



INTERNAL AUDIT DIVISION

REPORT 2023/042

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

**The Representation needed to strengthen its
strategic planning to deliver services in a more
cost-effective manner to forcibly displaced
persons within available resources**

20 September 2023

Assignment No. AR2023-113-02

Audit of the operations in Angola 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 Angola for the Office of the United Nations High Commissioner for Refugees. The objective of the audit was to assess whether the Representation was managing the delivery of services to displaced persons in a cost-effective manner and in accordance with UNHCR's policy requirements. The audit covered the period from 1 January 2021 to 31 December 2022 and included (a) planning and resource allocation; (b) facilitating solutions, including self-reliance, economic inclusion and livelihoods; (c) public health; and (d) procurement and vendor management.

As it shifted from an emergency to a protracted phase of its operations, the Representation faced reduced funding to fund core protection and assistance activities. This situation was exacerbated by limited available durable solutions (repatriation, local integration, resettlement to third countries) and livelihoods opportunities, resulting in displaced persons remaining heavily dependent on UNHCR for support at a time when resources were decreasing. The Representation also lacked sufficient staff to effectively plan and manage its programmes, whether implemented directly or implemented through partners.

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

- Strengthen its strategic planning, resource allocation and performance management; and implement the roadmap for implementing Global Compact of Refugee pledges.
- Implement an action plan to facilitate the Government's: (i) maintenance of up-to-date and accurate refugee data; (ii) reduction of the refugee status determination backlog; and (iii) implementation of the cessation clause.
- Build the capacity of its staff to effectively plan and manage durable solutions and statelessness programmes and drive the implementation of related outstanding recommendations from prior reviews/studies conducted.
- Evaluate its livelihoods programme and use the results to redesign programme interventions for effectiveness; and monitor implementing partners' use of related programme funds.
- Update the health strategy and reinforce its capacity to manage and oversee the implementation of related programme activities.
- Enforce compliance with UNHCR procurement guidance and regulate the use of operational advances.

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

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Audit of the operations in Angola 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 Angola for the Office of the United Nations High Commissioner for Refugees.
2. The UNHCR Representation in Angola (hereinafter referred to as ‘the Representation’) was established in 1977 to provide displaced persons with international protection, humanitarian assistance and durable solutions, where feasible. Angola is a signatory to the 1951 Refugee Convention and the 1961 Statelessness Reduction Convention. On 5 April 2023, Angola became the 108th member of the UNHCR Executive Committee. The Representation’s strategic priorities were promoting livelihood opportunities, enabling local integration, resuming voluntary repatriation, preparing for potential new arrivals, and eradicating statelessness.
3. As of March 2023, Angola was hosting 56,858 displaced persons, comprising of 30,279 asylum seekers and 26,579 registered refugees. The Kasai caseload comprising of 9,316 displaced persons arrived from the Democratic Republic of Congo (DRC) in 2017 and most of them lived in the Lovua refugee settlement. Another 46,744 displaced persons that arrived up to 35 years ago from various countries were referred to as the regular caseload.
4. The Representation was headed by a Representative at the P-5 level and, as of 30 April 2023, had 34 regular staff posts and 13 affiliate workforce. The Representative reported to the Deputy Director of the Regional Bureau for Southern Africa (the Bureau). The Representation had a country office in Luanda and a Field Office in Dundo. The Representation recorded expenditure of \$10.6 and \$10.8 million in 2021 and 2022, respectively. It worked with 6 and 7 partners in 2021 and 2022, respectively, that implemented programme activities worth \$7.8 million, representing 68 per cent of the operating level budget.
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 displaced persons in a cost-effective manner and in accordance with UNHCR’s policy requirements.
7. This audit was included in the 2023 risk-based work plan of OIOS because of the risks associated with the Representation operating in a protracted refugee environment.
8. OIOS conducted this audit from March to April 2023. The audit covered the period from 1 January 2021 to 31 December 2022. Based on an activity-level risk assessment, the audit covered higher and medium risk areas in the UNHCR operation in Angola, which included: (a) planning and resource allocation; (b) facilitating solutions, including self-reliance, economic inclusion and livelihoods; (c) public health; and (d) procurement and vendor management. The audit also drew conclusions on performance, enterprise risk and partnership management through review of the areas above.
9. The audit methodology included: (a) interviews with key personnel, including the United Nations Resident Coordinator and two United Nations agencies working with the Representation; (b) review of

relevant documentation; (c) analytical review of relevant data from the UNHCR enterprise systems (FOCUS and COMPASS); (c) sample testing of controls; and (d) observation of programme activities implemented by the Dundo Field office, at Lovua refugee settlement in Lunda Norte as well as four implementing partners.

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

III. AUDIT RESULTS

A. Strategic planning, resource allocation and reporting

Need to strengthen strategic planning processes

Strategic planning

11. The Representation prepared an operations and interim strategy plan for each of the years 2021 and 2022. The goal of the strategy was to promote the inclusion in the United Nations Sustainable Development Cooperation Framework¹ in Angola of the programme for displaced and stateless persons. However, the Representation was unsuccessful due to its limited resources and its lack of formulating operational strategies for key areas such as livelihoods, health and education. In 2023, the Representation formulated a multi-year strategy (2023-2025) that deprioritized protection, downsized operational activities and focused on livelihoods and self-reliance. However, this was in an environment where displaced persons continued to heavily rely on the Representation for their basic needs.

12. The Representation conducted the last participatory assessment in 2021. It thus did not have comprehensive, up-to-date participatory assessments to inform the prioritization of limited available resources among the many needs of displaced persons. The 2021 assessment itself was not comprehensive as it targeted specific nationalities in Luanda and did not cover camp-based persons. This was due in part to the restrictions occasioned by the COVID-19 pandemic. To address the resultant gaps, the Representation conducted door-to-door protection profiling exercises that, however, could not replace participatory assessments. A participatory assessment was planned to be conducted in September 2023.

13. The Representation did not have reliable data on the displaced persons for its planning. The Government had suspended the registration of Kasai asylum seekers that arrived in 2017 in August of the same year. A physical verification exercise conducted in the Lovua settlement in June 2023 confirmed the presence of 5,944 persons and had 585 no-shows. However, in the absence of continuous registration processes, this data, too, was bound to become outdated. The Representation also did not have disaggregated data on the regular caseload and thus depended on outdated government statistics for its planning. Furthermore, it could not support the estimated 2,000 stateless persons included in the interim strategy 2022.

14. As a country susceptible to influxes of refugees, the Representation was required to monitor related risks and plan accordingly. The Representation had, at the time of the audit, prepared a contingency plan for a possible influx of 5,000 people in Dundo. However, most preparedness actions in the plan remained outstanding, e.g., it had tents for only 1,250 individuals. Additionally, despite the high assessed risk of influxes, the Dundo field office was downsizing with several positions discontinued because of budget

¹ The Cooperation Framework guides the entire United Nations country team programme cycle, driving planning, implementation, monitoring, reporting and evaluation of collective United Nations support for achieving the 2030 Agenda.

shortfalls and a reduced refugee population. All these factors presented risks in the event that an influx happened, the mitigation of which would not be possible with the limited resourcing available. In 2017, the Representation’s responsiveness to the emergency situation at the time was also impacted by inadequate mechanisms in place to withstand the surge in activities, including limited funding and staffing.

Resource allocation

15. The gap between operational needs (operating plan budget) and available budgets (operating level budget) has significantly widened over the years. As shown in Table 1, this gap grew from 47 per cent in 2020 to 75 per cent in 2023. Concurrently, the proportion of the operating level budget allocated to administration and staff costs increased from 42 per cent in 2020 to 66 per cent in 2023. This disproportionate increase in administrative expenses, in the face of decreasing funding, strained the resources available for operations. Such a trend called for the need for strengthened strategic planning to ensure the continued support of displaced persons within the available resource framework envelope if the Representation were to continue to meet the needs of displaced persons.

Table 1: Representation’s funding over the years

UNHCR budget category	Year 2020	Year 2021	Year 2022	Year 2023
Operating plan (OP) budget (\$ millions)	22.6	28.9	29.9	29.7
Operating level budget (OL) budget (\$ millions)	12.0	10.6	10.6	7.5
Gap in funding between OP and OL (\$ millions)	10.6	18.3	19.3	22.2
Gap as a percentage of OP	47%	63%	65%	75%
Operations cost (percentage of OL)	58%	55%	38%	34%
Administration and staff costs (percentage of OL)	42%	45%	62%	66%

16. The Representation’s resource allocation was also not aligned to its listed strategic priorities. The Representation’s strategy was to downsize operations and focus on livelihoods but it spent 48 and 6 per cent on basic needs and livelihoods respectively in 2021, and in 2022 spent 14, 33 and 35 per cent on livelihoods, local integration and access/documentation, respectively. This needed to be reviewed if strategic objectives were to be achieved. In this regard, the Representation was at the time of the audit implementing recommendations from a staffing review so it would meet its strategic objectives.

Coordination with key stakeholders

17. Despite the 2015 Refugee Act, the Government was not screening/receiving and registering new arrivals. This and inadequate asylum structures, refugee status determination and documentation processes contributed to the backlog of some 30,000 asylum claims in Angola. Additionally, the implementation of the cessation clause for 656 persons from Rwanda, Sierra Leone and Liberia was delayed. These matters raised the risks of arbitrary detention, harassment, abuse, and exploitation among displaced persons. The Representation planned to sign an agreement with the Government to strengthen registration, refugee status determination and documentation processes.

18. The Representation cultivated and maintained strategic partnerships with other United Nations agencies in the country through active participation in inter-agency coordination meetings and working groups. However, the 2019 country evaluation highlighted a need to enhance collaboration with stakeholders, address registration and rights challenges, strengthen refugee advocacy, and focus on the humanitarian-development nexus.

19. The Representation had a roadmap for facilitating Global Compact on Refugees (GCR) pledges and driving new commitments. This included the Government’s commitment to include the displaced and stateless persons in its national development plans. However, the Representation’s implementation of the

roadmap was impacted by the COVID-19 pandemic and the 2022 election in Angola. Moreover, Government pledges were not tracked in the GCR digital indicator framework tool.

Performance management

20. The Representation moved its performance reporting from FOCUS to the COMPASS system in 2022. The FOCUS system lacked credible performance information for decision-making due to: (a) misalignment between output and outcome indicators; (b) unverifiable results; and (c) inconsistencies between reported results and narrative explanations. For example, 17 of 91 performance indicators did not have results and nine did not have expenditures recorded at the end of the year. The Representation attributed these issues to the FOCUS system, delays in collecting data from partners and a prolonged standing project control vacancy. These matters needed to be resolved as the Representation transitioned to the new system.

- (1) The UNHCR Representation in Angola should ensure that services are delivered to displaced persons in a more cost-effective manner by: (i) strengthening its strategic planning, resource allocation and performance management; and (ii) implementing the roadmap for implementing Global Compact of Refugee pledges.**

UNHCR accepted recommendation 1 and stated that the Representation harmonized resource allocation and reduced the number of partners from 5 to 4 in January 2023. Regarding the Global Refugee Forum roadmap, the Representation conducted a workshop with the Government on 8 June 2023 to review Global Compact of Refugee pledges and develop new ones, with governmental action taken on 28 July 2023 to implement these pledges. UNHCR requested the closure of this recommendation.

- (2) The UNHCR Representation in Angola should, in consultation with the Government of Angola, implement an action plan to facilitate: (i) the maintenance of up-to-date and accurate refugee data; (ii) the reduction of the refugee status determination backlog; and (iii) the implementation of the cessation clause.**

UNHCR accepted recommendation 2 and stated that after consultations with the Government of Angola, the registration and documentation of refugees was reinstated in July 2023. Technical discussions are scheduled for September/October 2023, and refugee status determination procedures will begin in the first quarter of 2024. In addition, the Representation was undertaking a thorough review of individual cases to prepare for the issuance of residency cards as part of the implementation of the cessation clause.

B. Facilitating durable solutions

Need to reinforce durable solutions and statelessness programmes

21. Providing durable solutions for displaced and stateless persons in Angola was a challenge due to: (i) their declining willingness to repatriate; (ii) lack of quotas to resettle in third countries; and (iii) limited local integration opportunities. This was further complicated by the Government's decision to put refugee registration and status determination procedures for displaced persons on hold. These issues heightened protection risks and increased displaced and stateless persons' dependence on UNHCR for assistance.

Voluntary repatriation

22. The Representation, in partnership with another United Nations agency, facilitated the repatriation of 3,732 displaced persons to the DRC between 2019 and 2022. The repatriations were voluntary but displaced persons noted that their decisions to repatriate were informed by factors such as uncondusive living conditions, limited livelihoods, destruction of gardens by animals and inadequate services such as education. The intention surveys conducted in 2021 and 2022 showed that 60 per cent of displaced persons in the Lovua settlement wanted to stay, with only 9 per cent wishing to return to their countries of origin. The Representation, however, noted that these figures changed towards the final stages of repatriation as an estimated 20 per cent of displaced persons joined the process so as to get documentation.

23. The Representation set a repatriation target of 2,700 refugees between 2023 and 2025. However, it faced challenges that, if unaddressed, would impact the achievement of this target. For instance, the repatriation of the targeted 1,000 repatriations for 2023 had not started and the Representation was yet to reconfirm the sustained interest of 650 refugees to return. The Representation in a lessons-learned document attributed these challenges to the need: (i) to harmonize the different registration laws and ensure accurate documentation; (ii) to provide comprehensive information on the current situation in countries of origin; (iii) for better integration support; (iv) to improve shelter and water sanitation and hygiene facilities at repatriation centers; and (v) to increased luggage allowance for families so they can take their tools for income-generating activities. The recommendations in this document remained outstanding as the Representation was yet to secure funds for the repatriation process, organize ‘go and see, come and tell’ missions, review relevant tripartite agreements, and arrange reintegration support to returnees.

24. If the Representation repatriated the anticipated 1,000 persons in 2023, then the population in the Lovua settlement would stand at below 5,000, the threshold for which this population would no longer receive food distributed by another United Nations agency. This would inadvertently increase their dependency on UNHCR for sustenance at a time when the Representation was deprioritizing meeting the needs of displaced persons. The Representation planned to transition the Lovua settlement into an integrated settlement.²

25. The Representation worked with five implementing partners with a budget of \$109,204 to facilitate the repatriation programme. Considering the small available budget, the audit questioned the need for five partners. Additionally, 60 per cent of the partner costs went towards staff and administration, with only about 40 per cent spent on transport and logistics. The audit also noted that the mattresses used as makeshift seats (\$2,222) could not be traced to the warehouse after the journey. The Representation also did not have documentation to account for the hot meals and non-food items totaling \$15,846 for returning refugees and did not have documentation to support the purchase of seeds totaling \$9,030, for which a request for refund was initiated after the fieldwork.

Local integration

26. The Government required that the refugees from Kasai caseload return to their country of origin, leaving minimal opportunities for integration of refugees in Angola. Displaced persons, particularly urban ones, were not registered and documented and therefore could not be considered for integration. The Representation also advocated for the naturalization of refugees married to Angolans with children, but even these prospects remained limited. The Representation allocated \$1.9 million in 2022 towards: (a) addressing the registration backlog of approximately 35,000 asylum seekers; (b) promoting the inclusion of 1,391 refugees in social protection schemes and the national development plan; and (c) implementation

² Integrated settlement is where refugees are provided with a range of services and support to promote their self-reliance and integration into the local community.

of the cessation clause. However, at the time of the audit, only 8 of the 656 refugees had their residency status confirmed. There was a need to follow up with the Government on key funded actions in 2022 since they underpinned the reintegration of displaced persons in Angola.

Resettlement

27. The Representation had not allocated funds nor submitted cases for resettlement since 2019. Furthermore, the Representation's plans to resettle the most vulnerable urban persons were impacted by the fact that most were not registered. Despite this, the Representation continued to raise awareness and sensitize displaced persons about resettlement. The Bureau in 2022 supported the Representation with the resettlement process for 15 individuals. The Representation had also registered 60 persons for resettlement or issuance of protection letters due to the high risk of detention and/or refoulement at the time of the audit. It also planned to request a resettlement quota based on the anticipated government registration. In preparation for the scale-up of resettlement activities, the Representation needed to train relevant staff on key related tasks.

Statelessness persons

28. The Government acceded to the statelessness conventions in 2019 and, with the Representation, conducted a study, developed a national plan and launched a campaign in 2023 to drive related processes. However, there was limited traction on the implementation of the plan, with most recommendations remaining outstanding at the time of the audit. These included: (a) improved cooperation with relevant offices, including the United Nations Country Team; (b) provision of technical advice as needed; (c) encouragement of the registration of births among refugees; and (d) training relevant authorities.

29. The Representation supported the study on statelessness in Angola and the finalization of the draft national statelessness plan by the Government of Angola in 2022. However, the 2022 study's conclusions and recommendations were yet to be implemented at the time of the audit. These included: (i) UNHCR's improvement of cooperation with other offices; (ii) monitoring the implementation of relevant provisions; (iii) supporting the National Institute of Statistics through the provision of technical advice; (iv) enhancing coordination within the UN Country Team; (v) encouraging birth registration for refugee children; (vi) training and cooperating with relevant authorities; and (vii) deepening the study through further field research.

30. Furthermore, the implementation of the statelessness programme was impacted by the Representation lacking reliable data on the number of stateless persons and so reverting to using an estimate of 2,000 for planning. The programme had faced resource constraints, with only one per cent of the operating level budget allocated to it in 2023. On the programme's effectiveness, the Representation reported in COMPASS that it had trained 112 of the 150 targeted persons in 2022 but lacked documentation to support the outputs reported.

(3) The UNHCR Representation in Angola should reinforce its durable solutions and statelessness programmes available to displaced persons by: (i) allocating available funds in line with its strategic priorities; (ii) developing an action plan to drive the implementation of outstanding recommendations from reviews/studies conducted on durable solutions and statelessness programmes; and (iii) building the capacity of its staff to manage the programmes as they scale up.

UNHCR accepted recommendation 3 and stated that voluntary repatriation activities are ongoing in 2023 and are expected to continue into 2024, along with limited resettlement efforts. Additionally, work on cessation clauses was already underway. The Representation was strategically focusing on

pressing protection priorities, such as registration and documentation and the current staff capacity was sufficient for the planned operations.

C. Self-reliance, livelihoods and economic inclusions

Need to strengthen the planning and implementation of livelihood projects.

31. The Representation collaborated with another United Nations agency to implement self-reliance and economic inclusion programmes among displaced persons in the Lovua settlement. The Representation conducted vocational training for 80 individuals and provided capital to 75 businesses totaling \$186,331 in the period under audit. It also employed a livelihoods expert to oversee project design and execution.

32. The Representation did not have a country-wide livelihoods strategy and accompanying standard operating procedures. The Representation had identified in its risk register the risk that limited livelihoods opportunities for refugees and host communities were likely to escalate into tensions, encourage negative coping mechanisms, and perpetuate dependence on handouts. The rating of this risk was medium and all proposed measures to mitigate the risk remained outstanding, i.e., (a) finalizing the livelihood strategy by June 2023 and (b) conducting food security and nutrition assessments for settlement and urban refugees. The Bureau livelihoods officer visited the Operation after the audit fieldwork.

33. The Representation selected two partners to implement livelihood programmes totaling \$341,251. The effectiveness of the livelihoods programme was impacted by one partner spending 94 and 87 per cent of the programme funds on staff costs in 2021 and 2022 respectively. Additionally, the Representation's discussions with other United Nations agencies and development partners to transition from short-term investments funded by UNHCR to long-term projects were unsuccessful. The audit also noted that a considerable number of beneficiaries who received livelihoods support were repatriated, and 8 of the 28 beneficiaries misused and/or lost allocated funds.

34. The Representation did not have baseline, target, and achievements data entered in COMPASS for 16 of the livelihoods indicators in 2022. The Representation's use of only 42 per cent of the \$130,412 budget was attributed to the COVID-19 pandemic restrictions, inadequate supervision and limited access to resources, markets, and financial services in Lovua. The Representation also had not evaluated the livelihoods programme at the time of the audit.

35. The audit visit to a warehouse in Dundo identified livelihood inputs (e.g., 15 water pumps) that had not been distributed since their receipt in February 2022. Additionally, some inputs in the warehouse were due to expire in four months, e.g., 441 tins of tomatoes, 411 tins of beetroot seeds, 997 tins of eggplants, 497 tins of kale seeds, 940 kilograms of corn seeds and 83 fertilizer bags. The audit also questioned the quality of agriculture tools purchased, including two hand-held tractors, one of which broke after one use. The Representation was also unable to support partner expenditure totaling \$13,378 related to an internal auditor role. These observations reflected the need to strengthen the first-line monitoring of livelihoods programmes.

36. The issues above are attributed to the impact of the COVID-19 pandemic, insufficient financial resources to implement the results of labor market assessment and inadequate monitoring of funded programmes. Consequently, the displaced persons, host community refugees, and stateless persons relied on informal and low-wage jobs that carried protection risks. It also increased their dependency on UNHCR for assistance.

- (4) The UNHCR Representation in Angola should: (i) evaluate its livelihoods programme and use the results to redraft its strategy and redesign programme interventions for effectiveness; and (ii) monitor implementing partners' use and accountability for programme funds.**

UNHCR accepted recommendation 4 and stated that the Representation had initiated a review of the livelihoods programme, with the first phase completed in July 2023. It also noted that due to existing resource constraints, a more comprehensive analysis was postponed to 2024. The Representation also established a dedicated Multi-Functional Team to monitor partners' use and accountability for funds.

D. Public Health

Need to strengthen the delivery of quality and timely services to displaced persons

37. The Representation worked with two partners to provide primary health services totaling \$2.3 million to displaced persons. While the Representation's health strategy focused solely on Lovua settlement, it started providing primary health care services to refugees accommodated in Luanda area in 2021. Additionally, while there were proposals for the inclusion of refugees into the national health system, there were no concrete plans and timelines on how this would happen. None of the health activities implemented in Luanda were reflected in the strategy.

38. The Representation developed three health-related standard operating procedures (SOPs), but they were not comprehensive. The SOPs only covered the delivery of health services in Luanda, pharmaceutical procurements, and referrals across all caseloads. The audit reviewed eight referral cases in Dundo and noted that the referral tracking sheet lacked key information related to treatment provided, follow-up, and accompanying costs, impacting the Representation's monitoring of referral activities and related costs.

39. The health unit comprised of a senior public health associate, an affiliated worker at the GS-7 level based in Dundo, and an associate community-based protection officer (P2 Level) and a protection staff (GS6) as the focal points for health in Luanda. However, affiliated workers needed to work under the supervision of a UNHCR staff and none was available. They also could not assume an MSRP role, had only partial access to Workday and COMPASS and no access to ProGres, and this impacted their ability to oversee programme implementation, manage medicines and monitor performance.

40. The Project Partnership Agreements (PPAs) for the Luanda health partner did not have targets against which to measure performance in 2021 and 2022. Additionally, the health activities conducted were not reflected in partner narrative reports. Furthermore, the Representation did not have Project Control staff between February and October 2022 to verify expenditure and the Multi-Functional Team was not operational in the same period, with no performance monitoring reports issued in 2022. Consequently, issues impacting the delivery of health services were not identified for timely resolution; e.g., there was no recording and reporting of persons that received primary health care services. The Representation also collected feedback from community centers on quality of services provided but there was no record and/or evidence of follow-up of complaints raised by displaced persons.

41. The Representation did not have comprehensive data on the number of displaced persons receiving health services. It used three tools to monitor and report health services: the balance scorecard, tally sheets in the integrated refugee health information system (iRHIS) and case tracking sheets. However, iRHIS included only data for Lovua and had no information on Luanda. Furthermore, the balanced scorecard that recorded the quality of services was only implemented in Lovua and not the Luanda clinic.

42. The Representation did not conduct two nutrition surveys, i.e., the Joint Assessment Mission and the Standard Expanded Nutrition Survey (SENS), due to budget constraints. It also had not assessed the medicinal needs of the Luanda clinic and instead depended on the 2022 approximation based on consumption of the Lovua clinic. Additionally, the health partner did not maintain bin cards and instead relied on the data in the warehousing system. A physical count highlighted inaccuracies in the stock records in the system for six medicines.

43. The effectiveness of the delivery of health services was impacted by lack of a comprehensive strategy, insufficient staff capacity and inadequate monitoring of programme implementation by partners.

(5) The UNHCR Representation in Angola should reinforce the delivery of health services by: (i) updating the health strategy and standard operating procedures; (ii) reviewing its capacity to manage and oversee programme implementation; (iii) reinforcing the record keeping and reporting of health programme related results and management of medicines; and (iv) strengthening the monitoring of the implementation of the health programme in accordance with UNHCR guidelines.

UNHCR accepted recommendation 5 and stated that the Representation has taken steps to improve its health systems, including implementing a health project in Lunda Office and developing a health strategy and standard operating procedures for patient referrals and procurement of medicines. The Representation also implemented the Integrated Refugee Health Information System and the Balance Score Card to strengthen its monitoring capabilities. The Representation outlined action plans to address these gaps in the current systems by the end of 2023.

E. Procurement and vendor management

There is a need to strengthen procurement management

Procurement

44. The Representation issued 92 purchase orders amounting to \$2.2 million. The Representation did not develop country procurement plans to guide and provide a basis for monitoring related activities. This resulted in purchases happening in an ad hoc manner, which did not always result in the best value. The audit noted that the Supply Unit did not maintain a proper record-keeping system and thus could not provide documentation to support six purchase orders totaling \$162,050.

45. The audit questioned the basis of selecting suppliers, considering that the Representation did not follow UNHCR procurement guidelines in the following instances:

- Technical evaluations did not always follow set criteria. For instance: (a) for the purchase of toner (\$25,076), only two of the six criteria were considered in the technical evaluation; (b) the criteria applied for the purchase of consumables (\$43,225) differed from what was in the solicitation document; and (c) bids for soap (\$134,764) that were assessed as non-compliant (based on pass/fail criteria) were later considered as qualifying.
- In two instances (\$16,290), staff obtained quotations after the purchases had been completed. In three instances (\$22,473), the vendors invited to bid were not on the approved list;
- There were two purchases of tires (\$8,479) that were concluded through operational advances despite them exceeding the \$4,000 threshold requiring a purchase order;

- Two procurement processes (\$110,611) did not have proper criteria as a basis for evaluation. For instance, in the case of hand-gel, the only requirement was for packaging in liters; there was no mention of the alcohol content required;
- The technical specifications were not explicitly set out in the bills of quantity for three constructions (\$22,473), which resulted in large variations in the offers received. There were no specifications for face masks and safety glasses purchased.

46. The audit also identified gaps in the operations of the Local Committee on Contracts (LCC) operations, as follows:

- Ex-post facto approvals for extended periods (over one year) totaling \$133,624;
- An approval of \$53,300 by the Field Office in Dundo was based on monthly rent instead of annual rent and thus circumvented the appropriate committee of contract approvals;
- The LCC extended frame agreements for female dignity kits worth \$365,520, which was outside their approval threshold; and
- There were unexplained discrepancies between the memoranda for approval (\$57,219) and the LCC approval for \$81,372 for personal protection equipment.

47. The above deficiencies in procurement were due to inadequate capacity. The Representation had a Supply Officer (P-3 level) who led the supply function and was supported by a Supply Associate (G-6 level). The current Supply Officer began their duties in February 2022, following the departure of their predecessor, who had been teleworking since 2019. Non-compliance with procurement rules compromised the integrity, fairness and transparency of the procurement process.

Operational advances

48. The Representation issued 96 operational advances during the audit period, totaling \$78,093, with amounts ranging from \$31 to \$5,527. A detailed review of 22 operational advances, amounting to \$34,352, revealed that advances were made due to inadequate planning. For instance, one advance was provided for toners because of delays of over a year in renewing an ongoing contract. The Representation needed to develop SOPs to strengthen controls over the payment of operational advances.

(6) The UNHCR Representation in Angola should, in collaboration with the Regional Bureau for Southern Africa, review its procurement function to: (i) enforce compliance with UNHCR procurement guidance; (ii) regulate the use of operational advances; and (iii) ensure effectiveness of local committee on contracts oversight of the procurement process.

UNHCR accepted recommendation 6 and stated that the Representation recognized gaps in its procurement function and has taken steps to improve those gaps with the arrival of a P-3 Supply Officer in 2022. In addition, a comprehensive procurement plan was set for completion by October 2023, along with training programs for staff and Local Committee on Contracts members.

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) Min Byung-Kun
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STATUS OF AUDIT RECOMMENDATIONS

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

Rec. no.	Recommendation	Critical ³ / Important ⁴	C/ O ⁵	Actions needed to close recommendation	Implementation date ⁶
1	The UNHCR Representation in Angola should ensure that services are delivered to displaced persons in a more cost-effective manner by (i) strengthening its strategic planning, resource allocation and performance management; and (ii) implementing the roadmap for implementing Global Compact of Refugee pledges.	Important	O	Receipt of documentary evidence of actions taken to strengthen strategic planning, resource allocation and performance management.	30 September 2024
2	The UNHCR Representation in Angola should, in consultation with the Government of Angola, implement an action plan to facilitate: (i) the maintenance of up-to-date and accurate refugee data; (ii) the reduction of the refugee status determination backlog; and (iii) the implementation of the cessation clause.	Important	O	Receipt of documentary evidence of: (i) actions taken to ensure that refugee data is accurate; (ii) resumption of RSD process; and (iii) issuance of residency cards to persons affected by the cessation clause.	31 December 2024
3	The UNHCR Representation in Angola should reinforce its durable solutions and statelessness programmes available to displaced persons by: (i) allocating available funds in line with its strategic priorities; (ii) developing an action plan to drive the implementation of outstanding recommendations from reviews/studies conducted on durable solutions and statelessness programmes; and (iii) build the capacity of its staff to manage the programmes as they scale up.	Important	O	Receipt of documentary evidence of: (i) alignment of the allocation of resources to strategic priorities; (ii) implementation of outstanding recommendations from reviews/studies conducted on durable solutions and statelessness programmes; and (iii) actions taken to address capacity of staff responsible for durable solutions and statelessness programmes.	31 December 2024
4	The UNHCR Representation in Angola should: (i) evaluate its livelihoods programme and use the results to redraft its strategy and redesign	Important	O	Receipt of documentary evidence of: (i) redesign of the livelihoods programme taking into account the 2024 review results; and (ii) actions to	29 February 2024

³ 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.

⁴ 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.

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

⁶ Date provided by UNHCR in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

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

Rec. no.	Recommendation	Critical ³ / Important ⁴	C/ O ⁵	Actions needed to close recommendation	Implementation date ⁶
	programme interventions for effectiveness; and (ii) monitor implementing partners' use and accountability for programme funds.			strengthen the monitoring of implementing partners' use and accountability for programme funds.	
5	The UNHCR Representation in Angola should reinforce the delivery of health services by: (i) updating the health strategy and standard operating procedures; (ii) reviewing its capacity to manage and oversee programme implementation; (iii) reinforcing the record keeping and reporting of health programme related results and management of medicines; (iv) strengthening the monitoring of the implementation of the health programme in accordance with UNHCR guidelines.	Important	O	Receipt of documentary evidence of: (i) actions taken to manage and oversee the health programme; (ii) implementation of proposed actions to strengthen record keeping and reporting of health programme results; and (iii) actions taken to strengthen monitoring of the health programme implementation	31 December 2023
6	The UNHCR Representation in Angola should in collaboration with the Regional Bureau for Southern Africa, review its procurement function to: (i) enforce compliance with UNHCR procurement guidance; (ii) regulate the use of operational advances; and (iii) ensure effectiveness of local committee on contracts oversight of the procurement process.	Important	O	Receipt of documentary evidence of: (i) a comprehensive procurement plan; (ii) steps taken to regulate the use of advances; and (iii) reinforcement of the capacity of non-supply staff involved in procurement.	31 October 2023

APPENDIX I

Management Response

Management Response

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

Rec. no.	Recommendation	Critical ⁷ / Important ⁸	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
1	The UNHCR Representation in Angola should ensure that services are delivered to displaced persons in a more cost-effective manner by (i) strengthening its strategic planning, resource allocation and performance management; and (ii) implementing the roadmap for implementing Global Compact of Refugee pledges.	Important	Yes	Senior Protection Officer and Program Officer	30 September 2024	<p>The Angola operation aims to ensure that resource allocation is harmonized with its strategic objectives, with a primary focus on minimizing overhead costs in the implementation process. As of January 2023, the operation has successfully consolidated its partnerships, reducing the number of partners from 5 to 4, thereby contributing to the ongoing efforts to lower overhead expenses. Going forward, the operation will maintain a proactive approach in strategically allocating resources and adapting to the evolving contextual dynamics to optimize its performance. The 2024 country strategy has been planned taking into account optimizing of Operation's performance in view of the reduced resources.</p> <p>UNHCR Angola has diligently crafted a comprehensive roadmap for the Global Refugee Forum (GRF) and is actively engaged in its implementation. The roadmap involved a workshop with the</p>

⁷ 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.

⁸ 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	Critical ⁷ / Important ⁸	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>Government, featuring the participation of new ministries and ongoing communication with relevant authorities. This workshop was conducted on 8 June 2023, in which focal points from various ministries participated and engaged in the critical task of drafting fresh pledges while also revising their 2019 pledges. The outcome of this exercise was subsequently shared with the Government, serving as a foundational framework for their proposals for GRF 2023.</p> <p>As a result of consistent advocacy efforts by UNHCR, the Government took significant action on July 28, 2023, by launching registration and documentation initiatives for refugees and asylum seekers. This crucial measure aligned with two pending pledges (4 and 5) and facilitated the implementation of pledge number 6, focusing on social protection. Moreover, this progressive policy sets the stage for the formulation of new pledges for GRF 2023, with a special emphasis on effectively integrating refugees into Angola's economy and society. This integration includes their active inclusion in the National Development Plan and the policies of various ministries, such as education, health, finance, and others, in full accordance with the GRF roadmap.</p>

Rec. no.	Recommendation	Critical ⁷ / Important ⁸	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>On 22 August 2023, during a meeting with the Ministry of Foreign Affairs focal points, UNHCR was told that the focal points are in the process of updating the GRF platform. This update takes into consideration the recent important developments in terms of the implementation of the pledges related to registration and documentation.</p> <p>In view of the substantive actions taken to ensure services are delivered in a more cost-effective manner and to implement the roadmap in materializing the Global Compact of Refugee pledges, we request closure of this recommendation.</p>
2	The UNHCR Representation in Angola should, in consultation with the Government of Angola, implement an action plan to facilitate: (i) the maintenance of up-to-date and accurate refugee data; (ii) the reduction of the refugee status determination backlog; and (iii) the implementation of the cessation clause.	Important	Yes	Senior Protection Officer	31 December 2024	<p>The UNHCR Representation in Angola maintains a continuous and constructive dialogue with the Government of Angola. As a result of these consultations, the government has agreed to reinstate the registration and documentation of refugees in Angola in July 2023 after a lengthy break since 2015.</p> <p>The importance of this significant initiative was underscored during a major launch event held on 28 July 2023, attended by prominent figures such as various Ministers, State Secretaries, Ambassadors, UN Heads of Agencies, refugee community leaders, NGOs, and key partners.</p>

Rec. no.	Recommendation	Critical ⁷ / Important ⁸	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>Following the successful launch, UNHCR has coordinated with the CNR President and SME leadership to plan technical discussions scheduled for September/October 2023. These discussions will delve into the comprehensive registration and documentation process, ensuring realistic timelines are set and agreed upon. Once the registration process is completed, the next step will involve resuming the Refugee Status Determination (RSD) in the last quarter of 2023, with the actual RSD procedures recommencing in the first quarter of 2024. These carefully planned steps are expected to yield up-to-date and precise refugee data, ultimately leading to a significant reduction in the refugee status determination backlog by the end of 2024.</p> <p>Parallel to this effort, work is already underway to implement the cessation clause, and a thorough review of individual cases is being conducted to prepare for the issuance of residency cards by the government. This meticulous approach is aimed at ensuring a comprehensive and well-managed process for refugees, empowering them to have clear and documented legal status in the country.</p>

Rec. no.	Recommendation	Critical ⁷ / Important ⁸	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						By virtue of these measures and engagements, the UNHCR Representation in Angola, in collaboration with the Government of Angola, is taking concrete steps to address refugee-related challenges and establish a more efficient and effective system for refugee registration and documentation, paving the way for improved refugee protection and management within the nation.
3	The UNHCR Representation in Angola should reinforce its durable solutions and statelessness programmes available to displaced persons by: (i) allocating available funds in line with its strategic priorities; (ii) developing an action plan to drive the implementation of outstanding recommendations from reviews/studies conducted on durable solutions and statelessness programmes; and (iii) build the capacity of its staff to manage the programmes as they scale up.	Important	Yes	Senior Protection Officer/Head of Office	31 December 2024	<p>Voluntary repatriation activities are ongoing in 2023 and are expected to continue in 2024, along with limited resettlement efforts. Additionally, work on cessation clauses is already underway, leading to durable solutions for most refugees impacted by these clauses. Given these circumstances, there is no immediate need to overhaul or reinforce the durable solutions and statelessness programs, as they are already based on recommendations from comprehensive reviews and studies conducted on these initiatives.</p> <p>Considering the funding situation, it is anticipated that resources will be constrained, making it essential to prioritize funds allocation judiciously. Consequently, the further enhancement of durable solutions and statelessness programs is not considered as warranted, presently.</p>

Rec. no.	Recommendation	Critical ⁷ / Important ⁸	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>Regarding staff capacity, the current workforce is deemed sufficient as there are no plans to scale up operations. Notably, there is a dedicated focal point for Voluntary Repatriation, ensuring focused attention on this critical aspect of the program.</p> <p>In summary, the UNHCR Representation in Angola is strategically focusing on protection priorities, including registration, documentation, and RSD resumption. With the existing durable solutions and statelessness programs already in place and efficient, there is no immediate requirement for major program revamps. Resources will be allocated cautiously considering the funding situation, and the current staff capacity is deemed adequate for the planned operations.</p>
4	The UNHCR Representation in Angola should: (i) evaluate its livelihoods programme and use the results to redraft its strategy and redesign programme interventions for effectiveness; and (ii) monitor implementing partners' use and accountability for programme funds.	Important	Yes	Associate Livelihood Officer	29 February 2024	The UNHCR Representation has initiated a review process of the livelihood programme, with the specific aim of informing the design of the Country's Livelihood and Economic Inclusion Strategy, alongside related Livelihood interventions. As part of the review process, the RBSA Senior Regional Livelihood & Economic Inclusion Officer conducted a mission in July 2023 for initial scoping. There would be a need to conduct a more

Rec. no.	Recommendation	Critical ⁷ / Important ⁸	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>comprehensive quantitative and qualitative analysis, however, due to resource constraints, this will be considered for 2024, these efforts will lead to the development of the Livelihood and Economic Inclusion strategy.</p> <p>In line with enhancing monitoring and evaluation efforts, a dedicated MFT (Monitoring and Evaluation) team has been established. This team will play a crucial role in ensuring effective oversight and assessment of the Livelihood initiatives, contributing to the overall success of the program's objectives.</p>
5	The UNHCR Representation in Angola should reinforce the delivery of health services by: (i) updating the health strategy and standard operating procedures; (ii) reviewing its capacity to manage and oversee programme implementation; (iii) reinforcing the record keeping and reporting of health programme related results and management of medicines; (iv) strengthening the monitoring of the implementation of the health programme in accordance with UNHCR guidelines.	Important	Yes	Senior Public Health Associate	31 December 2023	<p>Since July 2022, the UNHCR Luanda Office has commenced the implementation of a health project in partnership with Evangelical Church of the Brothers in Angola, known as IEIA. Throughout this process, significant progress has been made in developing essential documents, including the Health Strategy and various Standard Operating Procedures (SOPs) pertaining to patient referrals and medicine procurement.</p> <p>To enhance the overall efficiency and effectiveness of the health project, the implementation of the Integrated Refugee Health Information System and the Balance Score Card have proven instrumental in improving the</p>

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						<p>information system and enhancing monitoring capabilities for medicines procured through international or local channels by UNHCR. However, it has been identified that some crucial control criteria, such as stock cards and regular general inventories of the central pharmacy, have not been fully established at this point. Therefore, the Representation has prioritized the completion of these control measures to ensure a robust inventory management system and foster better control over the availability and distribution of medicines.</p> <p>By addressing these gaps and ensuring comprehensive documentation of the health project for urban refugees in Luanda, the UNHCR Luanda office can further bolster the efficiency and effectiveness of its health initiatives, providing vital medical support to refugees in a more streamlined and organized manner.</p> <p>Based on the above explanations the Representation will take the following contract actions:</p> <ul style="list-style-type: none"> • Implement Inventory Control Measures: (a) Utilize stock sheets in the central pharmacy for each drug to maintain precise records of medication supplies;

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						<p>and (b) Conduct general inventories on a quarterly basis to ensure comprehensive oversight of medical inventory. This also includes conducting medicine and medical supplies inventories on a quarterly basis to ensure comprehensive oversight of medical inventory as stipulated in the Angola UNHCR pharmacy management SOP.</p> <ul style="list-style-type: none"> • Conduct a Comprehensive Inventory of the Health Project in Luanda: (a) Undertake a thorough inventory of the health project in Luanda to gather all relevant information; and (b) utilize this comprehensive data to include the health project in UNHCR’s health strategy and seamlessly integrate it into various Standard Operating Procedures (SOPs). • Collaborate with RBSA to organize Training sessions: (a) Work in collaboration with RBSA to arrange refresher training sessions for the medical staff in Luanda; (b) The training will focus on effectively implementing the Integrated Refugee Health Information System and the Balance Score Card. These sessions will

Rec. no.	Recommendation	Critical ⁷ / Important ⁸	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>contribute to establishing a reliable database that streamlines the requisition process for essential medical supplies such as medicines, vaccines, and food supplements.</p> <p>For the adequate actions taken to address partially address this recommendation, we would request OIOS to consider closing part I of the recommendation. While, by taking future actions by the end of 2023 as explained above, the UNHCR Luanda Office will be in a position to strengthen its inventory management system, integrate the health project effectively into overall strategies and SOPs, and empower the medical staff with the necessary tools and knowledge to optimize the provision of healthcare services to urban refugees in Luanda. These steps will lead to improved coordination and efficiency in delivering essential medical support and resources to those in need.</p>
6	The UNHCR Representation in Angola should in collaboration with the Regional Bureau for Southern Africa, review its procurement function to: (i) enforce compliance with UNHCR procurement guidance; (ii) regulate the use of operational advances; and (iii) ensure effectiveness of local committee on contracts oversight of the procurement process.	Important	Yes	Supply Officer	31 October 2023	The physical absence of the P3 Supply Officer in situ, teleworking from overseas from 2019 up to 2022, has evidently led to various gaps within the Supply function, especially considering the limited resources available and the challenges posed during the COVID-19 period. However, this situation has been effectively addressed with the arrival

Rec. no.	Recommendation	Critical ⁷ / Important ⁸	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<p>of a new P3 Supply Officer in 2022. The newly formed team is systematically and diligently working to enhance the procurement function by providing necessary guidance and technical support.</p> <p>To further improve the procurement process, the following action plans have been approved:</p> <ul style="list-style-type: none"> • Develop a Collaborative Procurement Plan: Work in collaboration with budget owners to develop a comprehensive procurement plan by October 2023. This plan will help streamline procurement activities and align them with the organization's budgetary requirements. • Capacity Building for Non-Supply Staff: Provide training to non-supply staff on defining specifications and understanding technical evaluation requirements by October 2023 through dedicated workshop/orientation session. This capacity-building effort will empower staff from various departments to actively contribute to the procurement process.

Rec. no.	Recommendation	Critical ⁷ / Important ⁸	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
						<ul style="list-style-type: none"> • Training for LCC Members: Ensure that all members of the LCC undergo training on the Committee on Contract (CoC) procedures and obtain the related certificate before engaging in any CoC activity. This training initiative will be completed by end of September 2023 to ensure adherence to established standards. • Utilization of Updated SOP and Templates: UNHCR Angola operation is currently using the Operational Advance SOP, advance request, and expense template, which were updated on the intranet in January 2023. The team will continue to employ these updated tools to facilitate smooth and efficient financial processes. <p>By implementing these actions, UNHCR Angola operation will be in a position to strengthen its procurement function, enhance collaboration, and ensure adherence to best practices in financial management. This approach will help optimize the utilization of available resources and contribute to the overall effectiveness and efficiency of the organization's operations.</p>