UNICEF Executive Board
Informal briefing – 23 May 2024
Item 12: UNICEF Office of Internal Audit and Investigations
2023 annual report to the Executive Board
Reference document: E/ICEF/2024/AB/L.3 and Add. 1

OFFICE OF INTERNAL AUDIT
AND INVESTIGATIONS

2023 Annual Report

Stephen Zimmermann, Director, OIAI

7 June 2024: Presentation revised to reflect a technical correction in slide/PDF page 8 in the graph “New Cases: Types of Allegations”.
2023 Highlights

- Extensive assurance work
- Growing investigative caseload
- Further decentralization
- Increasing donor requests
- Improved data analytics
- New budgeting model

OIAI

- Trusted advisor
- Trustee for integrity
- Agent of change
OIAI confirms:

➢ Independence and absence of management interference
➢ Compliance with professional standards
➢ Participation in professional networks
➢ Effective use of resources
➢ Compliance with Executive Board decision on public disclosure
➢ Provision of an annual opinion
Based on the scope of work undertaken in 2023, nothing came to the attention of the Office that would lead it to believe that the UNICEF governance, risk management and control processes were not adequate and effective to achieve the organization’s objectives.

**Basis for Opinion**

- Confidence in audit workplan
- Results of internal audits
- Non-discovery of material deficiencies
- Implementation rate of agreed actions
Internal Audit Overview

25 reports issued

- 19 country office
- 5 thematic
- 1 advisory

- 63% of reports resulted in an overall satisfactory rating
- 25% of agreed actions rated as “high-priority”
- 87% of 2022 agreed actions implemented; only 1 older than 18 months
Internal Audit Issues and Coverage

<table>
<thead>
<tr>
<th>Country Office Observations by Category</th>
<th>THEMATIC AUDITS</th>
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</thead>
<tbody>
<tr>
<td>Programme Management 80%</td>
<td>- UNICEF regulatory framework</td>
</tr>
<tr>
<td>Governance and Accountability 11%</td>
<td>- Performance Management and Career Development</td>
</tr>
<tr>
<td>Human Resources 5%</td>
<td>- Hosting of global partnerships by UNICEF</td>
</tr>
<tr>
<td>Resource Mobilization 3%</td>
<td>- Public Partnerships Division</td>
</tr>
<tr>
<td>Financial Management 1%</td>
<td>- Financing of fundraising activities: World Bank Bond</td>
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</tbody>
</table>
Non-case-specific activities include donor engagement and reporting, contribution to policy initiatives, expanded outreach and training for UNICEF staff and partners, developing practical guidance on responding to fraud and corruption, and the proactive review of risks in the supply function in the Afghanistan country office.
### Investigations Results 2023

**New Cases: Types Of Allegations**

- Fraud and financial irregularities: 42%
- Sexual misconduct: 29%
- Retaliation: 1%
- Prohibited conduct: 7%
- Other wrongdoing: 21%

**Disposition of cases**

- Closed after assessment: 72%
- Referral: 13%
- Investigation report: 11%
- Closure report (allegation not substantiated): 4%
ROADMAP FOR 2024

- External quality assurance review of internal audit function
- Cross-cutting audit reports
- Focus on fraud and corruption
- Strive for increased efficiency in managing donor demands
- Use of alternative conflict resolution mechanisms where investigations are not necessary
Thank you