would be a reduction of CBI activities and thus no need to put another system in place, it continued in 2021 to distribute significant COVID-19 emergency cash assistance through CBI. The Representation explained that it would develop an inter-operability module in future.

39. The above issues were attributed to high staff turnover and inadequate capacity of the CBI team. For instance, the one temporary international CBI officer who left in March 2021 had not been replaced, and thus there was inadequate capacity to manage the \$32 million programme. This, in turn, affected the Representation's ability to plan, manage and monitor the use of CBI as a modality for meeting PoC needs.

(4) The UNHCR Representation in Türkiye should: (i) collaborate with the working group on cash assistance to address duplications in cash based interventions (CBIs) paid to beneficiaries by different agencies; (ii) review persons of concern eligibility for cash assistance and sufficiency of amounts paid; and (iii) reinforce the monitoring of the CBI programmes to inform decision-making.

UNHCR accepted recommendation 4 and stated that the Representation: (i) continues to discuss an effective modality in the CBI working group; and (ii) has increased the CBI assistance amount provided to each household to address insufficiency.

E. Procurement and vendor management

Need to strengthen the procurement process

40. The Representation issued 1,323 purchase orders valued at \$151 million. The top procurement categories were the provision of human resources for \$42 million, bedclothes and mattresses amounting to \$11.3 million and security services for \$9.7 million. Good procurement practices were observed, e.g., the Representation's supply plan reflected the requirements for both the office and partners and was reviewed on a biannual basis. The Local Committee on Contracts convened regularly and reviewed all procurements submitted for approval as required. The Representation also prepared an individual procurement strategy for every transaction above \$1 million. OIOS reviewed the justification for six out of 39 requests to waive competition and noted that they were justified and appropriately approved by the relevant contracts committees.

41. However, the review of 16 purchase orders totaling \$68.5 million showed the following exceptions:

- Incomplete bids were not disqualified as stipulated in the criteria for the procurement of travel services (\$16.5 million) and construction work (\$157,208).
- Introduction of new or changed criteria and outcomes at the technical evaluation stage:
 - For the hiring of cars worth \$8.4 million, requirements of essential cars were changed, but the procurement was not retendered to ensure fairness;
 - The technical criteria used for the evaluation of security services (\$3.8 million) did not correspond to the scoring scale in the bid documents; and
 - The listed criteria were not applied to the technical evaluations for travel services (\$16.5 million), foam mattresses (\$11 million) and welding equipment (\$111,996).
- For cleaning services (\$7.7 million) and security services (\$3.8 million), the financial evaluations included bids that had not passed the technical evaluation.
- In one case, the bid security in form of a bank guarantee was set at 10 per cent of the contract value instead of recommended maximum of 4 per cent.
- The tender documents for car rental services amounting to \$8.4 million included age limits for drivers, which was considered discriminatory.

42. The Representation, when designating procurement totaling \$16.3 million to its partners, assessed their capacity to comply with UNHCR procurement rules and determined if the designation presented an advantage over UNHCR direct procurement. OIOS reviewed 47 procurements totaling \$9.1 million conducted by five partners in the period under audit. While controls over procurement were generally in place, the audit noted that two partners purchased most of their goods and services close to the year-end. In these circumstances, procurement needs were not consolidated, and requests for waivers from competition were made due to inadequate time to publish tenders. For instance, no tender was published for the renovation of the Izmir Community Centre, costing \$157,398, because of the limited time available before the year-end. This reflected the need to strengthen partner procurement planning, so purchases are not conducted in an ad-hoc manner.

43. Other identified gaps that needed to be addressed included the following:

- One partner did not consistently apply the criteria in the terms of reference when evaluating the bids of two contracts for vehicle rental services costing \$7,070 per month.
- One partner split the procurement of stationery costing \$10,090 to avoid following the prescribed procurement method. Another partner did not consolidate their procurement needs to get better prices for sewing machines and printing of visibility materials that costed \$12,034.
- A Government partner used the request for quotation (RFQ) method for all procurements totaling \$6.8 million, regardless of the value of each procurement action. These RFQs were hand-delivered to three vendors of their choice and did not indicate timelines for receiving bids. While the Turkish Court of Accounts, which audit the Government partner's expenditures, accepted this, OIOS was of the view that it raises the risk of preferential treatment of bidders.
- One partner lacked documentation to evidence the receipt of information booklets costing \$6,584, and another partner made a payment for training (\$3,633) without confirmation of the number of participants, which was one of the bases for payment.
- In one case, the management of a partner negotiated and approved contracts without the involvement of the Supply Unit. There were no records of the negotiations and this practice violated the segregation of duties.

44. The identified gaps were mostly related to inconsistencies and shortcomings in the technical evaluation process and unclear formulation of bidding documents.

(5) The UNHCR Representation in Türkiye should reinforce its procurement process by: (i) ensuring that criteria are followed during technical evaluations; and (ii) monitoring purchases made by partners to assure best value is obtained.

UNHCR accepted recommendation 5 and stated that it will work to further improve the technical evaluation processes and strengthen monitoring of partner procurement.

F. Strategic planning and resource allocation

More reliable data was needed to support programming decisions

45. The Representation's strategic directions aligned with UNHCR's global priorities in that the Representation aimed to play a catalytic role in service delivery by supporting public institutions and providing only PoC assistance where necessary. It also considered the objectives of the Global Compact on Refugees, which emphasized easing the burden on host countries through responsibility-sharing. The Representation conducted participatory assessments in 2020 to support the prioritization of needs during its planning process; developed a logical framework to measure performance over time and determine if planned interventions were creating the desired impact; and developed operational strategies for key protection interventions. Notably, it reduced the number of implementing partners from 21 in 2019 to 14 in 2022 and reduced its reliance on international non-government organizations from 4 to 1 in the same period.

46. However, the Representation did not have direct access to PoCs data to inform its programming and decision making. In the absence of a data sharing protocol, the Representation did not have access to

PoC data maintained by Government authorities. The Government only shared data for specific purposes, e.g., data related to PoCs eligible for CBI during the COVID-19 pandemic. However, this data was not fully reliable since some PoCs could not be traced, and others did not meet the vulnerability criteria. Also, while the Representation’s advocacy efforts resulted in obtaining access to data on non-Syrian applicants, this data was incomplete and thus could not be used for planning and decision making. Despite experiencing these difficulties, the Representation had not formulated data-related risks and mitigation actions in the risk register.

47. While the 2021 year-end report reflected correct results, the Representation had significant errors in reporting 2020 year-end indicators. Some targets, such as the number of PoCs receiving cash grants and legal assistance, were not adjusted during the mid-year review to better reflect the operational realities and revised budget allocation. Therefore, the performance achieved ranged between 15 to 58 per cent, with corresponding expenditures at 97 to 100 per cent of the allocated budget. Additionally, although the return of PoCs to Syria was not recommended due to unfavorable country conditions, the Representation placed the target for voluntary returns at 180,000 in both 2020 and 2021. The actual voluntary returns observed were 16,805 and 22,275 in 2020 and 2021, respectively.

48. The Representation updated its risk register for planning exercises and included COVID-19 related risks. UNHCR’s ERM policy strongly encouraged larger operations to update their risk registers regularly throughout the year. However, the Representation updated its risk register twice a year and not when changes in circumstances may have called for it. For instance, the risk related to “increased social tensions” due to the upcoming elections in 2023 materialized, resulting in the shrinking protection space for PoCs. The risk of exploitation by third parties of PoCs wishing to gain access to services had also materialized, with 320 complaints received in this regard. The Representation planned to complete investigations of these cases in 2022.

(6) The UNHCR Representation in Türkiye should: (i) continue advocating with the Government counterpart for access to data on persons of concern while considering the requirements of national data protection legislation; (ii) ensure that performance targets are adjusted during the mid-year review to reflect operational realities, including revised budgets; and (iii) ensure that the risk register is regularly updated to reflect changes in circumstances and actions to mitigate identified risks adjusted accordingly.

UNHCR accepted recommendation 6 and stated that the Representation: (i) has been sending letters to the government requesting data, particularly for the compilation of the mandatory statistical reports; (ii) would adjust performance indicators during the mid-year by 31 August 2023; and (iii) would review the currently updated risk register after the first quarter of 2023.

IV. ACKNOWLEDGEMENT

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

(Signed) Anne Rwego
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Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

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

Rec. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
1	The UNHCR Representation in Türkiye should: (i) reinforce its advocacy with the Government for adequate protection of persons of concern; (ii) develop alongside the Government counterpart a plan to address registration and refugee status determination backlogs; and (iii) develop an exit plan detailing the gradual phasing out of support to the Government as conditions become conducive.	Important	O	Receipt of documentary evidence of: (i) the implementation of a consolidated plan to improve the protection of persons of concern; (ii) an agreed upon plan with the Government counterpart covering a framework for addressing registration and refugee status determination backlogs; and (iii) an exit plan detailing the gradual phasing out of support to the Government. OIOS reiterates the need to have a plan to address backlogs because as already indicated in the report, the referenced reinforcement project has not addressed them.	31 March 2023
2	The UNHCR Representation in Türkiye should strengthen service delivery to persons with special needs by: (i) formalizing a referral system among key stakeholders that supports the identification, coordination, tracking and reporting of assistance to beneficiaries; (ii) allocating adequate staff resources and monitoring their delivery of services in a cost-effective manner; and (iii) strengthening the recording of referrals under process.	Important	O	Receipt of documentary evidence of: (i) a systematic referral system among key stakeholders that supports the identification, coordination, tracking and reporting of assistance to persons with specific needs; (ii) equitable allocation of staff resources in line with the beneficiaries supported at different service centers and monitoring of staff delivery of services in a cost-effective manner; and (iii) implementation of tool to support the recording of referrals. OIOS has taken note of the workshop held in November 2022 but the documentation submitted does not evidence that it addressed the gaps in referral system identified	31 March 2023

² 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.

³ 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.

⁴ Please note the value C denotes closed recommendations whereas O refers to open recommendations.

⁵ Date provided by UNHCR in response to recommendations.

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				in this report. Likewise, the submitted documentation does not evidence the equitable allocation of staff resources across locations and monitoring of the services staff provide.	
3	The UNHCR Representation in Türkiye should: (i) review its livelihood and economic inclusion strategy and related performance framework in line with the UNHCR global direction, and as informed by relevant studies; and (ii) streamline the number of social cooperatives projects it will fund and provide them with the necessary capacity building to ensure their success.	Important	O	Receipt of documentary evidence of: (i) an updated livelihood and economic inclusion strategy in line with the UNHCR global direction, and as informed by relevant studies; and (ii) a streamlined number of social cooperatives and implemented plans to build their capacity	31 March 2023
4	The UNHCR Representation in Türkiye should: (i) collaborate with the working group on cash assistance to address duplications in cash based interventions (CBIs) paid to beneficiaries by different agencies; (ii) review persons of concern eligibility for cash assistance and sufficiency of amounts paid; and (iii) reinforce the monitoring of the CBI programmes to inform decision making.	Important	O	Receipt of documentary evidence of: (i) a modality for sharing and verifying information on cash assistance to address duplications in CBIs; (ii) review PoCs' eligibility for cash assistance; and (iii) implementation of a plan covering real time and post distribution monitoring for all CBI programmes under implementation OIOS acknowledges the cash working group role and reiterates the need to have mechanisms in place that mitigate the risk of duplications in payments to beneficiaries. Additionally, the shared post distribution reports only related to COVID-19 related cash assistance and not other types of CBIs.	30 June 2023
5	The UNHCR Representation in Türkiye should reinforce its procurement process by: (i) ensuring that criteria are followed during technical evaluations; and (ii) monitoring purchases made by partners to assure best value is obtained.	Important	O	Receipt of documentary evidence of the actions taken to strengthen: (i) procurement technical evaluation processes; and (ii) monitoring of partners procurements	31 December 2023

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Rec. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
6	The UNHCR Representation in Türkiye should: (i) continue advocating with the Government counterpart for access to persons of concern data for decision making considering the requirements of national data protection legislation; (ii) ensure that performance targets are adjusted during the mid-year review to reflect operational realities, including revised budgets; and (iii) ensure that the risk register is regularly updated to reflect changes in circumstances and actions to mitigate identified risks adjusted accordingly.	Important	O	Receipt of documentary evidence of: (i) a plan for advocating with the Government counterpart on enhanced access to persons of concern data; (ii) adjusted performance targets; and (iii) adjusted risk register. OIOS reviewed the shared letters as part of the audit and reiterates the need for an advocacy plan with Government to access required data.	31 August 2023

APPENDIX I

Management Response

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>addition, the report, under para n 18, recognizes the existence of this project and its focus to strengthening the Government's technical capacity from 2017 to 2024 and it makes also reference to the cumulative target of 150,000 cases between the period 2022-2024. The Representation however noted that in the text of the report (para 18) and under the recommendation n 1 (ii) it is made reference to the need "to accelerate RSD" or to develop "an acceleration plan" that, in itself, raises concerns in relation to possible risks related to quantity and quality. Reference to addressing RSD backlog is naturally embedded in RSD support plans targeting national asylum systems in general and should suffice. The Representation consequently believes that this component of the recommendation 1 (ii) related to RSD is implemented. With respect to registration, the Representation has agreed with the Government counterpart specific objectives and indicators to address International Protection registration backlog. (Evidence provided). The Representation consequently believes that the recommendation 1 (ii) is fully implemented with</p>

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
					(iii) 31 March 2023	<p>respect to both registration and RSD backlogs. In addition, any separate plan to be agreed with the authorities on top of the existing ones that are already considered addressing the matter will be regarded as redundant by the authorities and not realistically implementable.</p> <p>Independently from the implementation of this recommendation, the Representation has been consolidating a Plan summarizing the framework on addressing registration and refugee status determination backlogs that has already been agreed with the Government counterpart.</p> <p>It is suggested to remove the wording “acceleration” from the recommendation and similar references in the report. The reference to plan to reduce backlog should suffice to equally focus both on quality and quantity.</p> <p>(iii) Exit plan detailing the gradual phasing out of support to the Government</p>
2	The UNHCR Representation in Türkiye should strengthen service delivery to persons with special needs by: (i) formalizing a referral	Important	Yes	Assistant Representative (Protection)	(i) Implemented	(i) As evidence of implementation, the Representation submits documentation relating to an

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	<p>system among key stakeholders that supports the identification, coordination, tracking and reporting of assistance to beneficiaries; (ii) allocating adequate staff resources and monitoring their delivery of services in a cost-effective manner; and (iii) strengthening the recording of referrals under process.</p>			Senior Protection Officer	(ii) Implemented	<p>example of its consistent advocacy for improvement of referral systems, better coordination, identification, tracking and reporting among key stakeholders: the organization of a two-day workshop in Istanbul (9-11 November 2022) funded by UNHCR under its 2022 workplan. The main purpose of the event was to facilitate the discussions between the Ministry and other key stakeholders, in particular the NGO community, in advancement of the Ministry's Civil Society Vision for 2022-2023 and its 5 main objectives (Ensuring the effective participation of civil society in policy development processes; Conducting secondary legislation work regarding Ministry-Civil Society cooperation; Developing digitization within the scope of Ministry-Civil Society cooperation; Strengthening the capacity of NGOs in the field of social services and social assistance; Promoting voluntarism)</p> <p>The workshop agenda and the Ministry's Civil society vision are submitted as evidence.</p> <p>(ii) As evidence of the implementation, the</p>

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
				Senior Protection Officer	(iii) 31 March 2023	<p>Representation submits the latest workplan for 2022 between the Ministry and UNHCR, along with the letter of the Minister endorsing the plan and outlining the allocated staff resources as evidence of the comprehensive support provided by UNHCR to the Ministry of family and social services (MOFSS)</p> <p>As evidence of the ongoing and varied monitoring undertaken, UNHCR Türkiye submits examples such as:</p> <ul style="list-style-type: none"> • Field Monitoring (reports of which are periodically submitted by our field offices – Izmir & SET for first half of 2022, Istanbul for 2021) • Beneficiary (anonymized) data sent on a monthly basis by MOFSS to the Protection unit (August 2021 sample) • Biannual performance overview shared by Supply unit with Protection unit (2021 sample). • Adecco narrative reports to our Supply unit (September 2021 sample) <p>(iii) As evidence of partial implementation, the Representation re-submits the guidance note on the intake system. While the intake pilot</p>

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						system is in place since June 2022, the Representation is still refining the reporting tools to support analysis of intakes – these will be ready by Q1 2023.
3	The UNHCR Representation in Türkiye should: (i) review its livelihood and economic inclusion strategy and related performance framework in line with the UNHCR global direction, and as informed by relevant studies; and (ii) streamline the number of social cooperatives projects it will fund and provide them with the necessary capacity building to ensure their success.	Important	Yes	Assistant Representative (Operations)	(i) 31 March 2023 (ii) 31 March 2023	(i)The livelihood strategy is currently in its final stage pending final endorsement. (ii) In 2023, the number of social cooperatives will be reduced, and capacity-building activities are part of the partnership agreements. Actual numbers will be reported in January 2023 after signing of the partnership agreements.
4	The UNHCR Representation in Türkiye should: (i) work with the working group on cash assistance to develop a modality that addresses duplications in cash based interventions (CBIs) paid to beneficiaries by different agencies; (ii) review persons of concern eligibility for cash assistance and sufficiency of amounts paid; and (iii) reinforce the monitoring of the CBI programmes to inform decision-making.	Important	Yes	(i) Assistant Representative (Operations)	(i) Implemented	(i) The Representation believes that it is not realistic to develop an inter-operability module anytime soon as mentioned in Para 38 for the same reasons indicated for the platform, based on the data protection legislation. In the current wording this recommendation is not currently implementable. UNHCR continues to discuss an effective modality in the CBI working group. The existing cash coordination mechanism under the 3RP (attached relevant information on the Cash WG TOR and Cash mapping exercise) ensures coordination,

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
				(ii) Senior Protection Officer (iii) Senior Program Officer	(ii) Implemented (iii) Implemented	<p>complementarity of cash-related programmes and in itself is a modality to share information.</p> <p>If considered sufficient, with the required amendments in the Draft Report and recommendation text, the recommendation can be considered as implemented. It would otherwise need to be withdrawn or declared as non-implementable.</p> <p>As evidence of implementation of (i) & (ii), the Representation submits documentation relating to the recent review and increase of CBI amounts and the Post Delivery Monitoring (PDM) report for the Emergency Cash assistance (Covid) 2021.</p>
5	The UNHCR Representation in Türkiye should reinforce its procurement process by: (i) ensuring that criteria are followed during technical evaluations; and (ii) monitoring purchases made by partners to assure best value is obtained.	Important	Yes	Senior Supply Coordinator	(i) 31 May 2023	<p>(i)The Representation would like to highlight that UNHCR Türkiye Technical Evaluation processes have been conducted in accordance with the rules and procedures. The remarks on the audited purchase orders identified are minor, the few that interpret to have gap are mostly a question of actions undertaken to resolve for particular and contextual requirements.</p> <p>Furthermore, none of the actions and corresponding remarks refer to issues which did alter or could</p>

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				Senior Supply Coordinator	31 December 2023	<p>have affected the result, fairness and/or integrity of the outcome of the tender process. The operation however, taking into consideration of this constructive recommendation, will work to improve further technical evaluation processes.</p> <p>(ii) On the Part of procurement by partners once Partners are granted PQP status, and if delegated to undertake procurement on behalf of UNHCR, the Partners must follow their procurement rules to undertake procurement in compatibility with the UNHCR procurement methods as specified in the Guidance Note No. 4 (Revision 1) - Procurement by Partners under Partnership Agreement (GN4).</p> <p>The UNHCR Türkiye operation process of confirmation of procurement delegation to Partners follow a detailed capacity assessment and comparative advantage analysis. Following this most procurement of goods and services are done through Direct implementation.</p> <p>Where partners are delegated to undertake procurement of goods and services monitoring and</p>

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						verification are carried out by Project Control, Multi-Functional Teams, including Supply officers. Audits and internal control assessments are also conducted by contracted auditing firms to identify issues/shortcomings in Partner practices, including in relation to Procurement and Supply. The operation however, taking into consideration of this constructive recommendation, will work to strengthen monitoring.
6	The UNHCR Representation in Türkiye should: (i) continue advocating with the Government counterpart for access to persons of concern data for decision making considering the requirements of national data protection legislation; (ii) ensure that performance targets are adjusted during the mid-year review to reflect operational realities, including revised budgets; and (iii) ensure that the risk register is regularly updated to reflect changes in circumstances and actions to mitigate identified risks adjusted accordingly.	Important	Yes	(i) Representative (ii) Assistant Representative (Operations) (iii) Assistant Representative (Operations)	(i) Implemented (ii) 31 August 2023 (iii) 31 August 2023	(i) As evidence of implementation, the Representation submits and re-submits evidence letters sent to the government requesting data, particularly for the compilation of the mandatory statistical reports (ASR and MYR). (ii) The operation will ensure to adjust performance indicators during the mid-year: by 31 August 2023. (iii) The risk register is updated for 2023. The Representation will review the register after the first quarter of 2023.