



## **INTERNAL AUDIT DIVISION**

### **REPORT 2023/044**

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**Audit of the arrangements for deduplication of beneficiaries of cash-based interventions in UNHCR response to the Ukraine crisis**

**UNHCR should address the root causes of duplicate payments in cash-based interventions in its response to the Ukraine crisis**

**21 September 2023**

**Assignment No. AR2023-121-02**

# **Audit of the arrangements for deduplication of beneficiaries of cash-based interventions in UNHCR response to the Ukraine crisis**

## **EXECUTIVE SUMMARY**

The Office of Internal Oversight Services (OIOS) conducted an audit of the arrangements for deduplication of beneficiaries of cash-based interventions in the United Nations High Commissioner for Refugees (UNHCR) response to the Ukraine crisis. The objective of the audit was to assess whether UNHCR's arrangements for deduplication of beneficiaries of cash assistance were adequate and effective in preventing and detecting duplicate payments. The audit covered the period from 24 February to 31 December 2022 and included UNHCR activities at Headquarters and in Moldova, Poland, Slovakia, and Ukraine.

In the Ukraine crisis, multiple actors including international organizations, non-governmental organizations and implementing partners provided cash assistance to those affected by armed conflict, and the risk of duplicate payments needed to be mitigated by deduplication measures. Deduplication enables government institutions and humanitarian organizations to check whether potential recipients of multi-purpose monetary assistance are already getting support from other organizations. As a result, humanitarian organizations avoid duplication, thereby safeguarding resources for those in need.

UNHCR instituted deduplication measures to prevent and detect duplicate payments, including signing inter-agency arrangements for sharing of data, the use of biometric enrolment, and running deduplication checks in its information systems. All these measures were largely successful. However, the audit identified duplicate payments, which showed that the above instituted controls needed strengthening. The 2020 Board of Auditors report highlighted weaknesses in data quality that resulted in duplication of cash assistance and this audit identified that such issues persisted.

OIOS made three recommendations to identify and address duplications of assistance, as follows. UNHCR needed to:

- Review and ensure effective implementation of data sharing agreements with other agencies; explore options for interoperability of systems or tools to support related processes, while considering the European Union General Data Protection Regulation; and resolve technical differences with a major international non-governmental organization.
- Strengthen internal deduplication processes by: (i) enhancing information systems to auto-identify and resolve duplicates; (ii) reinforcing supervision to enhance data quality; and (iii) standardizing data collection across operations using common identifiers. It also needed to recover duplicate assistance paid to caretakers and deactivate identified duplicates.
- Strengthen quality of beneficiary lists received from external stakeholders, deactivate duplicate entitlement cards and reception lists and record reception list data under unique registration groups in UNHCR systems.

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

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# **Audit of the arrangements for deduplication of beneficiaries of cash-based interventions in UNHCR response to the Ukraine crisis**

## **I. BACKGROUND**

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the arrangements for deduplication of beneficiaries of cash-based interventions in the United Nations High Commissioner for Refugees (UNHCR) response to the Ukraine crisis.

2. The escalation of the armed conflict in Ukraine on 24 February 2022 caused mass displacements of persons to neighboring countries as refugees and internally displaced persons (IDPs) within the country. As of March 2023, over 13 million people remained uprooted from their homes including over 8 million refugees across Europe and more than 5 million IDPs within Ukraine. This happened within a month of the escalation, with displaced persons remaining highly mobile. In response to the displacements, on 25 February 2022 UNHCR declared a Level 3 emergency for Ukraine and a Level 2 emergency for Poland, Moldova, Slovakia, and other neighboring countries. This was subsequently elevated to Level 3 on 15 March 2022. The emergency declaration expired on 5 March 2023 for Ukraine, and on 31 December 2022 for the other countries.

3. In the Ukraine crisis, multiple actors including international organizations, non-governmental organizations and implementing partners provided cash assistance to those affected by armed conflict. Accordingly, there was an increased risk of duplication of payments<sup>1</sup> that needed to be mitigated by deduplication measures. Deduplication enabled government institutions and humanitarian organizations to check whether potential recipients of multi-purpose monetary assistance were already getting support from other organizations. As a result, humanitarian organizations avoided duplication, thereby conserving resources for those in need.

4. UNHCR participated in established Cash Working Groups that coordinated cash assistance for meeting basic needs of forcibly displaced persons in the countries affected by the Ukraine war. As a preventive measure and to promote/harmonize deduplication efforts, the Cash Working Groups required that multi-purpose cash assistance is integrated in the humanitarian response planning, monitoring, and reporting. They also required coordination across clusters to ensure coherence of the overall cash assistance response, identify opportunities for increased effectiveness and avoid duplication. Per country level standard operating procedures, UNHCR would not prioritize displaced persons that received assistance six months prior from other humanitarian organizations equal to or greater than what it provided.

5. Beneficiary level information was maintained in proGres v4, UNHCR's corporate registration, identity, and case management tool, while cash assistance related information was stored in CashAssist, UNHCR's cash assistance management system.

6. Comments provided by UNHCR are incorporated in italics.

## **II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY**

7. The objective of the audit was to review the adequacy and effectiveness of arrangements for deduplication of beneficiaries of cash-based interventions in the UNHCR response to the Ukraine crisis.

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<sup>1</sup> A duplicate payment is a type of erroneous payment where two or more payments are made concurrently to any person, one or more of which are not authorized and/or in accordance with rules.

8. This audit was included in the 2022 risk-based work plan of OIOS because of the significant scale up and resultant large volumes of cash payments made to displaced persons following the armed conflict and the attendant risk of duplicate payments due to the involvement of multiple stakeholders.

9. OIOS conducted this audit from December 2022 to May 2023. The audit covered the period from 24 February to 31 December 2022. Based on an activity-level risk assessment, the audit covered relevant activities at Headquarters and in Moldova, Poland, Slovakia, and Ukraine. Payment and beneficiary information for these operations was extracted from CashAssist and proGres from 24 February 2022 till the end of year.

10. The audit methodology included: (a) interviews of key UNHCR staff; (b) review of operational and financial documentation; and (c) analytical review of financial data and documentation from Managing for Systems, Resources and People (MSRP), proGres and CashAssist, as well as from Power BI and Intranet.

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

### III. AUDIT RESULTS

#### A. Inter-agency duplication of beneficiaries

Need to reinforce the implementation of the data sharing agreement with an international non-governmental organization (INGO) to address significant duplication of payments

12. The UNHCR Regional Bureau for Europe (RBE) and an international non-governmental organization (INGO) signed a data sharing agreement (DSA) in June 2022. For deduplication, the two agencies agreed to share datasets monthly and, by using personal data<sup>2</sup>, identify household focal points enrolled in both UNHCR and the INGO’s lists. The two organizations also agreed to share any additional data needed for the deduplication process.

13. A review of five files from the deduplication exercise between UNHCR and the INGO for payments in Poland and Slovakia identified that UNHCR paid \$2,231,477 to 2,505 households that had also received payments from the INGO. An analysis of the duplication is summarized in table 1.

**Table 1: Comparison between datasets of UNHCR and INGO**

Operation	Total beneficiaries in the five files reviewed	Compliant with the DSA (Additional beneficiaries or those with updated data since last data share)	Non-compliant with the DSA (Beneficiaries already shared in previous data sets)	Households receiving duplicate payments from UNHCR and the INGO
Poland	79,446	49,893	29,553	1,961
Slovakia	13,599	3,117	10,482	544
<b>Total</b>	<b>93,045</b>	<b>53,010</b>	<b>40,035</b>	<b>2,505</b>

14. The duplicate payments noted in table 1 above arose from data integrity issues and non-compliance with the provisions of the DSA as listed below.

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<sup>2</sup> Personal data is defined as personal information relating to an identified or identifiable natural person.

- (a) The DSA required that information shared by the two agencies after the initial data file only contain new or updated datasets. However, 29,553 (Poland) and 10,482 (Slovakia) beneficiaries were not unique records and should not have been shared by the INGO.
- (b) 109 (Poland) and 43 (Slovakia) of the unique records shared by the INGO did not contain any of four required identifiers, or the identifiers were invalid. In the absence of these identifiers, the relevant records could not be tested for duplication.
- (c) Excluding the 109 and 43 ‘identifier-less’ records in (b) above, a comparison with data in proGres for 20,209 (Poland) and 3,074 (Slovakia) beneficiaries resulted in the identification of duplicate payments made to (i) 1,961 households (9.7 per cent) in Poland and (ii) 544 households (17.7 per cent) in Slovakia.

15. Additionally, because the signing and operationalization of the DSA was significantly delayed, a substantial part of duplicate cash assistance (\$2,031,909) was paid prior to the first deduplication exercise, as shown in table 2.

**Table 2: Payments made by UNHCR against DSA milestones**

	<b>Cumulative Amount (\$)</b>	<b>Per cent of duplicate payment</b>
Amount delivered by UNHCR on or before 20 June (signing of DSA)	502,158	22.5
Amount delivered by UNHCR on or before 31 August when first set of files were shared	1,615,940	72.4
Amount delivered by UNHCR on or before 13 October when first deduplication outcome files were shared	2,031,909	91.1
Total amount delivered by UNHCR by 31 December 2022	2,231,477	100

16. The DSA also stated that if there was a match between the two organizations’ payment lists concerning a specific household, then the organization that provided the household the first cash assistance would retain it on its enrolment list. However, due to lack of coordination, neither UNHCR nor the INGO excluded such households from their enrolment lists. The audit analyzed the duplicate payments totaling \$2,231,477 and per the DSA, UNHCR correctly paid \$1,343,955 (=B+D) but should not have paid \$887,552 (= A+C) as reflected in table 3:

**Table 3: Duplicate payments effected by UNHCR and the INGO**

<b>INGO first payment</b>	<b>Number of households</b>	<b>UNHCR payments (Zloty for Poland and Euro for Slovakia)</b>	<b>\$ equivalent</b>	<b>Remarks</b>
<b>Poland</b>				
INGO’s first payment was before UNHCR’s first payment	924	3,855,100	872,985 (A)	These cases should not have been paid by UNHCR
INGO’s first payment was after UNHCR’s first payment	1,037	5,033,800	1,139,900 (B)	These should not have been paid by the INGO
Sub-total	1,961	8,888,900	2,012,885	-
<b>Slovakia</b>				

INGO first payment	Number of households	UNHCR payments (Zloty for Poland and Euro for Slovakia)	\$ equivalent	Remarks
INGO's first payment was before UNHCR's first payment	58	13,460	14,537 (C)	These cases should not have been paid by UNHCR
INGO's first payment was after UNHCR's first payment	486	188,940	204,055 (D)	These should not have been paid by the INGO
Sub-total	544	202,400	218,592	-
<b>Total for the two operations</b>	<b>2,505</b>	-	<b>2,231,477</b>	-

17. The audit also noted that the multi-agency context hindered a coordinated approach to registration data collection, verification, and eligibility checking. Organizations involved in providing cash assistance, including UNHCR and the INGO, adopted disparate tools and technologies for registration, storage and management of data, processing of payments, and monitoring cash assistance programmes. It was unclear why an existing tool like the Refugee Assistance Information System (RAIS)<sup>3</sup> was not used.

18. The audit identified following reasons for the failure of deduplication measures and the existence of duplicate payments: (a) crowded humanitarian space leading to intense competition between humanitarian agencies; (b) short-term imperative to provide urgent aid leading to rule overrides; (c) inadequate strategic discussions and coordination between UNHCR and the INGO; (d) late operationalization of the DSA and delays in data sharing; and (e) lack of interoperability of systems and complementarity across cash interventions and unresolved differences of opinion between UNHCR and the INGO. UNHCR reached out to the INGO on their concerns regarding the cash programme while the audit field work was ongoing.

**(1) The UNHCR Regional Bureau for Europe in coordination with the Global Data Service and the Division of Resilience and Solutions should strengthen its deduplication processes by: (a) reviewing data sharing agreements with other organizations; (b) engaging relevant organizations to drive implementation of data sharing agreements; (c) exploring options for interoperability of systems or alternatively using tools like the Refugee Assistance Information System digital deduplication tool, taking into consideration obligations under the European Union General Data Protection Regulation; and (d) resolving technical differences with the international non-governmental organization.**

*UNHCR accepted recommendation 1 and stated that a workplan would be submitted including several actions that were already in progress.*

## **B. Duplication of UNHCR beneficiaries**

### Duplication of beneficiaries across four UNHCR operations

19. Often displaced persons moved across countries, due to compelling circumstances and as result, the same beneficiaries were enrolled for cash assistance by more than one UNHCR operation. To prevent duplicate payments to people under its mandate, UNHCR used the Biometric Identity Management System

<sup>3</sup> RAIS is an inter-agency tool for tracking assistance, referrals, and assessment information. It enables UNHCR and partners to share assistance records and cross-check beneficiary lists.

(BIMS)<sup>4</sup> to enroll, identify, and manage identities of displaced persons. BIMS creates a globally unique identity for every registered displaced person (of age 5 years and above), ensuring that each identity is individual and cannot be registered multiple times or subject to fraud or identity theft. In Poland, Slovakia and Moldova, coverage of biometric enrollment of the population over 5 years ranged between 86 to 95 per cent. Though BIMS is the backbone of the deduplication effort across operations, it was not implemented in Ukraine, where a national system was already in place and biometric registration by UNHCR was not permitted.

20. The audit faced challenges in running deduplication checks due to data completeness and integrity issues, principally because there was no common identifier for people under UNHCR’s mandate across operations. Operations used different identifiers as main parameters to identify refugees/IDPs. The audit considered three unique identifiers for deduplication. One such identifier was used by all four UNHCR operations in Moldova, Poland, Slovakia, and Ukraine, but only sixty-seven per cent of paid individuals had their identifier details saved/stored in UNHCR systems, which affected the extent of duplication checks by the audit.

21. The audit also faced challenges in performing deduplication checks using available data, because the lack of protocol in recording certain fields preventing their use as common deduplication identifiers, and because of insufficient data cleansing.

22. Despite these challenges and based on available relevant information, OIOS ran duplicate checks and identified 154 individuals that were registered in more than one UNHCR operation. Some of these instances had already been deactivated by UNHCR, although several cases (57.1 per cent) remained ‘active’ in more than one operation, as detailed in table 4. The total amount paid to these individuals across UNHCR operations was \$114,158. While this amount represented only a small percentage of the overall assistance, it nonetheless signaled the existence of control weaknesses.

**Table 4: Duplicate payments made across the four UNHCR operations**

<b>Operations</b>	<b>Number of same individuals enrolled and paid in the operations</b>	<b>Number of cases where the individual with duplicate payments remains ‘active’ in more than one operation</b>
Moldova, Slovakia, and Ukraine	3	3
Moldova and Poland only	12	6
Moldova and Slovakia only	6	0
Moldova and Ukraine only	83	31
Poland and Ukraine only	46	46
Slovakia and Ukraine only	4	2
<b>Total</b>	<b>154</b>	<b>88</b>

Duplication of beneficiaries within the same UNHCR operation

23. The registration function in the UNHCR operation must ensure that displaced people or households are uniquely identified, and no duplication exists in proGres. However, some operations registered the same people more than once, and thus duplicate payments were made to these beneficiaries. The audit ran deduplication checks within the same operation and identified duplicate payments totaling \$150,370, and

<sup>4</sup> BIMS is UNHCR’s system for biometric identity management, which is linked to proGres, and together they form the core of the tools used by UNHCR to preserve the globally unique identities for people under UNHCR’s mandate.

subsequently such beneficiaries were de-activated. An additional \$12,980 was paid to individuals with both instances (original and duplicate) still active at the time of audit.

**Table 5: Duplications identified within the same operation**

Operation	Number of individuals registered more than once	Cases identified by UNHCR	Of cases identified by UNHCR, number with status 'Erroneous'	Duplicate assistance paid to these cases (the single instance which was no longer active) (\$)	Number of cases where both instances were still 'active'	Assistance paid to cases where both instances were still 'Active' (\$)
Moldova	41	39	20	23,666	2	2,727
Poland	55	42	32	15,575	16	9,069
Slovakia	34	34	29	6,814	0	-
Ukraine	516	514	501	104,315	2	1,184
<b>Total</b>	<b>646</b>	<b>629</b>	<b>582</b>	<b>150,370</b>	<b>20</b>	<b>12,980</b>

24. The 629 duplicate cases that were deactivated by UNHCR had a status 'erroneous' listed against them. However, not all duplicate cases had the 'erroneous' status. The audit noted that some duplicates were given the status 'inactive', and this raised a risk that they could be activated later, and thereby paid again in the future.

25. Some duplicate cases were not flagged by the system due to lack of system functionalities. For example: (a) within the same registration group two different individuals were registered with the same key identifiers, though their photographic images were different. The Poland operation attributed this to breakdown in quality control and supervisory checks. In the instance involving a four-year-old boy who was registered twice (both cases active and paid) within the same registration group, the operation attributed this to technical issues and the lack of biometrics for children, which would have identified the duplication.

26. The audit identified duplicates within the operation by matching names, document IDs, gender, and age, although the exercise was hindered by data integrity errors. By manual checking, the audit identified instances where the same persons were registered as different individuals with slightly different names, and both instances were active and had been paid by UNHCR. OIOS therefore believes that the actual number of duplicates is likely to be higher than what was detected during the audit. Such duplicates would not be detected by current methods involving text matching of names and advanced techniques (such as fuzzy matching<sup>5</sup>) would be more useful to detect such types of duplicates. Instances of this type of duplication were:

- One individual was registered with two different individual IDs having slightly different names. The Poland operation attributed this to errors in data entry by the clerks who did not mark as erroneous the incorrect enrolment.
- Another individual was registered twice with slightly different names and both IDs were 'Active'. The Poland operation stated that this stemmed either from staff error, or from malafide intentions by the displaced person and that the case would be reviewed in line with inconsistency/fraud handling procedure, including consultation with the Anti-Fraud Focal Point as per the UNHCR/HCP/2017/3/Rev.1 Policy on Addressing Fraud Committed by Persons of Concern.

<sup>5</sup> Fuzzy matching is a technique that helps identify strings that are approximately similar but not exactly the same.

### Incorrect payments made to caretakers of minors in Ukraine

27. The IDP enrolment standard operating procedure for Ukraine operation stipulated that a non-IDP caretaker accompanying a separated or unaccompanied IDP child would be registered as a focal point of the registration group with legal status "Not of concern" and a group comment as "Caretaker (non-IDP) accompanying a minor (IDP)". As per procedure, both the minor and the non-IDP caretaker would be registered in the same group, and the latter paid on behalf of the former, with no separate payment required for the caretaker. However, the audit identified cases where incorrect payments totaling \$29,010 were made to non-IDP caretakers such as grandmother of minor grandchildren, legal guardian, representative of the Children's Services Department, etc.

28. The audit also identified some cases where the same individual was present as a non-IDP caretaker in more than one registration group. This resulted in dual erroneous payments: (a) to caretakers (along with minors) as well as (b) same caretakers present in multiple groups. For instance, a female registered as 'Not of concern' individual was paid UAH 8,880 (\$296) in two separate groups. Similarly, a male 'Not of concern' individual received payments totaling UAH 26,640 (\$888) in four separate groups. The Ukraine operation stated that the issue was identified in August 2022, and it took steps to avoid/eliminate such cases. Nonetheless, the audit noted that such payments continued to be made in September 2022. Further, no recoveries had been made by the operation.

### Deduplication between UNHCR and implementing partners

29. The operation in Poland worked with implementing partner 'A' and partner 'B' for delivering cash assistance. The audit identified that 6,990 UNHCR beneficiaries were also directly assisted by partner 'A' out of the partner's own funds; and 25 (out of 6,990) registration groups were paid by both partner 'A' and UNHCR. The total amount paid to these 25 registration groups by UNHCR up to 31 December 2022 was 114,000 Zloty (\$25,815), however payments made by partner 'A' were not known.

30. The operation shared the list of 4,080 beneficiaries (registration groups) enrolled by partner 'B'. Two registration groups were paid by both UNHCR and partner 'B', with the amount overpaid totaling 4,637 Zloty (\$1,050). Two other registration groups in partner 'B's beneficiary list were instead paid by UNHCR for a total amount of 6,000 Zloty (\$1,359). Although no payment for these registration groups was made by partner 'B', there was a risk that it could make subsequent payments to these registration groups (since they were part of its beneficiary list) and this would lead to duplicate payments by both UNHCR and partner 'B'.

### Root causes for duplicate payments

31. Duplications across operations occurred because: (a) a major stakeholder (Ukraine) did not use BIMS; (b) of a lack of common beneficiary identifiers; and (c) of a missing functionality in proGres to identify and link multiple duplicate records. Duplication within operations took place due to incomplete biometric enrollment, data entry errors, erroneous registration, and deficient supervisory controls. Payments to non-IDPs such as caretakers happened due to errors and lack of guidance. Duplication between UNHCR and implementing partners occurred due to lack of requisite checks between beneficiary datasets. These duplications and erroneous payments meant that scarce resources were not always targeted at the most vulnerable household and some donor resources were inefficiently utilized.

<p><b>(2) The UNHCR Regional Bureau for Europe in conjunction with the Global Data Service and the Division of Resilience and Solutions should strengthen internal deduplication efforts by: (a) enhancing information systems with appropriate algorithms including techniques such as fuzzy matching to auto-identify and resolve duplicates; (b) standardizing data</b></p>
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**collection across operations through the use of common identifiers; (c) enhancing data quality through reinforced supervision of registration processes; (d) recovering duplicate assistance paid to caretakers of internally displaced persons; and (e) deactivating identified duplicates so they are not paid in the future.**

*UNHCR accepted recommendation 2 and stated that for parts (a), (b), (c) and (e), UNHCR would provide a workplan. For part (d), UNHCR would provide a feasibility analysis and action plan.*

## **C. Duplication in beneficiary lists received from the Ukraine Government**

### Information received from the Government lacked transparency and needed stronger data controls

32. Registration and/or enrolment data of eligible displaced people form the underlying basis for the delivery of cash assistance. When such information is received from third parties such as Governments, quality checks should be conducted by UNHCR to ensure that no duplication exists in the registration database. As per an agreement, the Ukraine Government shared IDP lists containing names to be assisted by UNHCR after running UNHCR's eligibility criteria. The main beneficiary information that UNHCR received from the Government lacked sufficient data integrity and group level information to manage the risk of duplicate payment. The operation in Ukraine proposed an update in the list of fields shared by the Government to include the relationship to the family focal point, but no progress had been made in this regard.

33. Until 31 December 2022, cash assistance totaling \$106,838,590 was made to the beneficiaries included in the lists provided by the Ukraine Government and this represented 41 per cent of the total payments made by the operation. The audit, however, noted that the reception list data (containing entitlement card details) was incomplete, as some of the required identifiers were missing for most of the 365,167 'active' reception list records.

34. The audit also identified discrepancies between reception list data and payments made. Although one entitlement card should have been linked to a unique reception ID, 458 cards of the 370,351 unique cards had been assigned to more than one reception ID with the overall payment totaling \$156,968. Of the 458 cards, 420 were active during the audit period for multiple reception IDs which raised the risk of subsequent payments to these beneficiaries. The entitlement cards were also linked with reception IDs with different identifiers, and thus the identity of the beneficiaries was unclear. For example, one entitlement card was linked to four distinct reception IDs. The Ukraine operation clarified that 53 of the 458 cards belonged to the same individuals whose names were recorded differently in separate instances. These anomalies should have been communicated to the Government and unique registration group IDs and individual IDs allocated to the reception list beneficiaries.

35. Conversely, the audit also identified cases where assistance was paid under multiple entitlement cards to the same individual. This increased the risk of the same individual being paid duplicate assistance through different entitlement cards. The operation used 938 entitlement cards to pay assistance to 465 individuals and a total payment of \$75,430 was made through these duplicate entitlement cards up to 31 December 2022. Subsequently UNHCR deactivated 447 entitlement cards but 491 pertaining to 245 individuals remained 'active'. This raised the risk of duplicate payments being made to such individuals in the future.

36. Further, 81 individuals were paid twice under the same cash plan using different entitlement cards and having different reception IDs. The operation in Ukraine clarified that some individuals were paid through different cards (even within the same cash plan) as per the data received from the Government and

such assistance covered different periods. This explanation is not acceptable because one individual/household should be paid by a unique entitlement card according to UNHCR's own practices. These anomalies should have been communicated to the Government and unique entitlement cards allocated to the reception list beneficiaries with unique registration group IDs and individual IDs.

37. The audit also checked the payments made to reception lists received from the Government against the payments made to beneficiaries directly enrolled by UNHCR, to identify any duplicates. The audit used the key common identifier present in the two sets and did not observe any duplicates between these payment modalities. However, the duplicate testing in this case was affected by the completeness and quality of data. Of the 592,936 'active' registration group records for adult individuals (enrolled by UNHCR), 4,098 records did not have a valid record for the key common identifier. These 4,098 IDs were either blank, invalid (wrong length and characters), or 'not available'. Duplication checks could not be performed on these records due to lack of this key common identifier.

38. These issues occurred due to the absence of rigorous data checks for reception lists obtained from the Government. Based on the anomalies observed, UNHCR needed to reinforce its request for individual level data thereby making the process more transparent.

**(3) The UNHCR Representation in Ukraine should: (a) pursue with the Government of Ukraine the strengthening of beneficiary lists data quality and integrity; (b) identify and deactivate duplicate entitlement cards and reception list beneficiaries; and (c) record reception list data under unique registration group/ individual identifications/ entitlement cards in UNHCR systems.**

*UNHCR accepted recommendation 3 and stated that the Representation in Ukraine was working with other United Nations agencies to support Ministry of Social Policy to comprehensively review and enhance their registration/enrolment and vulnerability identification system, to strengthen the quality and integrity of the beneficiary lists. Additionally, the UNHCR Representation in Ukraine amended its Standard Operation Procedures to enhance data quality checks where beneficiary lists are received from the government. The Representation finalized the data clean-up process for entitlement cards and reception lists beneficiaries on 31 August 2023. Lastly, reception list data is now recorded in UNHCR systems under unique registration group IDs/ Individual IDs/ entitlement cards based on unique identifiers.*

#### **IV. ACKNOWLEDGEMENT**

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

Internal Audit Division  
Office of Internal Oversight Services

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of the arrangements for deduplication of beneficiaries of cash-based interventions in UNHCR response to the Ukraine crisis

Rec. no.	Recommendation	Critical <sup>6</sup> / Important <sup>7</sup>	C/ O <sup>8</sup>	Actions needed to close recommendation	Implementation date <sup>9</sup>
1	The UNHCR Regional Bureau for Europe in coordination with the Global Data Service and the Division of Resilience and Solutions should strengthen its deduplication processes by: (a) reviewing data sharing agreements with other organizations; (b) engaging relevant organizations to drive implementation of data sharing agreements; (c) exploring options for interoperability of systems or alternatively using tools like the Refugee Assistance Information System digital deduplication tool, taking into consideration obligations under the European Union General Data Protection Regulation; and (d) resolving technical differences with the international non-governmental organization.	Important	O	Receipt of documentary evidence of review and implementation of data sharing agreements, use of interoperable systems and resolution of technical differences with the international non-governmental organization.	31 December 2023
2	The UNHCR Regional Bureau for Europe in conjunction with the Global Data Service and the Division of Resilience and Solutions should strengthen internal deduplication efforts by: (a) enhancing information systems with appropriate algorithms including techniques such as fuzzy matching to auto-identify and resolve duplicates; (b) standardizing data collection across operations through the use of common identifiers; (c) enhancing data quality through reinforced supervision of registration processes; (d) recovering duplicate assistance paid to caretakers of internally	Important	O	Receipt of documentary evidence of enhancements in information systems, use of common identifiers across operations, enhancement in data quality through reinforced supervision of registration processes, recovery of duplicate assistance paid to caretakers and deactivation of identified duplicates in the information system.	31 December 2023

<sup>6</sup> 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.

<sup>7</sup> 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.

<sup>8</sup> Please note the value C denotes closed recommendations whereas O refers to open recommendations.

<sup>9</sup> Date provided by UNHCR in response to recommendations.

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of the arrangements for deduplication of beneficiaries of cash-based interventions in UNHCR response to the Ukraine crisis

Rec. no.	Recommendation	Critical <sup>6</sup> / Important <sup>7</sup>	C/ O <sup>8</sup>	Actions needed to close recommendation	Implementation date <sup>9</sup>
	displaced persons; and (e) deactivating identified duplicates so they are not paid in the future.				
3	The UNHCR Representation in Ukraine should: (a) pursue with the Government of Ukraine the strengthening of beneficiary lists data quality and integrity; (b) identify and deactivate duplicate entitlement cards and reception list beneficiaries; and (c) record reception list data under unique registration group/ individual identifications/ entitlement cards in UNHCR systems.	Important	O	Receipt of documentary evidence of: (a) efforts made with Government of Ukraine for strengthening beneficiary lists data quality and integrity; (b) full and comprehensive clean-up of legacy data; and (c) recording of beneficiary data under unique registration group/ individual identifications/ entitlement cards in UNHCR information systems.	31 December 2023

# **APPENDIX I**

## **Management Response**

## Management Response

## Audit of the arrangements for deduplication of beneficiaries of cash-based interventions in UNHCR response to the Ukraine crisis

Rec. no.	Recommendation	Critical <sup>10</sup> / Important <sup>11</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	UNHCR comments
1	The UNHCR Regional Bureau for Europe in coordination with the Global Data Service and the Division of Resilience and Solutions should strengthen its deduplication processes by: (a) reviewing data sharing agreements with other organizations; (b) engaging relevant organizations to drive implementation of data sharing agreements; (c) exploring options for interoperability of systems or alternatively using tools like the Refugee Assistance Information System digital deduplication tool, taking into consideration obligations under the European Union General Data Protection Regulation; and (d) resolving technical differences with the international non-governmental organization.	Important	Yes	Senior Programme CBI Officer, Regional Bureau for Europe/ Senior Coordinator, Global Data Service/	31 December 2023	UNHCR accepts the recommendation and notes that suggested reformulation has been incorporated by OIOS.  A workplan will be submitted at the indicated implementation date including several actions that are already in progress.
2	The UNHCR Regional Bureau for Europe in conjunction with the Global Data Service and the Division of Resilience and Solutions should strengthen internal deduplication efforts by: (a) enhancing information systems with appropriate algorithms including techniques such as fuzzy matching to auto-identify and resolve duplicates; (b) standardizing data collection across operations through the use of	Important	Yes	Senior Coordinator, Global Data Service/ Snr Programme CBI Officer, Regional Bureau for Europe	31 December 2023	UNHCR accepts the recommendation and notes that suggested reformulation has been incorporated by OIOS.  For part a – c and e, UNHCR will provide a workplan by the said implementation date. In ProGres, records can be re-activated. The

<sup>10</sup> 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.

<sup>11</sup> 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.

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	common identifiers; (c) enhancing data quality through reinforced supervision of registration processes; (d) recovering duplicate assistance paid to caretakers of internally displaced persons; and (e) deactivating identified duplicates so they are not paid in the future.					changes in process status is audited by the system.  For part d, UNHCR will provide a feasibility analysis and action plan by the said date, subject to the feasibility analysis.
3	The UNHCR Representation in Ukraine should: (a) pursue with the Government of Ukraine the strengthening of beneficiary lists data quality and integrity; (b) identify and deactivate duplicate entitlement cards and reception list beneficiaries; and (c) record reception list data under unique registration group/ individual identifications/ entitlement cards in UNHCR systems.	Important	Yes	Assistant Representative Protection/ Assistant Representative Programme	31 August 2023  Implemented	UNHCR considers this recommendation as implemented with the following actions.  The UNHCR Representation in Ukraine is working with other UN agencies to support Ministry of Social Policy (MoSP) to comprehensively review and enhance their registration/enrollment and vulnerability identification system, to strengthen the quality and integrity of the beneficiary lists, as the quality issues affects all cash actors who have or are receiving lists/referrals from the MoSP.  i) The MoSP is no longer referring lists of IDPs registered in eDopomoga for multi-purpose cash (MPC) payments. Additionally, the UNHCR Representation in Ukraine amended the SOPs to enhance data quality checks where beneficiary lists are received from the government.  ii) The UNHCR Representation in Ukraine finalized the data cleanup process for entitlement

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						<p>cards and reception lists beneficiaries on 31 August 2023.</p> <p>iii) Reception list data is now recorded in UNHCR systems under unique registration group IDs/ Individual IDs/ entitlement cards based on unique identifiers. Additionally, SOPs were amended to ensure unique recording of reception IDs and entitlement cards in UNHCR systems. Actions were completed by 31 August.</p>