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**UNICEF Office of Internal Audit and Investigations 2024
annual report to the Executive Board***Summary*

This report summarizes the activities of the Office of Internal Audit and Investigations from 1 January to 31 December 2024. The two addenda to this report provide information on open agreed actions older than 18 months as at 31 December 2024 ([E/ICEF/2025/AB/L.3/Add.1](#)) and the cases closed after investigation and cases closed after assessment with established financial losses during 2024 ([E/ICEF/2025/AB/L.3/Add.2](#)).

As requested by the Executive Board in decision 2015/11 and concerning internal audit activities, this report includes: (a) an opinion, based on the scope of work undertaken, on the adequacy and effectiveness of the organization's framework of governance, risk management and controls; (b) a summary of work and the criteria that support that opinion; (c) a statement of conformance with the internal audit standards to which UNICEF adheres; and (d) a view on whether resourcing of the function is appropriate, sufficient and effectively deployed to achieve the desired internal audit coverage. The report provides the status of management implementation of internal audit recommendations. It reflects the harmonization of practices on audit and investigation matters agreed with the oversight functions of other United Nations funds and programmes. The report also provides updates on other requests made by the Executive Board.

Elements of a draft decision for consideration by the Executive Board are provided in section XIV. The management response to this report is presented in document [E/ICEF/2025/AB/L.4](#).

* [E/ICEF/2025/11](#).



I. Overview

1. In 2024, the Office of Internal Audit and Investigations (OIAI, or the “Office”) continued expanding the value and impact it brings to UNICEF and strengthening its role as a trusted adviser to the Executive Director, senior leadership and UNICEF staff. With 63 staff posts across its three offices in New York, Budapest and Nairobi, OIAI strived to help to maintain an integrity framework and promote robust risk management to ensure that UNICEF resources are used efficiently and only for their intended purposes.
2. The Office confirms that during 2024 it was free from management interference in determining the scope of its internal audits and investigations, performing its work and communicating its results.
3. Pursuant to the Executive Board decision 2015/11, OIAI is pleased to report that, based on the scope of work undertaken in 2024, 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. This opinion is based primarily on the overall conclusions of the 17 internal audit reports issued in 2024, of which 14, or 82 per cent, were within the top two of the four-scale rating system. The criteria for this opinion also include the use of a risk-based workplan, results from advisory services, the non-discovery of any material deficiencies in the completed audits and the status of implementation of internal audit agreed actions. As at 31 December 2024, there were 27 agreed actions open for more than 18 months since the date of report issuance. Management implementation efforts are under way, and OIAI acknowledges that several agreed actions are inherently time intensive. Sixteen internal audit reports were published, and one report was withheld, in line with Executive Board decision 2012/13;¹ the advisory report was not subject to publication.
4. In 2024, the Investigations Section handled 1,387 cases as part of its overall caseload, a 52 per cent increase over 2023. The number of cases closed increased by 18 per cent as compared to 2023.
5. Pursuant to Executive Board decision 2022/15, this report summarizes key internal control issues from audits and investigations in sections VIII and X.
6. In 2025, considering the impact of potential changes to the future resource environment, OIAI will develop its office management plan for 2026–2029 with a new vision, strategy and comprehensive assessment of the overall resource needs to fulfil its mandate.

II. Mandate

7. The mission of OIAI, as reflected in its Charter, is to provide independent and objective assurance, investigative and consulting services through internal audits and investigations. The Office promotes accountability, proper risk management, integrity and ethical behaviour in all activities undertaken by UNICEF.
8. Internal audits evaluate the adequacy and effectiveness of the UNICEF framework of governance, risk management and controls. They aim to support the following:

¹ The audit report on data protection and privacy was withheld from disclosure.

- (a) Achievement of the organization's strategic objectives;
- (b) Adequacy and effectiveness of risk identification and prioritization, determination of risk tolerance, and efficiency and effectiveness of actions required to mitigate residual risks;
- (c) Reliability and integrity of financial and operational information;
- (d) Effectiveness, economy and efficiency of operations and programmes;
- (e) Safeguarding of assets;
- (f) Compliance with applicable regulations, rules, policies and procedures.

9. The Office is also responsible for assessing and conducting investigations into possible misconduct or wrongdoing associated with UNICEF. This includes allegations of fraud, corruption and other forms of misconduct and wrongdoing involving UNICEF staff and non-staff personnel, institutional contractors, implementing partners and other third parties.

III. Internal audit assurance opinion for 2024

A. Overall opinion

10. UNICEF management is responsible for designing and maintaining governance, risk management and control systems and processes to achieve organizational objectives. Based on the scope of work undertaken by OIAI in 2024, nothing came to the attention of OIAI 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.

B. Basis of opinion

11. The overall opinion for 2024 is based on the following:

- (a) Confidence that OIAI risk-based audit planning resulted in the effective evaluation of the key risks to achieving the organization's objectives, through efficient use of its available resources;
- (b) Conclusions of the internal audits completed during the year;
- (c) The absence of material deficiencies identified in any audit that might have indicated limitations in the organization's overall framework of governance, risk management and controls that inhibit the achievement of significant outcomes;
- (d) Implementation rate of agreed actions to mitigate the risks identified.

C. Implementation of the risk-based workplan

12. In 2024, OIAI presented its draft annual workplan to the Executive Board, following the Board's decision 2023/13, para. 6, which requested annual closed briefings. In developing the workplan and allocating available resources, OIAI prioritized high and medium-risk entities, processes and systems that were deemed to warrant an assurance activity.

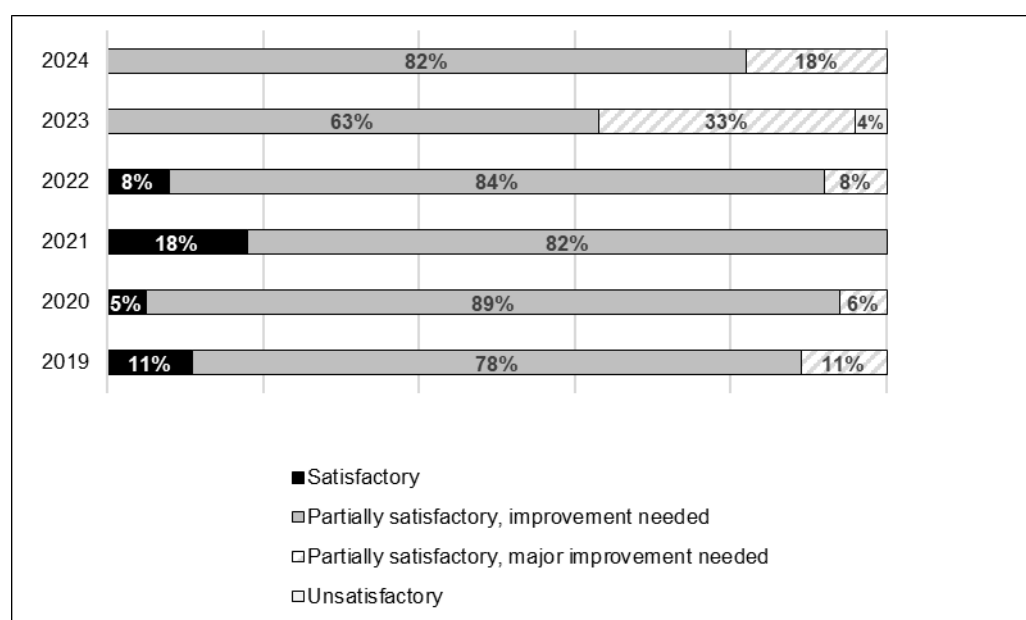
13. Owing to unexpected staffing gaps and the resultant need to reprioritize staff time to support the external quality assessment exercise, the initial workplan was adjusted during the year. As at 31 December 2024, 17 engagements were completed, 4 were at the reporting stage and 5 were ongoing.

D. Conclusions of internal audit engagements completed

14. The Office uses a four-tier scale for rating the conclusions in its internal audit reports. The first two tiers – “satisfactory” and “partially satisfactory, improvement needed” – represent a generally satisfactory conclusion and the absence of any materially negative impact. The third tier – “partially satisfactory, major improvement needed” – represents the presence of weaknesses that could have a materially negative impact on the performance of the audited areas. The fourth tier – “unsatisfactory” – represents the presence of fundamental deficiencies that require remediation to avoid severe consequences for the audited areas or the entire organization.

15. In 2024, the overall conclusion for 82 per cent of the completed audit engagements was within the top two of the four-tier scale rating system. Figure I presents the audit report conclusion ratings for 2019 to 2024.

Figure I
Audit report conclusions, 2019–2024



E. Material deficiencies

16. Audits undertaken by OIAI include an analysis of the root causes of identified deficiencies, followed by consultations with the relevant managers to agree on appropriate actions for effective and efficient management of the risks identified. The agreed actions are rated as high, medium or low priority, depending on the potential impact should the risks materialize. Only high- and medium-priority actions are included in audit reports; low-priority actions are informally communicated to the audited entity.

17. Twenty-two per cent of the 131 agreed actions in the internal audit reports issued in 2024 were rated as high priority (see annex I). While the deficiencies that required these high-priority actions were considered material, they are not expected to adversely impact the achievement of expected global outcomes.

F. Implementation rate of agreed actions

18. As at 31 December 2024, 83 per cent of all agreed actions from audit engagements completed in 2022 and 2023 had been implemented. However, 27 agreed actions from five thematic audits were pending implementation for more than 18 months as at 31 December 2024, and their details are provided in addendum 1 to this report. The due dates for implementation of several agreed actions from the 2024 audit engagements were beyond 2024. Based on past performance, OIAI is hopeful that offices will implement these actions by the agreed dates. Table 1 shows the age of outstanding agreed actions from internal audits completed between 2022 and 2024.

Table 1
Age of outstanding agreed actions, 2022–2024*

Priority of agreed action	Total outstanding agreed actions (2022–2024)	Time agreed actions have been outstanding (from issuance of the final audit reports)		
		<12 months	12–18 months	>18 months
High	49	28	11	10
Medium	128	89	22	17
Total	177	117	33	27
Percentage of the total	100%	66%	19%	15%

* As at 31 December 2024.

IV. Independence

19. In accordance with the OIAI mandate:

(a) The OIAI Director continued to report and be accountable to the Executive Director concerning the planning and execution of the work of OIAI;

(b) The OIAI Director maintained direct communication with the Executive Director, including on the OIAI staffing and budget;

(c) The Audit Advisory Committee continued to provide independent advice to the Executive Director on the work of OIAI;

(d) The Office independently reported to the Executive Board on its findings and concerns and, since 2022, has undertaken periodic closed briefings (including for annual audit workplans since 2023).

20. The Office confirms that during 2024 it was free from management interference in determining the scope of its audits and investigations, performing its work and communicating its results.

V. Professional standards

21. The Office conducts internal audit work in conformance with the Institute of Internal Auditors' Global Internal Audit Standards. The Office maintains an internal quality assurance and improvement programme for its audit function, including engagement-level quality assurance, ongoing internal self-assessments, client feedback and external quality assessments (once every five years).

22. In January 2025, the French Institute of Internal Audit and Control (IFACI) (l'Institut Français de l'Audit et du Contrôle Internes) issued its independent external

quality assessment report of the internal audit section of OIAI.² The assessment concluded that the Internal Audit section “generally conforms”³ to the Global Internal Audit Standards. The assessment’s conclusions are an important confirmation of the quality and professionalism of the Internal Audit section. The recommendations to further strengthen the function will inform the 2026–2029 internal audit strategy.

23. The Office conducts investigations in accordance with the Uniform Principles and Guidelines for Investigations and applicable UNICEF policies. A January 2022 external quality assessment of the investigations function⁴ found the function to conform with the Uniform Principles and Guidelines for Investigations and to comply with the OIAI Charter and other applicable UNICEF legislative instruments.

24. In accordance with Executive Board decision 2018/12, annex II to this document includes a report on OIAI performance against key indicators and targets in 2024.

VI. Professional network

25. During 2024, OIAI remained an active member of the Representatives of Internal Audit Services of the United Nations Organizations and Multilateral Financial Institutions (RIAS) and the United Nations Representatives of Investigative Services.

26. In September 2024, OIAI participated in the annual conference of UN-RIAS and RIAS, and in November 2024, in the annual Conference of International Investigators.

27. The Office communicated with the Board of Auditors to coordinate workplanning and avoid overlaps in assurance coverage. The Office also engaged with other United Nations internal oversight functions and with donor oversight bodies.

VII. Resources

28. In 2024, the OIAI budget was \$16.1 million. The most significant expenditures related to personnel (90 per cent)⁵, travel (5 per cent) and consultants (2 per cent).

29. As at 31 December 2024, OIAI had 63 authorized posts, with 12 vacancies. These posts include the Director (supported by an Adviser), Deputy Director of Audit, Deputy Director of Investigations, 29 posts in the Internal Audit section, and 26 posts in the Investigations Section. Four posts within the Director’s Office manage the data science and operations functions. Of the 63 posts, 42 are based in New York, 11 in Budapest and 10 in Nairobi. The Office also has one Junior Professional Officer post.

30. As part of the midterm review of the UNICEF Strategic Plan, 2022–2025 and Integrated Budget, 2022–2025 in 2024, the Office received approval for a new P3 post (Investigations Specialist) to help to manage the growth of cases of sexual exploitation and abuse.

² Report on 2024 External Quality Assessment on UNICEF Internal Audit, available at: <https://www.unicef.org/auditandinvestigation/media/1461/file/2025%20EQA%20Report%20OIAI%20Internal%20Audit%20Function.pdf>.

³ The external quality assessment noted that the internal audit function received a rating of “generally achieved” for 13 of the 15 principles that apply to the Global Internal Audit Standards, and “partially achieved” for the remaining two principles (Strategic Plan and Conduct).

⁴ Available at www.unicef.org/auditandinvestigation/documents/2021-external-quality-assessment-eqa-unicef-investigations-function.

⁵ Including 10 per cent towards temporary appointments.

31. The Office will undertake a comprehensive assessment of its overall resource requirements (post and non-post) in the second quarter of 2025 as part of development of the office management plan 2026–2029.

VIII. Internal audit results

32. In 2024, OIAI issued 17 internal audit reports and one advisory report (see annex I).

A. Distribution of audit conclusions

33. The distribution of audit conclusions is shown in table 2 below.

Table 2

Distribution of audit conclusions, by region and thematic area, 2024^a

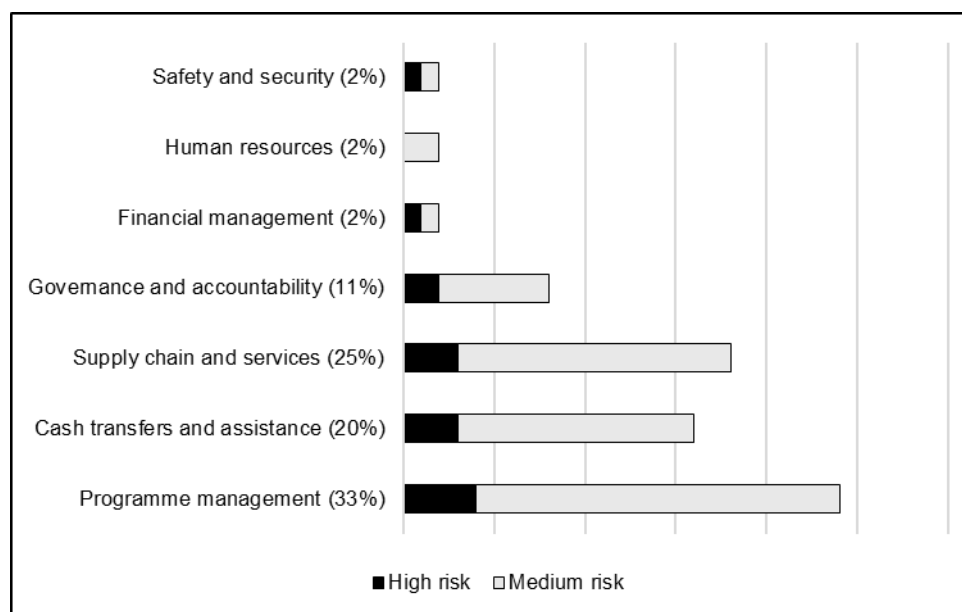
<i>Audited area</i>	<i>Number of audits</i>	<i>Conclusions</i>			
		<i>Satisfactory</i>	<i>Partially satisfactory, improvement needed</i>	<i>Partially satisfactory, major improvement needed</i>	<i>Adverse</i>
A. Country office audits (by region)	10	0	8	2	0
Eastern and Southern Africa	2	0	2	0	0
Middle East and North Africa	2	0	2	0	0
West and Central Africa	3	0	2	1	0
Europe and Central Asia	1	0	1	0	0
Latin America and Caribbean	0	0	0	0	0
South Asia	2	0	1	1	0
East Asia and the Pacific	0	0	0	0	1
B. Thematic/headquarters audits	7	0	6	1	0
Total (A+B)	17	0	14	3	0

^a One advisory report issued in 2024 that does not include standard conclusions has not been included in this table.

B. Significant results from internal audits of country offices

34. In 2024, OIAI completed audits of 10 UNICEF country offices. The objective was to determine whether the audited offices' governance, risk management and control processes were adequate and effective to ensure the achievement of their strategic objectives. Figure II shows the proportion of identified deficiencies by risk area and highlights the priority levels of the actions agreed to address those deficiencies.

Figure II
Deficiencies categorized by risk area of country offices audited in 2024



35. Paragraphs 36 to 41 below provide an overview of the major observations and trends from the country office audit reports issued in 2024.

1. Programme management

36. Programme management includes country programme workplanning with implementing partners, humanitarian response, resource mobilization, thought leadership and monitoring and evaluation. Programme management also includes approaches such as accountability to affected populations and protection from sexual exploitation and abuse. Key agreed actions included the following:

- (a) Ensuring competitive selection for all civil society organizations;
- (b) Adopting an agile approach to workplanning, ensuring formal endorsement, and streamlining programme document processing;
- (c) Establishing contingency agreements for anticipated emergency programmes;
- (d) Using risk-based field monitoring modalities to ensure appropriate coverage, frequency and follow-up of high-priority actions;
- (e) Building capacity for assessing, addressing and monitoring risks related to protecting vulnerable people from sexual exploitation and abuse.

2. Cash transfers and assistance

37. UNICEF country offices transfer cash to implementing partners for programme implementation. Assurance is obtained over the use of these funds by applying the controls in the harmonized approach to cash transfers framework, including financial spot checks, scheduled audits or programme visits. The country offices audited in 2024 disbursed approximately \$23 million to governmental entities and \$215 million to civil society organizations (CSOs), representing 59 per cent of the total UNICEF cash expenditure. Implementation of the harmonized approach to cash transfers

framework varied based on the maturity of the office and the scope, capacity and geographical spread of partners. Key agreed actions included the following:

- (a) Rolling-out capacity-building programmes for partners with limited financial management capacity;
- (b) Assessing the risks of working with partners and adjusting assurance activities accordingly;
- (c) Establishing long-term arrangements with multiple authorized assurance service providers to avoid reliance on single vendors;
- (d) Strengthening oversight of assurance activities and timely follow-up and corrective measures, including recovery.

38. UNICEF country programmes may also include delivering cash directly to individuals (“beneficiaries”) in humanitarian settings, or other indirect cash assistance interventions implemented by CSO or government partners. While most of the issues identified in the 2024 thematic internal audit report on cash assistance to beneficiaries required correction at the headquarters level, the ongoing 2024 country office audits continued to identify varying maturity gaps at the country-office level. Key agreed country office-level actions included the following:

- (a) Conducting risk assessments of CSO partners implementing cash assistance programmes and adopting appropriate controls;
- (b) Strengthening beneficiary targeting and data management control;
- (c) Revising guidance on addressing payment anomalies and assessing grievance mechanisms.

3. Supply chain and services

39. While most programme supplies are procured by the Supply Division, UNICEF country offices also work through governmental entities and CSOs to distribute programme supplies to beneficiaries. In 2024, supplies valued at approximately \$1.4 billion were transferred by UNICEF. The country offices audited in 2024 reflected \$287 million, or 20.5 per cent, of this expenditure. The 2024 audits noted that the absence of a reliable corporate system to track supplies once expensed and transferred to implementing partners elevated the risk of diversion. The management of this risk in country offices varied with partner capability and country office oversight capacity. Key agreed actions included the following:

- (a) Performing partner warehouse capacity assessments and documenting roles and responsibilities;
- (b) Using distribution plans and overseeing partner inventory records;
- (c) Implementing a standardized approach to supply end-user monitoring, including clarification of responsibilities and coverage during programmatic visits;
- (d) Establishing a strategy to minimize reliance on sole suppliers of critical goods.

40. The Office also noted some opportunities to strengthen controls along the lifecycle of institutional service contracts, including quality assurance and vendor performance evaluations.

4. Governance and accountability

41. The 2024 audits noted frequent issues under the category of governance and accountability. The most frequent grouping related to fraud risk management processes and the importance of obtaining input from all relevant stakeholders, ensuring a comprehensive and targeted approach to identifying and managing fraud risks. The need for further training of service providers and implementing partners was also identified, to ensure that the offices can effectively fulfil their accountabilities for fraud prevention, detection and reporting and to reinforce the organization's zero tolerance for inaction on fraud. Other key agreed actions included the following:

- (a) Management of procedural exceptions according to the regulatory framework;
- (b) Review and redesign the role and resources of the Quality Assurance Section to achieve a more cost-effective and efficient set-up that respects core principles of internal control and risk management.

C. Significant results from thematic audits

1. Ukraine regional refugee response

42. Preparing for and responding to humanitarian crises is critical to UNICEF Core Commitments for Children in Humanitarian Action. The Office conducted an internal audit of the Ukraine regional refugee response. Overall, UNICEF budgeted \$377.2 million and \$229.5 million in 2022 and 2023, respectively, for the Ukraine regional refugee response in the 19 refugee-receiving countries. Key agreed actions from the audit were as follows:

- (a) Establish legal frameworks and specific steps and guidance to ensure compliance with UNICEF rules and regulations with respect to UNICEF implementation of and cooperation in programmes in high-income and non-programme countries;
- (b) Align response plans and commitments with available resources and develop a transition strategy for each country;
- (c) Establish appropriate mechanisms, including key performance indicators, to enable effective coordination, monitoring and oversight of the response offices' financial and programmatic performance.

2. Cash assistance to beneficiaries

43. Cash assistance provides vulnerable children, adolescents and their caregivers with access to financial support to meet their essential needs. UNICEF provides cash assistance to beneficiaries in different humanitarian and development contexts, whether directly, through partners, or using a hybrid approach. Differing priorities, evolving accountabilities and inconsistent risk appetites have challenged efforts to scale up UNICEF cash assistance interventions. The Office of Emergency Programmes has highlighted the importance of becoming more adept at delivering humanitarian cash transfers by developing a dedicated information technology system to support their delivery. The scale of UNICEF expenditure on humanitarian cash assistance has increased significantly, from approximately \$142 million in 2018 to \$520 million in 2023. The Office noted several key areas for improvement as follows:

- (a) Finalize the vision to ensure alignment of organizational structures, resources, systems and processes and monitor workplan implementation;

(b) Conduct a costed needs assessment of staff roles, skills and numbers at all levels and develop a financing strategy to support scale-up;

(c) Review the Humanitarian Cash Operations and Programme Ecosystem to inform necessary changes so that it is fit-for-purpose, including potential expansion across the cash assistance continuum;

(d) Clarify responsibilities for overseeing and monitoring the risks related to payment and grievance processes;

(e) Refine guidance on what reasonable assurance is required of cash transferred to implementing partners for indirect cash assistance interventions.

3. Data privacy and protection across UNICEF

44. In executing accountabilities in more than 190 countries and territories, UNICEF staff handle large volumes of sensitive data, including personally identifiable information on beneficiaries, partners, donors, staff and vendors. Protecting sensitive data is essential to upholding fundamental rights to privacy and the United Nations system-wide personal data protection and privacy principles. The Office has identified some good practices related to data privacy and protection. For example, UNICEF issued a policy on personal data protection in July 2020 and established a dedicated data protection team to drive roll-out and advocate for data protection matters. However, the policy was found not to have been fully implemented, resulting in data protection risks not being managed effectively. The report on the internal audit of UNICEF data privacy and protection was withheld from public disclosure in accordance with the Executive Board decision 2012/13.

4. Construction management

45. UNICEF construction outputs typically include schools, latrines, hand-washing facilities, health facilities, offices, warehouses and guesthouses. These activities may be managed directly or indirectly by United Nations, CSO or government partners. The total value of construction projects implemented directly by UNICEF grew from \$118.3 million in 2018 to almost \$300 million in 2022.

46. As construction projects are inherently risky due to several factors, including the involvement of multiple actors, high costs and complexity, robust coordination and contract management are required to mitigate the risk of substandard work and potentially severe reputational consequences for UNICEF. The Office found a lack of a programmatic strategy for construction activities at the headquarters level, which contributed to gaps in critical areas at the country office level and potential misalignment of construction activities with organizational goals. The key agreed audit actions were as follows:

(a) Determine the strategic direction for UNICEF construction activities and the necessary country office support framework;

(b) Develop principle-based capacity guidance for management and oversight of construction projects;

(c) Establish a mechanism to capture real-time data on projects implemented by partners;

(d) Assess the existing tool kit and provide training to country offices on monitoring of construction projects.

5. Protection from sexual exploitation and abuse

47. Protection from sexual exploitation and abuse is especially important for UNICEF because of its mission to protect and support children and adolescents, which brings staff, implementing partners and contracted third parties into direct contact with vulnerable individuals. Though UNICEF has an organizational strategy and has established a culture of zero tolerance for sexual exploitation and abuse, there was a need to review roles and accountabilities, improve cross-divisional collaboration and update key indicators to better measure protection from sexual exploitation and abuse impact and outcomes. The key agreed actions from the audit were as follows:

- (a) Enhance tools, guidance and training for assessment and management of the risks of sexual exploitation and abuse, including establishing measures to strengthen government partner sexual exploitation and abuse risk management capacity;
- (b) Establish community feedback mechanisms across all implementing partners and interventions and set up an indicator for community involvement in its local design;
- (c) Ensure country offices use field monitoring to verify that systems for protection from sexual exploitation and abuse are functioning for safe and trusted community-based reporting;
- (d) Set up a reporting and monitoring system for low achievement of results against indicator targets.

6. Accountability to affected populations

48. The UNICEF Accountability to Affected Populations Strategy 2022–2025 aims to ensure that affected children and families participate in the decisions that affect their lives, are properly informed and consulted, and have their views acted upon. To achieve this goal, UNICEF requires that all country offices integrate accountability to affected populations (AAP) into their plans, with appropriate technical and financial support in place to support this effort. Yet leadership, accountability and responsibility for AAP at the global and regional levels were found not to have been clearly defined by senior leadership. The key agreed actions from the audit were as follows:

- (a) Reassess and adjust governance structures for effective AAP;
- (b) Establish mechanisms to support country offices in collecting feedback, including planning, participation, approaches and tools;
- (c) Define roles and responsibilities for AAP integration at the country level in planning, monitoring and implementation processes.

7. Institutional service contracts

49. UNICEF contracts with institutions or corporate entities to procure essential services at headquarters, regional and country office levels. During the period from 1 January 2022 to 31 October 2023, UNICEF spent a total of \$1.80 billion on institutional service contracts. Supply Division sought to improve the efficiency of the service contracting workflow through the roll out of a procurement case manager application for headquarters offices. The adequacy of higher-level governance and oversight controls, including Contract Review Committee practices, are critical components in view of the organization's decentralized structure. Key agreed actions from the audit were as follows:

- (a) Review the value of mandatory United Nations Global Marketplace registration as part of the procedure for vendor registration and management;
- (b) Ensure supplier evaluations are completed in a timely fashion and are sufficient to identify relevant risks and mitigants and follow up on all exceptions;
- (c) Revise UNICEF procedures and standard operating procedure related to the Vendor Review Committee in light of issues identified, including vendor sanctioning and developing training for staff;
- (d) Evaluate the costs versus benefits of configuring the online Contract Review Committee tool (eCRC) to interface with VISION and review the design of the Contract Review Committee process to ensure that they are fit-for-purpose for service contracts, with updated procedures and aligned with the latest tools.

IX. Disclosure of internal audit reports

50. All except two internal audit reports issued in 2024 were published in full. One report was published with redactions, and one was withheld from disclosure in accordance with Executive Board decision 2012/13. All internal audit reports disclosed to date can be accessed from the OIAI website.⁶ Advisory reports are not subject to public disclosure.

X. Investigations results

51. The Investigations Section assesses and investigates reports of possible misconduct and wrongdoing involving UNICEF resources, staff and non-staff personnel, implementing partners, institutional contractors and other third parties.

52. Reports are assessed to determine whether to initiate an investigation. Where appropriate, reports may be referred to another office for resolution and personnel are provided with guidance on other options to resolve a matter, including informal resolution mechanisms.

53. If OIAI initiates an investigation and substantiates the allegations, its findings are transmitted to the appropriate office to guide UNICEF management in deciding on administrative, disciplinary or other actions. The Office conducts field missions, where appropriate, as part of its investigations. In 2024, the Investigations Section undertook eight investigation-related missions in eight different countries.

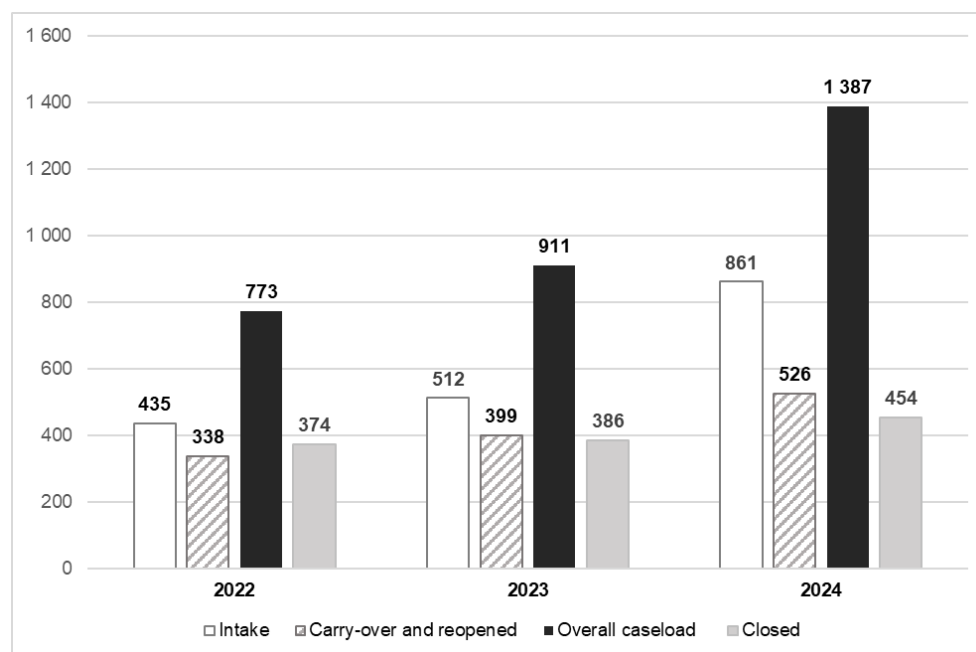
54. The Section also reviews investigations of fraud, sexual exploitation and abuse and safeguarding violations causing or likely to cause significant harm to a child, involving personnel of implementing partners or institutional contractors, conducted by those entities with internal investigation capacity or by other third-party investigative entities.

A. Case management

55. In 2024, there was a 68 per cent increase in complaints of misconduct and wrongdoing registered as new cases (861) over 2023, representing an increase of 98 per cent since 2022 (see figure III).

⁶ See www.unicef.org/auditandinvestigation/internal-audit-reports.

Figure III
Investigations intake, caseload and completion, 2022–2024



Note: Updates to the case management system undertaken in 2024 resulted in slight adjustments to some previously reported 2023 data.

56. The Investigations Section managed 1,387 cases in 2024 (see table 3), representing a 52 per cent increase from 2023. This includes 525 cases carried over from the previous year, 861 new cases and 1 reopened case. The number of closures increased by 18 per cent, with 454 cases closed by the end of 2024. Despite successful efforts to increase closure rates, the continued intake growth has contributed to a widening gap between the caseload and case closures.

Table 3
Investigations cases handled in 2024

<i>Status of cases</i>	<i>Number of cases</i>
Carry-over as at 1 January 2024	525
Intake during 2024	861
Reopened from the previous year	1
Total cases during the year	1 387
Closed during the year	454
Cases ongoing as at 31 December 2024	933

57. The Office aims to complete assessments within 90 days and investigations within nine months. In 2024, OIAI completed 214 assessments (47 per cent of total assessments) within 90 days (see figure IV). Of the 50 cases closed following an investigation, 29 (58 per cent) were finalized within nine months (see figure V). In the figures below, allegations are grouped by categories harmonized with other United Nations funds and programmes. For the purposes of this report, prohibited conduct

includes harassment, abuse of authority and discrimination, while sexual harassment and sexual exploitation and abuse are grouped under “sexual misconduct”.

Figure IV

Percentage of assessments closed within 90 days in 2024, by case type

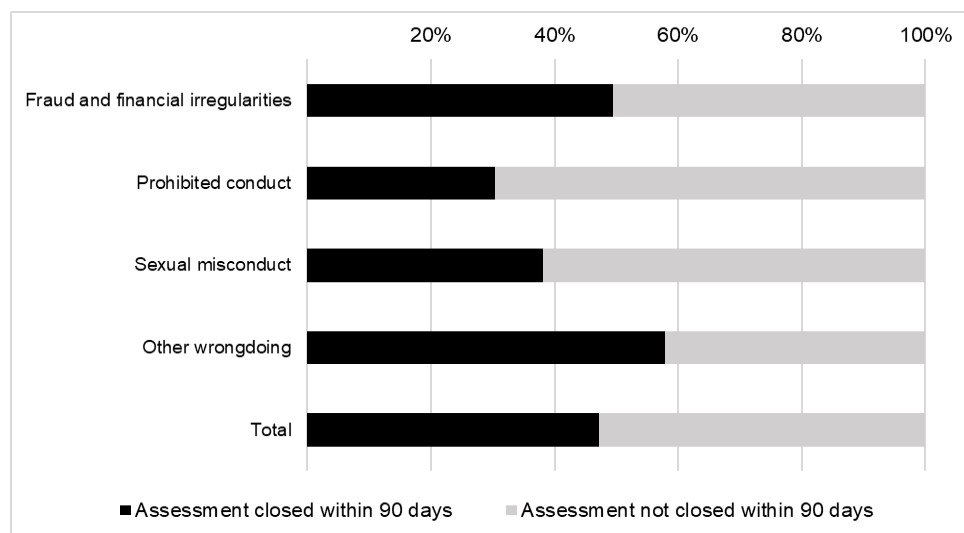
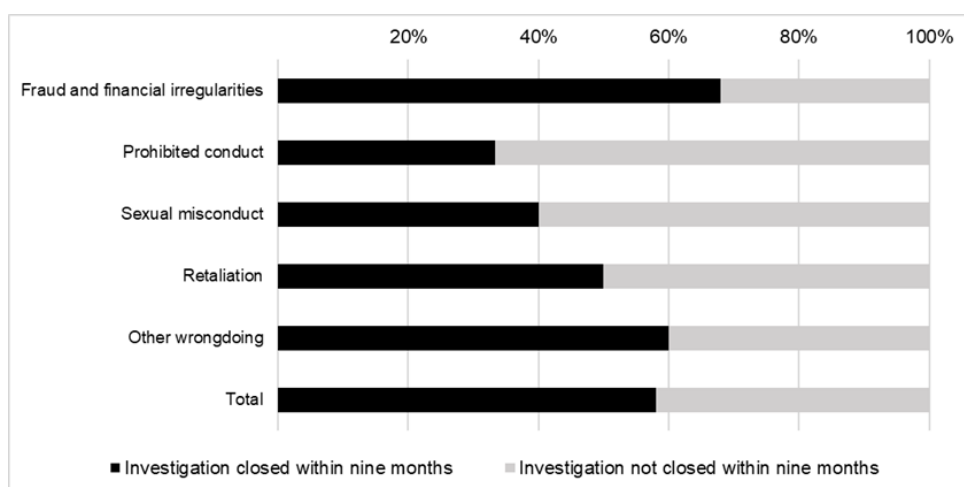


Figure V

Percentage of investigations closed within nine months in 2024, by case type

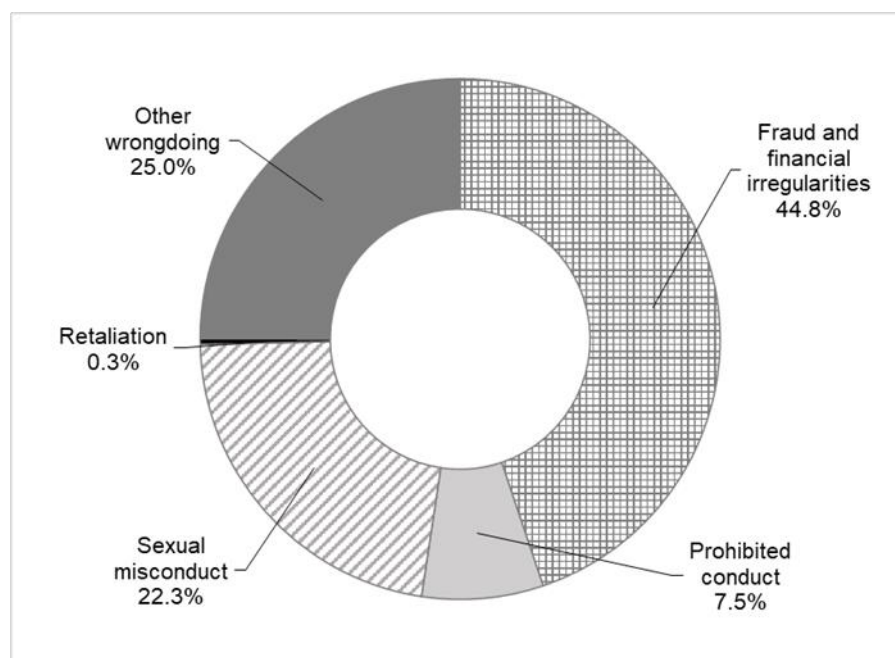


B. Analysis of allegations received

58. Figure VI and table 4 categorize the 861 investigations cases opened in 2024, by type. The largest category, fraud and financial irregularities, increased by 80 per cent (215 in 2023; 386 in 2024). Cases alleging fraud involving misuse of programme funds by third parties comprised the largest sub-category (245 of the 386 cases). The number of harassment, abuse of authority and discrimination cases increased by 71 per cent (38 in 2023; 65 in 2024). In 2024, OIAI opened 12 cases that alleged discrimination, including based on race, religion, ethnicity, sexual orientation or other characteristics.

59. Within the “other wrongdoing” category, there was a significant increase in cases of child safeguarding (30 in 2023; 68 in 2024), unauthorized outside activities and conflicts of interest (23 in 2023; 48 in 2024) and inappropriate staff conduct (43 in 2023; 86 in 2024). The number of sexual misconduct reports increased by 28 per cent (150 in 2023; 192 in 2024), reflecting a rise in both cases of sexual exploitation and abuse (128 in 2023; 166 in 2024) and sexual harassment cases (22 in 2023; 26 in 2024).

Figure VI

Case intake by category of allegation, 2024

Note: Due to rounding, the data do not add up to 100 per cent.

Table 4

Case intake by category of allegation, 2022–2024

<i>Allegation category</i>	<i>Cases in 2022</i>	<i>Cases in 2023</i>	<i>Cases in 2024</i>
Fraud and financial irregularities	193	215	386
Prohibited conduct	38	38	65
Sexual misconduct	110	150	192
Retaliation	1	2	3
Other wrongdoing	93	107	215
Total	435	512	861

Note: Updates to the case management system undertaken in 2024 resulted in slight adjustments to some previously reported 2023 data.

60. Table 5 shows the breakdown of allegations received by location.

Table 5
Case intake in 2023 and 2024, by region/location

UNICEF region/location	2023		2024	
	Number of cases	Percentage of the total	Number of cases	Percentage of the total
Headquarters	25	5	34	4
East Asia and the Pacific	22	4	22	3
Eastern and Southern Africa	120	23	161	19
Europe and Central Asia	23	4	29	3
Latin America and Caribbean	29	6	47	5
Middle East and North Africa	88	17	151	18
South Asia	108	21	251	29
West and Central Africa	91	18	158	18
Other ^a	6	1	8	1
Total	512	100	861	100

^a "Other" comprises matters where the location is unknown or the allegations concern non-UNICEF entities or cross-regional allegations.

Note: Due to rounding, some of the percentages do not total 100 per cent.

C. Disposition of completed cases

61. In 2024, OIAI issued 49 investigation reports and 56 referrals. Twelve of the 454 completed cases in 2024 were closed because the allegations could not be substantiated following investigation. Of the remaining 337 completed cases, 19 were closed after the alleged victims withdrew their complaints or declined to consent to proceed with a formal investigation and the allegations could not be established through other means.

62. The Office closed 179 cases following an assessment of investigative and remedial actions taken by implementing partners, vendors or other third parties with investigative or forensic capacity. Eighty-seven of those cases involved allegations of sexual exploitation and abuse, 63 involved allegations of fraud involving misuse of programme funds by third parties, 26 involved allegations of child safeguarding violations and 3 involved other allegations.

63. The largest number of closed cases related to fraud involving misuse of programme funds by third parties (123 cases), with the establishment of a dedicated fraud team contributing to a 78 per cent increase in the number of such cases closed (69 in 2023; 123 in 2024).

64. The second largest number of closed cases related to sexual exploitation and abuse (110 cases).

65. The disposition of cases completed in 2024 is summarized in table 6.

Table 6
Disposition of cases completed in 2024

<i>Type of closure</i>	<i>Number of cases</i>
Investigation report	49
(a) Submitted to senior management under UNICEF disciplinary policy*	44
(b) Submitted to the Ethics Office**	2
(c) Submitted to other UNICEF offices (non-staff contractual matters)	3
Closure report	12
(a) Allegation not substantiated following investigation	12
Closed after assessment	214
(a) Lack or withdrawal of consent to proceed with an investigation in case involving a victim of direct harm	19
(b) Referral made to another UNICEF office or other entity***	56
(c) Lack of actionable information sufficient to commence an investigation****	139
Review of third-party investigations, audits and remedial actions	179
Total cases closed in 2024	454

* Includes cases submitted under paragraphs 21, 33 and 56 of the UNICEF policy on the disciplinary process and measures.

** Includes all reports submitted under paragraph 22 of the UNICEF policy on whistle-blower protection against retaliation.

***Referrals may be issued when a matter falls outside the mandate of the Office of Internal Audit and Investigations (OIAI), and/or when OIAI has determined that an investigation is not warranted and has identified issues appropriate for management intervention.

****Includes three duplicate cases and three cases in which assistance was provided to another United Nations entity.

66. The Office established financial losses to UNICEF from 47 cases of misconduct or wrongdoing amounting to \$460,471.41. These losses may not reflect the organization's total losses, such as expenditures that could not be attributed to misconduct or wrongdoing but were nonetheless determined to be unauthorized or "ineligible" under contractual agreements with UNICEF. The figure also does not include losses to third parties, for example to medical insurance providers. Twenty-seven of the 47 cases involved theft or misappropriation of supplies or other equipment by implementing partner personnel or unknown external parties, with losses totalling \$22,528.45. Details of the remaining 20 cases involving financial losses, as well as of all cases closed following investigation, are provided in addendum 2 to this report.

D. Disciplinary measures and other actions taken by UNICEF

67. While OIAI is responsible for conducting investigations, UNICEF senior management is responsible for taking appropriate action based on investigation reports. The Office submitted 44 matters to senior management for consideration of action under the UNICEF policy on the disciplinary process and measures. In 2024, the Deputy Executive Director, Management, completed a disciplinary process in 26 cases, including 18 submitted by OIAI in 2023. Twenty-four cases involved serving staff members and two involved former staff members who were informed that a disciplinary measure would have been imposed had they remained in service. The disciplinary measures included dismissal or separation from service (16 cases), loss of steps in grade (7 cases), deferment of eligibility for within-grade salary increment (2 cases) and written censure (1 case).

68. In two other cases involving two additional former staff members, appropriate action was taken to record the cases for accountability purposes.

E. Non-case specific activities

69. The Investigations Section participated in the following non-case-specific activities:

(a) **Fraud and corruption:** The Section continued managing an external review of the UNICEF anti-fraud framework and delivered presentations on responding to suspected fraud in three regions. The recruitment of a dedicated fraud team was completed, with all four members onboarded by September 2024. In addition to investigative work, the fraud team provided guidance to country offices regarding fraud-related matters, including risk mitigation and assurance activities to identify indicators of fraud, and contributed to fraud-related training and policy initiatives. In collaboration with the Division of Financial and Administrative Management and several other UNICEF divisions, the Section also provided significant support to the revision of the anti-fraud policy and development of a sanctions procedure for implementing partners.

(b) **Sexual exploitation and abuse and sexual harassment:** The Office reports to the Executive Office of the Secretary-General of the United Nations allegations of sexual exploitation and abuse related to UNICEF against an identifiable perpetrator or victim.⁷ Investigations Section personnel delivered presentations to relevant UNICEF focal points in five regions on responding to allegations of sexual exploitation and abuse and participated in a meeting convened by the Inter-Agency Standing Committee and United Nations Executive Group to Prevent and Respond to Sexual Harassment.

(c) **Donor engagement and reporting:** In 2024, the Section supported an increasing volume of donor engagement initiatives, participating in 17 dedicated meetings with donors that took place on UNICEF premises, at donor offices or remotely, and handling over 180 donor reporting-related matters, including both periodic and ad hoc reporting exercises. In addition, the Section actively supported over 30 other donor-related initiatives, including donor requests for information about UNICEF processes. In collaboration with the Public Partnerships Division, the Section also provided significant support to the development of a new policy concerning the disclosure of integrity-related information to public sector resource partners.

(d) **Review of provisions in agreements:** The Section reviewed integrity-related clauses in 68 financing and legal agreements with donors and other parties, compared to 64 agreements in 2023. The review process, complexity and non-standard nature of these agreements required the investment of substantial resources.

(e) **Communications and training:** The Investigations Section delivered over 40 presentations to regional and country offices, implementing partners and donors. Investigations Section personnel participated in an inter-agency training course organized by the Office of the United Nations High Commissioner for Refugees, a training session on a victim-centred approach to sexual exploitation and abuse and sexual harassment co-organized by the Office of the Victims' Rights Advocate and the United Nations Population Fund, and workshops on data analytics and artificial intelligence (AI).

⁷ The number of sexual exploitation and abuse allegations reported to the Executive Office of the Secretary-General may differ from the number included in this report, as the Office of Internal Audit and Investigations (OIAI) also receives allegations that do not meet the criteria for reporting to the Executive Office of the Secretary-General. These include cases that OIAI may refer to other United Nations entities.

F. Overview of issues and trends

70. The Office continues to expend significant resources in responding to a large volume of inquiries that raise concerns but that fall outside of its investigative mandate, such as inquiries related to performance management, the outcome of recruitment or procurement processes, or failures in programme implementation. The Office participated in numerous informal calls with individuals considering their submission of complaints, following which many decided their concerns would be best addressed by other offices. While responding to these inquiries may avoid unnecessary investigations, the fact that they are directed to OIAI underscores the broader organizational need for strengthened capacity and coordination among UNICEF offices that are better suited to address such concerns. The forthcoming roll-out of the environmental and social safeguarding framework and related complaints, feedback and redressal mechanisms increases the risk of a surge in complaints referred to OIAI that fall outside of its mandate, lack actionable information sufficient to warrant an investigation, and/or are best addressed by other offices.

71. To address the growing volume of donor-related activities, in late 2023, OIAI onboarded a dedicated donor focal point within the Investigations Section. However, the volume of donor-related demands continued to expand in 2024, further requiring the Section to divert resources from investigative activities. The Office anticipates this area will continue to require a growing allocation of investigative resources. Implementation of the anticipated new donor notification policy will also require additional resources in the short run, but it is hoped it will ultimately lead to increased efficiencies.

72. In cases involving fraud or sexual exploitation and abuse by third parties, the absence of any formal agreement between UNICEF and the entity continues to often hinder OIAI ability to take action, including in matters involving sub-contractors as well as government implementing partners.

73. In cases involving allegations of sexual exploitation and abuse or serious child safeguarding violations by third-party personnel, UNICEF partners are required to conduct any investigations that are necessary and OIAI assesses the adequacy of those investigations and actions taken. The Office has identified several recurring challenges in such cases, including delayed reporting of allegations to UNICEF, weak investigative capacity, inability to identify victims or obtain their consent to an investigation, and safety and security risks faced by both victims and investigators. A number of cases reported to OIAI were ultimately determined to fall outside its mandate, either because of a lack of nexus to UNICEF or because the alleged conduct would not be considered as sexual exploitation and abuse.

74. Although most sexual misconduct reports received by OIAI implicated personnel of implementing partners, in 2024, the Office received 42 sexual misconduct cases implicating UNICEF personnel. In some of these cases, the Office continued to face challenges in identifying victims and/or perpetrators and securing consent by victims to proceed with a formal investigation.

75. In fraud cases, OIAI continues to face difficulties accessing relevant and often critical information and evidence, not only from third parties but also from UNICEF offices and systems. In many cases, OIAI found that supporting documentation had not been properly maintained by offices or had proven difficult to access. In some cases, OIAI investigations have identified weaknesses in the organization's risk management and compliance functions, including lack of clarity regarding accountabilities, weak controls, inconsistent practices, poorly documented procedures or procedures that are not followed. These weaknesses both increase the risk of fraud and, in some instances, have hindered OIAI ability to pursue investigations.

76. Although the significant surge in cases in 2024 limited the Office's ability to conduct proactive investigative work, OIAI nonetheless conducted proactive investigative activities in a few discrete matters, informed by data analytics and information identified during investigations.

XI. Data analytics

77. The Office accelerated the integration of technology into its functions in 2024. Key achievements include the following:

(a) **Developed dashboards** on donor reporting and vendor profiles for investigations. The donor dashboard presents information on contributions and expenses, as well as links to underlying documents. The vendor and implementing partner profile dashboard provides up to three years of life cycle information, including payments, contracts and related documents, through a single point of access.

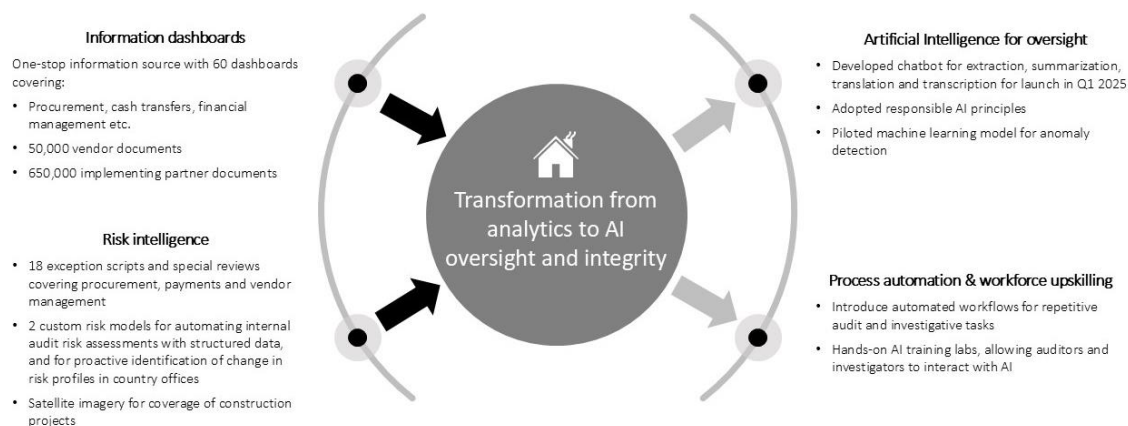
(b) **Automated** 80 per cent of enterprise resource planning-based dashboards for OIAI, providing access to real-time single-source information for auditors.

(c) **Developed an in-house AI web application** that will be launched in the first quarter of 2025. It will expedite planning and research activities with features including information and insight extraction, summarization, translation and transcription. Collaborating closely with the Information and Communication Technology Division, this will provide OIAI with a framework for expanding the vision for AI-powered oversight.

(d) **Developed and implemented a budget model** for more reliable estimations of non-post expenditures.

78. The Office maintained collaboration and learning exchanges with peer networks while building internal capacity through workshops and trainings in the use of advanced analytics. The figure below illustrates the transformation journey.

Figure VII
Advancing from data analytics to artificial intelligence



XII. Communications

79. The Office began strengthening its strategic communications and knowledge management function in 2024. Actions included drafting a communications strategy and workplan, publishing an interactive annual report, enhancing presentation standards and reviewing opportunities to better leverage the organization's communication channels.

80. In 2025, OIAI will remodel its internal and external websites and generate periodic publications focusing on insights and lessons learned from internal audits and investigations. A systematic approach to OIAI strategic communications will

81. facilitate awareness across the organization on smarter risk management.

XIII. Strategic road map

82. Considering the impact of potential changes to the future resource environment, OIAI will adopt the following strategic priorities for 2025:

83. **Engagement with the Executive Board:** The Office will continue to engage with the Board, both formally and informally, with respect to assurance, integrity and risk management.

84. **Internal audit:** In 2025, a comprehensive review of the internal audit strategy, approach and performance indicators for 2026–2029 will be undertaken, informed by the external quality assessment and availability of resources, to align with the organizational strategic objectives. This will enable the Internal Audit Section to expand collaboration with relevant partners for integrated assurance mapping and strengthen the professional practices and information technology audit capacity.

85. **Investigations:** In 2025, resources permitting, the Investigations Section will continue to expand work to address fraud risks across UNICEF operations, including through the ongoing work of the dedicated fraud team and the implementation of the new anti-fraud and corruption policy and sanctions procedures. The Office will also seek to further streamline and strengthen donor disclosure processes, in line with the new policy on the disclosure of integrity-related information to public sector resource partners.

86. **Alternative conflict resolution mechanisms:** The Investigations Section will continue to seek to limit its involvement to matters where investigations are truly necessary, working with the Division of People and Culture and the Office of the Executive Director in this regard.

XIV. Draft decision

87. *The Executive Board:*

1. *Takes note* of the UNICEF Office of Internal Audit and Investigations 2024 annual report to the Executive Board (E/ICEF/2025/AB/L.3), its two addenda (E/ICEF/2025/AB/L.3/Add.1 and E/ICEF/2025/AB/L.3/Add.2) and its management response (E/ICEF/2025/AB/L.4), and welcomes the overall opinion on the adequacy and effectiveness of the organization's framework of governance, risk management and controls.

2. *Also takes note* of the UNICEF Audit Advisory Committee 2024 annual report to the Executive Board.

Annex I

Audit and advisory reports issued in 2024^a

				Number of agreed actions		
No.	Reference number	Region ^b	Audit and advisory reports	Total	High priority	Report conclusion ^c
I. Audit reports						
A. Country offices						
1.	2024/02	ESA	Kenya	8	0	PS-IN
2.	2024/05	MENA	Lebanon	8	0	PS-IN
3.	2024/07	SA	Pakistan	8	2	PS-IN
4.	2024/09	WCA	Benin	6	1	PS-MIN
5.	2024/11	SA	Afghanistan	9	3	PS-MIN
6.	2024/12	WCA	Ghana	6	1	PS-IN
7.	2024/14	ESA	Eritrea	6	2	PS-IN
8.	2024/15	MENA	Egypt	6	1	PS-IN
9.	2024/16	WCAR	Mauritania	8	3	PS-IN
10.	2024/17	ECAR	Türkiye	7	1	PS-IN
Total				72	14	
B. Thematic areas						
11.	2024/01	N/A	Ukraine Regional Refugee Response	16	3	PS-IN
12.	2024/03	N/A	Cash Assistance to Beneficiaries	6	0	PS-IN
13.	2023/04	N/A	Data Protection and Privacy	12	6	PS-MIN
14.	2024/06	N/A	Construction Management	6	0	PS-IN
15.	2024/08	N/A	Protection from Sexual Exploitation and Abuse	7	2	PS-IN
16.	2024/10	N/A	Accountability to Affected Populations	4	1	PS-IN
17.	2024/13	N/A	Institutional Service Contracts	8	3	PS-IN
Total				59	15	
Grand total				131	29	
II. Advisory reports						
1.	N/A	N/A	Ghana Sanitation Fund	–	–	–

^a Audit reports are listed by category.

^b The UNICEF regions listed are as follows: EAP: East Asia and the Pacific; ECA: Europe and Central Asia; ESA: Eastern and Southern Africa; LAC: Latin America and Caribbean; MENA: Middle East and North Africa; SA: South Asia; and WCA: West and Central Africa.

^c Report conclusions are classified as the following:

Satisfactory (S): The assessed governance, risk management or control processes were adequate and functioning well.

Partially satisfactory, improvement needed (PS-IN): The assessed governance, risk management or control processes were generally adequate and functioning but needed some improvement. The weaknesses or deficiencies identified were unlikely to have a materially negative impact on the performance of the audited entity, area, activity or process.

Partially satisfactory, major improvement needed (PS-MIN): The assessed governance, risk management or control processes needed major improvement. The weaknesses or deficiencies identified could have a materially negative impact on the performance of the audited entity, area, activity or process.

Unsatisfactory (U): The assessed governance, risk management or control processes needed major improvement. The weaknesses or deficiencies identified could have a severely negative impact on the performance of the audited entity, area, activity or process.

Annex II

Key performance indicators for 2024

<i>No.</i>	<i>Key performance indicator</i>	<i>Target (2024)</i>	<i>Achievement (2024)</i>
1.	Delivery of a risk-based workplan	90%	40% ^a
2.	Compliance with Executive Board decision 2012/13 on public disclosure	100%	100%
3.	Engagements in which feedback from clients has been “generally satisfactory” ^b	100%	100%
4.	General conformity with Institute of Internal Auditors Global Internal Audit Standards, including external assessments (once every five years)	Yes	Yes
5.	Compliance with timeliness indicators for internal audit reporting	90%	24% ^c
6.	Compliance with timeliness indicators for investigations	65%	58%

^a This shortfall is attributed to a combination of challenges. Mid-year in 2024, three senior audit members of the Office of Internal Audit and Investigations (OIAI) left the organization: Deputy Director of Internal Audit, Chief (Budapest Unit) and the Professional Practices Manager, leaving only three Chiefs, which impacted the progress of the planned internal audit engagements. There were also a significant number of thematic carry-over engagement reports from 2023, which delayed the allocation of staff to new 2024 engagements until the second quarter of 2024. Additionally, some UNICEF country offices faced unforeseen difficulties, including civil unrest, natural disasters and local staffing issues, which necessitated revisions to OIAI initial workplans and led to the cancellation of several planned audits.

^b A “generally satisfactory” rating means that the audit clients either agreed or strongly agreed that, overall, the individual audits added value and resulted in meaningful agreed actions and results. For the 2024 issued audit reports, two survey responses were received by year-end, both “generally satisfactory.”

^c The key timeliness indicator is the 60-day target from exit meeting to draft report issuance. The low achievement of this performance indicator in 2024 was due to the loss of experienced senior staff and audit report quality assurance constraints.