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Report on the Internal Audit of the Haiti Country Office

Sections of this report have been redacted in accordance with paragraph 9 of Executive Board decision EB2012/12, which states that a report may be redacted if particularly sensitive (relating inter alia to third parties or a country, government or administration); or compromising to a pending action; or likely to endanger the safety or security of any individual, or violate his or her rights or invade his or her privacy.

UNICEF OFFICE OF INTERNAL AUDIT AND INVESTIGATIONS

DECEMBER 2025

Report 2025/26

CONTENTS

EXECUTIVE SUMMARY

The Office of Internal Audit and Investigations (OIAI) conducted an audit of the Haiti Country Office (HCO), covering the period from January 2024 to September 2025. The audit was conducted in September 2025 in conformance with the Institute of Internal Auditors' Global Internal Audit Standards. The objective of the audit was to assess the adequacy and effectiveness of the governance, risk management, and control processes related to a selection of significant risk areas of the Haiti Country Office. The specific risks evaluated are set out in the Audit Objective, Scope and Approach section of this report.

The HCO works with the Government of Haiti and civil society organizations (CSOs) to implement planned programme activities. During the audited period, the HCO transferred approximately US$34 million in cash and US$13 million in supplies to implementing partners, representing 45 per cent of total expenditure. In planning for this audit, the audit team identified several risks related to the HCO's ability to implement its new country programme document (CPD), resource mobilization, risk management, the use of partnerships and cash transfers to its implementing partners, and construction. In addition, the present situation in Haiti creates a high-risk environment for sexual exploitation and abuse of children and women. The audit sought to determine whether and how the HCO managed those risks.

Overall Conclusion

Based on the audit work performed, OIAI concluded that the assessed governance, risk management, or control processes were partially satisfactory, major improvement needed**,** meaning that 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.

	Satisfactory
	Partially Satisfactory, Improvement Needed
⇨	*Partially Satisfactory, Major Improvement Needed*
	Unsatisfactory

Summary of Observations and Agreed Actions

The audit team also made several observations related to the management of the key risks evaluated. In particular, OIAI noted:

- **Risk management:** Although the HCO has integrated risk identification into its planning and procurement processes and it is a key topic at weekly senior management team (SMT) meetings, significant gaps remain that could limit the effectiveness of its risk management. These weaknesses include inadequate assessment of the effectiveness of internal controls and other existing mitigating controls, a lack of clear, measurable actions, and insufficient monitoring of risk-mitigating actions.

- **Internal control self-assessment:** The HCO's internal control self-assessment indicated that all 39 controls assessed were adequately managed; however, upon further review, the audit identified

several inaccurate assessments of internal control effectiveness, which could limit the HCO's ability to mitigate exposure and subject it to additional risk.

- **Resource mobilization:** Despite fundraising efforts, the HCO lacked an updated resource mobilization strategy (RM strategy), thereby impacting its ability to secure and manage funding. These efforts were compounded by insufficient capacity within the function and a lack of clarity regarding the roles and responsibilities of key positions. The coordination between the resource mobilization and advocacy teams was ineffective, further hindering these fundraising efforts.

- **Oversight and monitoring of training**: Despite the HCO's efforts to deliver well-adapted training materials and sessions, significant gaps were identified in oversight and monitoring of training. Some staff have not completed the mandatory prevention of sexual exploitation and abuse (PSEA), anti-fraud, procurement, and security training in a timely manner, despite a complex operating environment.

- **Cash transfers**: The HCO relies heavily on direct cash transfers (DCTs) to high-risk partners, despite their limited financial capacity, increasing the risk of misuse or fraud. Further, 25 per cent of funding authorization and certificate of expenditure (FACE) forms were processed outside the 14-day target. Coupled with inaccurate data, this could delay the disbursement of funds, negatively impacting the implementation of programme activities.

- **Monitoring**: The HCO's monitoring activities showed significant gaps, including low completion rates and limited use of mandatory eTools monitoring systems, which reduced its ability to identify and address issues and maintain transparency. Despite [redacted] and resource constraints, there was no monitoring plan and limited oversight, resulting in low monitoring completion rates.

- **Indirect construction**: The HCO did not exercise sufficient oversight of construction projects carried out through CSOs. Construction capacity assessments were not completed. Programme documents (PDs) and simplified programme documents (SPDs) did not include the required special conditions for construction work. In four cases, the value of construction work with CSOs exceeded the maximum allowable amount. These issues increased the risk of financial losses, delays, and suboptimal construction work.

- **Emergency response**: The preparedness plan was completed outside the Emergency Preparedness Platform (EPP) due to the changing environment. There was low adoption of emergency procedures in recruitment and partnerships due to inconsistent implementation. The evaluation of UNICEF's Level 3 emergency in Haiti report included recommendations to address the identified gaps.

- **Security**: [redacted]

- **Human resources management:** The HCO experienced significant human resources challenges, including staffing cuts from 172 to 105, prolonged vacancies, and budget reduction impacting core functions. Recruitment delays, high staff leave due to human resources policies and safety restrictions, and low morale from funding uncertainties and insecurity disrupted operations and reduced programme effectiveness.

- **Viability of delivering the country programme:** Given the past, present, and ongoing security and related challenges facing the HCO, the most recent budget and staffing reductions, and the changes resulting from UNICEF's FFI, there is a significant risk that the HCO is unviable and will be unable to meet its CPD 2023-2027 goals.

The table below summarizes the actions management has agreed to take to address the residual risks identified and OIAI's assessment of the ratings of those risks (see the definitions of the observation ratings in the Appendix). For all other areas within the audit scope, no deficiencies in the governance, risk management, or control processes evaluated were identified that warrant reporting.

AGREED ACTIONS & AUDIT RATINGS	
Risk management (Observation 1): Strengthen oversight of the risk management process to ensure review of the quality and completeness of risk mitigating measures.	Medium
Internal control self-assessment (Observation 2): Improve the internal control self-assessment process to ensure that control gaps are identified and targeted mitigation actions are developed and implemented.	Medium
Resource mobilization (Observation 3): Finalize the RM strategy and related action plan and ensure they clearly define the roles, responsibilities and accountabilities for each position and that it is aligned with the advocacy strategy; enhance staffing capacity or seek out efficiencies in the resource mobilization team to ensure proper implementation of action plans and related activities; regularly update the resource mobilization action plan and advocacy plan trackers to support informed decision-making and continuous improvement.	Medium
Oversight and monitoring of training (Observation 4): Strengthen oversight mechanisms to systematically track, document, and verify compliance with mandatory training requirements for both internal staff and external stakeholders (e.g., partners, service providers); strengthen the monitoring of mandatory training to ensure its completion by relevant stakeholders.	Medium
Cash transfers (Observation 5): Use a risk-based approach when selecting the modality to transfer cash to high-risk partners considering the effectiveness of risk-mitigating actions, such as monitoring and assurance activities; improve capacity of implementing partners by providing supplementary training on the FACE form process; strengthen the oversight of FACE form data entry in the corporate system to ensure its accuracy.	Medium

AGREED ACTIONS & AUDIT RATINGS	
Monitoring (Observation 6): Develop office-wide monitoring plans to ensure minimum risk-based programmatic visit monitoring and financial spot checks are completed; identify relevant monitoring modalities to mitigate the access limitation; implement the eTools partner reporting portal and the action points module, and train staff and implementing partners in their use; develop and implement a mechanism for supply end-user monitoring (SEUM).	High
Indirect construction (Observation 7): Strengthen oversight of indirect construction projects; provide training to staff to improve their understanding of the UNICEF Procedure for Construction Projects.	High
Emergency response (Observation 8): Implement the recommendations included in the evaluation of UNICEF's Level 3 emergency in Haiti report.	Medium
Security (Observation 9): [redacted]	High
Human resources management (Observation 10): Prioritize building the capacity of the human resources function and expedite the recruitment of key vacancies; maintain accurate records on the recruitment of staff; strengthen internal mechanisms to improve handover and follow-up programme activities; implement the global staff survey action plan.	High
Viability of delivering the country programme (Observation 11): In collaboration with the RO and relevant HQ divisions, review the viability of its operational model to achieve its planned programme goals.	High

Management is responsible for establishing and maintaining appropriate governance, risk management and control processes and implementing the actions agreed following this audit. The role of the OIAI is to provide an independent assessment of those governance, risk management and control processes.

Eva Mavroeidi
Deputy Director, Internal Audit
Office of Internal Audit and Investigations

CONTEXT

Haiti is a Caribbean country with an estimated population of 11.9 million spread over 27,750 square kilometres. Approximately 4.8 million (40 per cent) are under 20 years of age. The country is divided into 10 administrative departments. In 2024, Haiti ranked 166 out of 193 countries on the Human Development Index, which measures social and economic development levels over time, and 168 out of 180 on the 2024 Transparency International Corruption Index. Lastly, Haiti has a high risk of sexual exploitation and abuse (SEA) according to the 2025 Sexual Exploitation and Abuse Risk Overview (SEARO) Global Index.

Between January 2024 and July 2025, Haiti faced a severe humanitarian crisis, initially classified as a UNICEF Level 3 emergency and later downgraded to Level 2, amid escalating violence, political instability, and economic decline. Armed groups seized control of key areas in Port-au-Prince, disrupting daily life and limiting access to essential services, especially for women and children. Political turbulence, marked by frequent leadership changes and governance breakdowns, further hindered development efforts. Economically, Haiti endured its sixth consecutive year of contraction in gross domestic product, widespread poverty, and inflation-driven hardship, prompting budget cuts and a new recovery framework. These compounding challenges forced UNICEF to pivot toward emergency interventions, while grappling with rising costs and security risks, and remaining steadfast in its mission to protect Haiti's most vulnerable children and advance sustainable development.

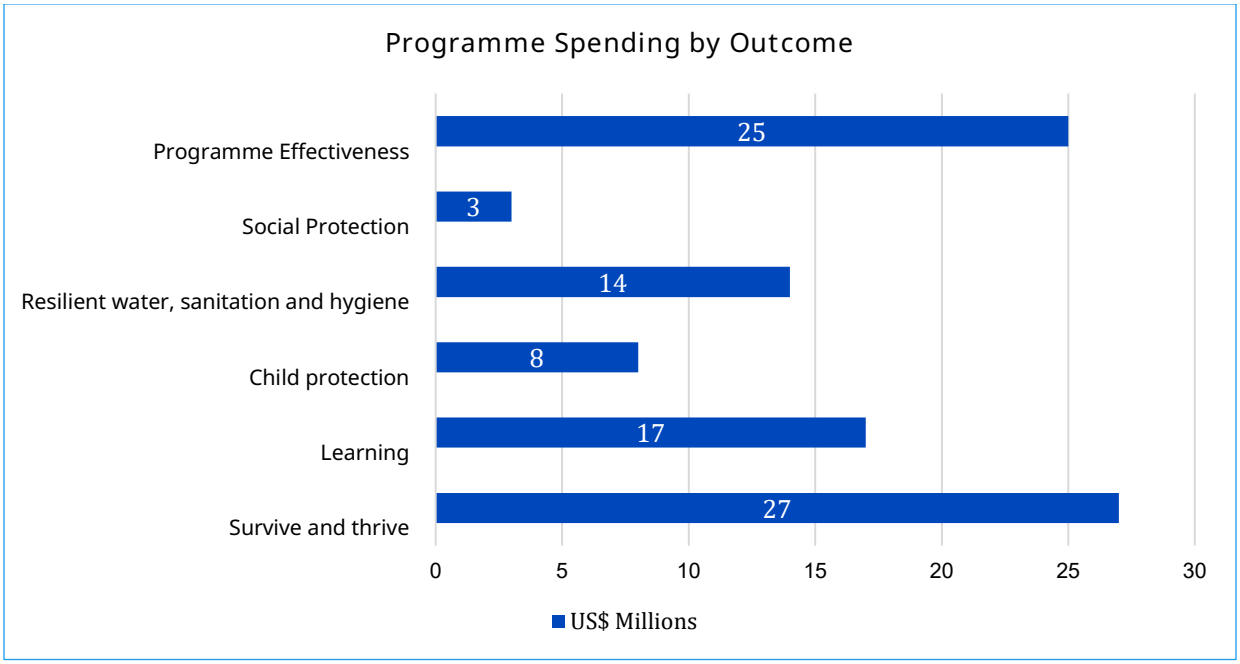
CPD: The Haiti CPD 2023-2027 covers six programmatic areas: survive and thrive; learning; child protection; (iv) resilient water, sanitation and hygiene (WASH); (v) social protection; and (vi) programme effectiveness.

UNICEF and its partners provided multisectoral humanitarian responses in several parts of the country, including essential health, WASH, nutrition and protection to those affected by protracted crises. Programmatic activities included the provision of lifesaving treatment for severe acute malnutrition in health facilities; mental health and psychosocial support; safe water and hygiene supplies; access to formal or non-formal education for children affected by the crisis; and protection and reunification services.

The CPD included a proposed aggregate indicative budget of US$27 million from regular resources and US$156 million in other resources. During the period covered by this audit, CPD expenditure totalled US$94 million.

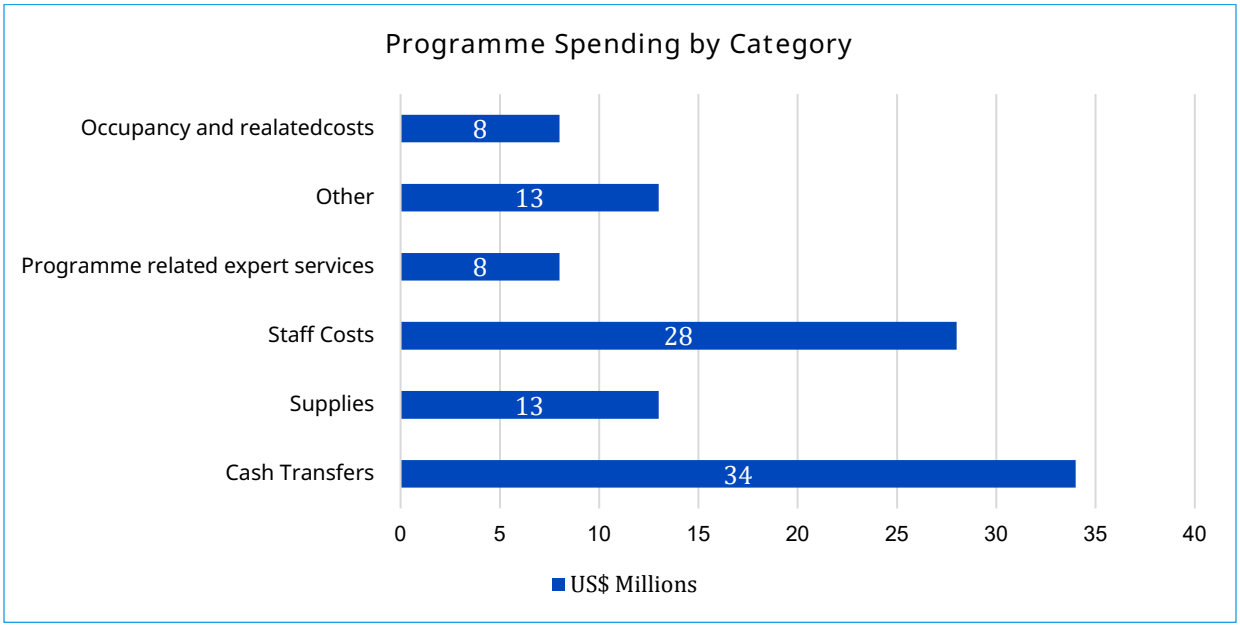
HCO expenditure by programme outcome during the audited period is shown below (see Figure 1). The most significant amounts are allocated to survival and thriving, followed by programme effectiveness, learning, resilient WASH, and other outcomes. Spending is aligned with the CPD. The audit assessed operational effectiveness across all the programme outcomes.

Figure 1: Programme spending by outcome in US$ million - January 2024 to September 2025



HCO expenditure by key cost category during the audited period is shown below (see Figure 2). The most significant amounts, in addition to staff costs, were approximately US$34 million in cash and US$13 million in supplies transferred to partners. Key controls related to this, as well as expenditure on programme supplies and service contracts, were included in the audit scope.

Figure 2: Expenditure by cost category in US$ million - January 2024 to September 2025



At the time of the audit field work, the HCO had 122 staff (37 international professionals, 37 national officers, and 48 general service positions) and 26 vacancies (including key vacancies such as chiefs of child protection, emergency, and social policy). A reduction of staff numbers was expected due to ongoing global organizational changes.

The main office is in the capital, Port-au-Prince (95 staff), with field offices in Les Cayes (12 staff) and Gonaives (11 staff), and a hub in Cap-Haitien (4 staff).

In early 2025, UNICEF launched the FFI, a global review to assess and enhance its organizational structure, risk management, and oversight mechanisms. The goal is to ensure that UNICEF remains affordable and fit for purpose by identifying strategic shifts and cutting costs. The FFI is projected to deliver over US$563 million in cost savings and a net reduction of 2,351 posts during the Strategic Plan 2026–2029 period. The impact on the HCO in 2025 has been the reduction of 67 posts and related budget reduction.

AUDIT OJBECTIVES, SCOPE AND APPROACH

The audit scope was determined during the audit planning process based on an assessment of the inherent[1] risks of the HCO, and included the following areas:

- Governance
- Risk management
- Programme monitoring
- Resource mobilization
- Partner evaluation and reporting
- Cash transfers to implementing partners and HACT assurance
- Supply chain, including warehousing
- Construction
- Procurement of supplies and service contracts
- PSEA
- Emergency response
- Security

The audit fieldwork was conducted remotely in September 2025 in conformance with the Institute of Internal Auditors' Global Internal Audit Standards. For the purpose of audit testing, the audit covered the period from January 2024 to September 2025. The audit involved a combination of methods, tools, and techniques, including interviews, data analytics, document review, transaction testing, and the evaluation and validation of preliminary observations.

[1] Inherent risk refers to the potential adverse event that could occur if management takes no actions, including internal control activities. The higher the likelihood of the event occurring and the more serious the impact would be should the adverse event occur, the stronger the need for adequate and effective risk management and control processes.

The key areas where actions are needed are summarized below.

1. Risk management — Medium

Although the HCO has integrated risk identification into its planning and procurement processes and it is a key topic at weekly SMT meetings, significant gaps remain that could limit the effectiveness of its risk management. These weaknesses include inadequate assessment of the effectiveness of internal controls and other existing mitigating controls, a lack of clear, measurable actions, and insufficient monitoring of risk-mitigating actions.

All UNICEF offices must undertake the risk management process (identify, assess, respond, and monitor) to manage risks in their working environments. Risk consideration is fundamental to effective management. It begins during strategy setting and continues throughout the programme cycle. An effective risk management process helps to safeguard UNICEF's reputation, achieve its strategic objectives, and ensure the safety and continuity of its operations.

During this period of ongoing updates to UNICEF's risk management framework[2], there is an opportunity to reinforce strategic alignment and forward-looking risk practices across country offices (COs). Risks should be systematically identified, documented, and integrated into operational planning and decision-making processes. Risk mitigation measures would be clearly defined, assigned, and regularly monitored for effectiveness. The audit assessed the completeness and relevance of the Haiti Country Office's risk register, with a focus on identifying and evaluating risk mitigation measures. It further examined whether the HCO had documented mitigation strategies and actions aligned with the identified risks, and whether it actively monitored its risk management practices. Finally, the audit team evaluated whether risk management results were consistently discussed in SMT meetings, reflecting a culture of proactive oversight and governance.

The audit found that the HCO has integrated risk identification into its regular planning processes, including its annual risk assessment and management plan. The HCO has also integrated risk management evaluations and its planned mitigation efforts into its procurement process. Additionally, risk management is a key topic in weekly SMT meetings, where particular attention is paid to the risks posed by the HCO's challenging security context.

[2] The UNICEF Policy on Enterprise Risk Management requires all offices, including country offices, to identify, assess, and respond to risk. Moreover, UNICEF's Anti-fraud Strategy requires country offices to conduct an annual fraud risk assessment to help their management teams understand the fraud risks unique to their programmes and operational activities, develop measures to mitigate identified risks, and identify control weaknesses.

Despite the integration of risk identification, the audit identified significant gaps in the HCO's risk management approach. One concern is that mitigating controls are not adequately described in the risk register or annual management plan, and their effectiveness is not assessed with sufficient rigor. The HCO has labelled the effectiveness of mitigating measures for all risks in its risk register as "partly effective," without any documented justification. Without a proper assessment of the effectiveness of the mitigating measures, the HCO would have no objective criteria to evaluate the impact of identified risks on priorities, thereby affecting the allocation of resources and the effort required to manage each risk. Ultimately, these gaps limit the HCO's ability to evaluate the performance of these controls.

The audit team noted an additional gap in the evaluation of mitigating measures; specifically, it found the HCO's evaluation to be inaccurate in some areas. For example, mitigating measures related to monitoring and indirect construction in the risk register, which were labelled "partially effective", were deemed ineffective during the audit. Another significant difference identified by the audit team was that the HCO's action points intended to address risks were vague and lacked adequate detail. For example, in the risk register and the 2025 annual management plan, the HCO emphasized strengthening the implementation and monitoring of quality assurance activities (spot-checks, programmatic visits, audits, third-party monitoring, and supply). Still, there were no clear actions as to how this should be achieved or tracked. Moreover, as identified in the monitoring section of this report, significant gaps persisted during the audit fieldwork. The lack of clear, measurable steps hinders both implementation and oversight. This ambiguity contributes to weak accountability, making it difficult to determine whether mitigation efforts are practical and progressing as intended.

The HCO lacked a reliable and effective mechanism to track its mitigation actions. In 2024, the HCO used a tracking sheet to monitor its mitigation actions; the audit team reviewed the document and found it incomplete and lacking adequate detail to document efforts. In 2025, the HCO did not document any tracking of progress in mitigating actions, thereby increasing the likelihood that mitigating actions are not being executed or monitored effectively.

Root cause(s): Ineffective oversight.

AGREED ACTION 1

The HCO agrees to strengthen oversight of the risk management process to ensure the review of the quality and completeness of risk mitigation measures.

Staff Responsible: Deputy Representative Operations and section chiefs
Implementation Date: March 2026

2. Internal control self-assessment — Medium

The HCO's internal control self-assessment indicated that all 39 controls assessed were adequately managed; however, upon further review, the audit identified several inaccurate assessments of internal control effectiveness, which could limit the HCO's ability to mitigate exposure and subject it to additional risk.

In line with the UNICEF internal control reference guide, COs are required to submit annual internal control self-assessments. In preparing these assessments, the CO completes a questionnaire (checklist) and conducts an evaluation to determine whether they have control over several key areas. For each identified weakness, the CO must specify its planned action to mitigate it.

The audit reviewed the HCO's 2024 internal control self-assessment. For the questionnaire, 39 of 41 control objects were selected from a drop-down menu and it was concluded that all were adequately managed. However, the audit found inaccuracies with the HCO's self-assessment as follows:

- It was assessed that all staff have completed mandatory PSEA, ethics and fraud awareness training. However, the audit team found that 24 out of 151 staff (16 per cent) had not completed the PSEA training, including staff who had been with the HCO since 2022. Moreover, the HCO did not reconcile attendance and completion of fraud awareness training against the list of required participants; thus, it did not have oversight of potential training gaps.
- The HCO reported that it has a supervisory and staffing structure to enable it to plan, execute, control and assess its ability to achieve set objectives. However, the audit found significant issues concerning the HCO's capacity (see the viability to deliver the country programme observation for more information).
- The HCO reported that it had completed the required number of spot checks. However, the audit team found that in 2024, the HCO completed only 74 per cent of the minimum required number of risk-based spot checks.
- It has adequate systems for monitoring supplies. However, the audit team found that no supply-end-user monitoring was conducted.
- It was reported that the HCO has processes in place to ensure implementation of assurance recommendations. The audit team found significant weaknesses concerning the implementation of the eTools action points module. Fifteen programmatic visit reports were reviewed; none of the identified issues and mitigating recommendations were recorded in eTools.

Failure to detect internal control deficiencies during the self-assessment phase significantly diminishes the HCO's chances of timely remediation, thereby increasing its exposure to operational and strategic risks.

Root cause(s): Risks and control gaps are not critically examined, and the assessment fails to generate actionable insights for improvement due to a checkbox-style approach.

AGREED ACTION 2

The HCO agrees to improve the internal control self-assessment process to ensure that control gaps are identified and targeted mitigation actions are developed and implemented.

Staff Responsible: Deputy Representative Operations
Implementation Date: February 2026

3. Resource mobilization — Medium

Despite fundraising efforts, the HCO lacked an updated RM strategy, thereby impacting its ability to secure and manage funding. These efforts were compounded by insufficient capacity within the function and a lack of clarity regarding the roles and responsibilities of key positions. The coordination between the resource mobilization and advocacy teams was ineffective, further hindering these fundraising efforts.

An effective RM strategy is critical to securing the funding needed to support programmatic activities and achieve organizational goals. Without such a strategy, the CO may struggle to maintain financial stability and deliver on its programmatic goals to support children and communities in need.

The global reduction in UNICEF funding, combined with underfunded Humanitarian Action for Children (HAC) appeals[3] resulted in the need for a concerted CO focus on resource mobilization to sustain its activities. The audit team examined the HCO's RM strategy and its related activities. This included reviewing the status and comprehensiveness of the RM strategy, action plan, staffing capacities, and the overall framework for accountability, operationalization and coordination with the advocacy strategy.

In the HCO, the resource mobilization function reports to the representative. During the period under audit, it was co-managed by a fixed-term (P-3) partnerships manager and a

[3] The Humanitarian Action for Children (HAC) appear is UNICEF's global humanitarian fundraising appeal for a given year. In 2024, only 26 per cent of the HAC funding target was raised and in 2025, only 13 per cent of the funding target was raised as of June 2025.

temporary (P-3) donor relations specialist. The former has been on medical leave since April 2025 and the temporary donor relations specialist contract expired in October 2025. The HCO created a senior partnerships associate position (G-7) in June 2025, following programme budget review, and will only be encumbered starting in January 2026. To support its fundraising efforts, the HCO hired two temporary staff members (six-month contracts) in July and August 2025, respectively.

The RM strategy was not finalized, and the associated action plan, which outlines the specific steps and activities to implement the RM strategy, was only partially completed. Resource mobilization activities were tracked in a Microsoft Excel pipeline, and the team provided daily, weekly and monthly updates to all sections and at country management team meetings. In reviewing the RM strategy and the section's activities, the audit team noted that the roles, responsibilities, and accountabilities of the positions were not clearly defined or assigned between the resource mobilization and advocacy teams, resulting in inefficiencies in their operations. The absence of a complete and operational RM strategy can lead to missed funding opportunities and ultimately inadequate support for critical programmes. Without clear roles, responsibilities and accountabilities, staff may struggle to execute tasks effectively, further hindering progress. If unaddressed, these issues could compromise the HCO's capacity to fulfil its mission and support those it serves.

Root cause(s): The above-noted issues were due to insufficient capacity resulting from funding reductions and the lack of a clear definition and assignment of resource mobilization roles and responsibilities within the HCO.

The HCO had an advocacy strategy with its action plan. However, it was not aligned with the RM strategy. Moreover, the action plan tracker was only updated to November 2024 despite multiple reminders to the programme sections. Misaligned strategies and a lack of coordination between advocacy and resource mobilization efforts can reduce overall efficiency and impact, and potentially diminish the HCO's ability to mobilize the necessary resources.

Root cause(s): The lack of alignment between resource mobilization and advocacy strategies was due to unstable staffing in the sections and a lack of capacity. The absence of an updated advocacy tracker was due to insufficient oversight at the programme section level.

AGREED ACTIONS 3

The HCO, in coordination with the RO, agrees to:

i. Finalize the RM strategy and related action plan and ensure they clearly define the roles, responsibilities and accountabilities for each position and that it is aligned with the advocacy strategy.

i. Enhance staffing capacity or seek out efficiencies in the resource mobilization team to ensure proper implementation of action plans and related activities.

ii. Regularly update the resource mobilization action plan and advocacy plan trackers to support informed decision-making and continuous improvement.

Staff Responsible: i. Partnership Manager; ii. Representative; iii. Partnership Manager
Implementation Date: i. May 2026; ii. March 2026; iii. March 2026

4. Oversight and monitoring of training — Medium

Despite the HCO's efforts to deliver well-adapted training materials and sessions, significant gaps were identified in oversight and monitoring of training. Some staff have not completed the mandatory PSEA, anti-fraud, procurement, and security training in a timely manner, despite a complex operating environment.

UNICEF has a clear institutional responsibility to ensure that all personnel, partners, and associated entities are adequately trained in key areas, including PSEA and anti-fraud. Moreover, personnel fulfilling specific roles and responsibilities may be subject to additional training requirements, such as procurement training for members of the Contract Review Committee (CRC) and safe and secure approaches in field environments(SSAFE) training for staff deploying to high-risk areas.

Haiti has a high risk of SEA according to the 2025 SEARO Global Index. The HCO is operating amid escalating violence, political instability, and economic decline. The audit reviewed the adequacy of the HCO's training programme for PSEA, anti-fraud, and security and the team also examined its monitoring of the completion of this training.

The HCO provided examples of training materials on PSEA and anti-fraud to implementing partners and service providers. The training materials were well-structured and adapted to the local context. The team found that the training sessions were also provided at regular intervals. Within the HCO, PSEA focal points provided adapted PSEA training to all new employees. However, the absence of oversight has hindered the HCO's ability to identify training gaps and systematically implement corrective actions. In particular, the audit noted the following:

- 24 out of 151 staff members had not completed the mandatory PSEA training in the AGORA4 system, including staff employed since 2022.

[4] Corporate training system in UNICEF.

- Current monitoring mechanisms for PSEA training to implementing partners, service providers, and frontline workers lacked sufficient detail to enable effective tracking and oversight. Records did not include the dates on which training was conducted, nor the list of participants. There was no reconciliation process to ensure that all staff, consultants, service providers, frontline community workers, and implementing partners were trained.
- CRC members had not completed the mandatory training before commencing their duties. Some members only completed it after the audit team notified them during fieldwork.
- The HCO did not consolidate training records for anti-fraud training to implementing partners and service providers and therefore could not determine which ones had not received the training.
- The HCO could not confirm that all relevant local staff had completed the mandatory SSAFE training.
- Mandatory individual first aid kit and women's security awareness training courses were not completed by the relevant staff, partly due to a lack of funding to provide the training.

The deficiencies in recordkeeping and training monitoring pose a risk that training gaps may go undetected and unaddressed. Moreover, they present a reputational risk to UNICEF, given the operating context in Haiti.

Root cause(s): The HCO could not verify whether all relevant staff, service providers and partners had received the required mandatory training due to a lack of oversight. It could not provide some mandatory training due to a lack of funding.

AGREED ACTIONS 4

The HCO agrees to:

i. Strengthen oversight mechanisms to systematically track, document, and verify compliance with mandatory training requirements for both internal staff and external stakeholders (e.g., partners, service providers).

ii. Strengthen the monitoring of mandatory training to ensure its completion by relevant stakeholders.

Staff Responsible: i. P&C Manager, PSEA Officer and Finance Specialist; ii. P&C Manager and PSEA Officer

Implementation Date: i. June 2026; ii. June 2026

5. Cash transfers — Medium

The HCO relies heavily on DCTs to high-risk partners, despite their limited financial capacity, increasing the risk of misuse or fraud. Further, 25 per cent of FACE forms were processed outside the 14-day target. Coupled with inaccurate data, this could delay the disbursement of funds, negatively impacting the implementation of programme activities.

Between January 2024 and September 2025, the HCO transferred US$47 million in cash transfers and supplies to 84 implementing partners, of which 80 had a harmonized approach to cash transfers (HACT)[5] rating of high, one was medium, and three were not indicated. The audit assessed the adequacy of controls to ensure the timely and accurate disbursement to and reporting of cash transfers by implementing partners for planned activities.

Use of the DCT modality for high-risk partners: The UNICEF Programme Implementation Handbook requires that COs use direct payment for large purchases of goods or services, or reimbursement, or a combination of direct payments, reimbursements, and DCTs for significant and high-risk partners. Between January 2024 and September 2025, approximately 90 per cent of all cash transfers were made to high-risk partners, with approximately 75 per cent of these transfers being DCTs. Use of the DCT modality for high-risk partners exposes funds to a higher risk of misuse or fraud. This risk is further elevated by the weaknesses in assurance activities described in the following section on monitoring.

Root cause(s): Limited financial capacity among some implementing partners limits the use of reimbursement as a payment modality. Moreover, the use of direct payments imposes a greater workload than DCTs, and human resource constraints limit the HCO's ability to increase the level of direct payments.

Processing of FACE forms: To ensure the timely implementation of programme activities, according to the UNICEF Programme Implementation Handbook, COs must disburse cash to implementing partners no later than 14 calendar days from receipt of adequately completed FACE[6] forms. During the audit period, the corporate system indicated that the HCO processed 75 per cent of FACE forms within the 14-day target. The audit reviewed a sample of 15 FACE forms and found that six had accurate data entry. However, for the remaining nine, the HCO recorded them as received later than they were actually received. This could delay the disbursement of funds, negatively affecting the timely

[5] HACT is a framework adopted by UNICEF to streamline the process of transferring cash to government and non-governmental implementing partners. The framework aims to align development aid more closely with national priorities and strengthen national capacities for management and accountability.
[6] A FACE form is a standardized tool used by implementing partners to request cash transfers and report on their use within the HACT framework.

implementation of programme activities. Moreover, inaccuracies in data entries reduce oversight and pose risks to UNICEF's operational efficiency and credibility.

Root cause(s): The prolonged processing time for FACE forms was due to a lack of capacity and increased workload in the HCO, as well as a lack of partner capacity, partly as a result of high staff turnover within partner organizations, related to the correct completion and justification of forms. The inaccuracies in data entry are attributed to a lack of oversight.

AGREED ACTIONS 5

The HCO agrees to:

i. Use a risk-based approach when selecting the modality to transfer cash to high-risk partners, considering the effectiveness of risk-mitigating actions, such as monitoring and assurance activities.
ii. Improve capacity of implementing partners by providing supplementary training on the FACE form process.
iii. Strengthen the oversight of FACE form data entry in the corporate system to ensure its accuracy.

Staff Responsible: i. Chief PME; ii. and iii. Finance Specialist
Implementation Date: i. June 2026; ii. and iii. July 2026

6. Monitoring — High

The HCO's monitoring activities showed significant gaps, including low completion rates and limited use of mandatory eTools monitoring systems, which reduced its ability to identify and address issues and maintain transparency. Despite [redacted] and resource constraints, there was no monitoring plan and limited oversight, resulting in low monitoring completion rates.

Effective monitoring supports decision-making by programme managers, adaptive management, organizational learning and accountability to programme stakeholders. According to the UNICEF procedure on monitoring, COs are expected to maintain a structured, coordinated office-wide monitoring and data system to ensure that monitoring activities are planned and implemented and that results are used to support effective programmatic delivery. Between January 2024 and September 2025, the HCO transferred US$34 million in cash transfers and US$13 million of supplies to implementing partners. Approximately 90 per cent of cash transfers were to high-risk partners.

The audit evaluated whether financial assurance activities were appropriately planned, resourced, and executed to ensure that cash transfers were used for their intended purposes and whether corrective measures were taken to recover any ineligible expenditures. The adequacy of the HCO's monitoring activities was also assessed. The following issues were identified:

Programmatic visit monitoring: The UNICEF procedure on monitoring states that office-wide planning for programme monitoring links each programme indicator or marker of progress with specific monitoring activities within the unit and zonal office workplans. The HCO did not complete any programmatic visit monitoring plans for 2024. A plan for 2025 was only initiated after the arrival of the new deputy representative for programmes in August 2024. The absence of a 2024 monitoring plan, the delayed initiation of the 2025 plan, and inadequate ownership of programmatic visit monitoring by programme sections significantly undermined the effectiveness of programmatic oversight mechanisms. The HCO completed only 30 per cent of the minimum required risk-based programmatic visits in 2024. At the time of the audit fieldwork in September 2025, only 32 per cent of the required programmatic visits were completed. Access limitation [redacted] also contributed to the low completion rates. However, the HCO did not consistently evaluate mitigating actions, such as conducting remote visits and using third-party monitoring. Lack of planning could lead to inadequate monitoring, limiting the HCO's ability to determine whether activities are implemented as planned and to identify and address weaknesses promptly. This also increases its risk of mismanagement of funds and fraud.

Root cause(s): Inadequate programmatic visit monitoring was due to a combination of inadequate planning, [redacted] and absence and turnover in key positions.

Spot checks: Spot checks serve as a key assurance mechanism for the HCO, helping to verify that cash transfers to implementing partners are utilized in accordance with approved plans. The annual planned transfer amount and its associated risk rating determine the requirement for spot checks to each partner. In 2024, the HCO completed 74 per cent of required risk-based spot checks, and as of September 2025, 42 per cent of the year's required spot checks had been completed. The HCO lacked clear plans for the timing of spot checks. There were also access limitations [redacted].

Root cause(s): The low completion rates of spot checks were due to a lack of planning, limited access due to the security context, and a lack of capacity.

eTools implementation: The review yielded the following gaps concerning the implementation of eTools:

- **Partner reporting portal:** The UNICEF implementation handbook requires that implementing partners submit quarterly progress reports and humanitarian reports using eTools' partner reporting portal or, for those partners without internet access,

via paper forms uploaded in eTools. The portal provides easy access to partner reporting and enhances oversight by enabling the easy tracking of missing or delayed reports. At the time of audit fieldwork, the HCO informed the audit team that it had not implemented the partner reporting portal, partly due to technical issues making the portal not fully functional. The lack of implementation of the module creates a risk that partner reports could be missing or delayed. Further, it reduces transparency as information will not be accessible to stakeholders.

Root cause(s): The lack of implementation of the partner reporting portal was due to technical issues and the lack of resources to train staff and partners in the use of the module.

- **Financial assurance module:** The audit identified significant gaps in the implementation of eTools for assurance activities. Concerning registration of eTools action points, and record keeping and registrations in the eTools financial assurance module. The audit reviewed 15 programmatic visit reports and found that none of the identified issues or mitigating recommendations were recorded in the eTools action points module. Moreover, follow-up actions were also not recorded in the module. As a workaround, the HCO maintained a tracker of recommendations outside of eTools. The audit team could not reconcile the recommendations in the tracker because it lacked reference to the specific assurance reports and the related partners. The audit found that recommendations from the sample reports reviewed were not consistently reflected in the tracking sheet, indicating that the tracking mechanism was either not systematically used or was ineffective and not monitored. The absence of complete documentation and monitoring of action points in eTools hinders the HCO's ability to identify and address issues promptly. It may lead to missed opportunities for internal improvements or targeted capacity building for implementing partners based on observation trends.

  The HCO's audit key performance indicator was zero per cent in 2024 and 2025. Audits were completed but were not recorded in eTools. As a result, findings with financial implications were not entered into the system nor monitored. Moreover, the financial findings overview in eTools displayed a balance of US$21 million. However, the majority of this appeared to relate to two erroneous entries of US$15.5 million from a spot check in 2022 and US$4.6 million from a spot check in 2025. These entries indicate that the HCO did not systematically monitor, or update recorded information in eTools and shared an alternative tracking sheet for ineligible expenses with the audit team. The review of the tracking sheet found it incomplete, as some financial findings identified in the audit reports were missing, and the information provided in the tracker was inadequate to support monitoring of follow-up actions. By maintaining records outside the eTools system, the HCO has reduced visibility into financial findings, hindering effective monitoring and issue resolution. This situation increases

the risk of funding loss due to mismanagement or fraud, as well as the loss of stakeholder confidence in the integrity of financial reporting.

Root cause(s): Inadequate management actions and oversight to ensure full implementation of eTools.

SEUM: During the period under audit, the HCO distributed US$13 million in supplies to implementing partners. At the time of the audit fieldwork, the HCO had not implemented any SEUM systems. The lack of a SEUM mechanism impedes the HCO's ability to determine whether supplies were delivered to the right beneficiaries, in the correct quantity and at the right time. It also increases the risk of aid diversion. The HCO acknowledged the lack of SEUM during the audit and was developing a mechanism to address it.

Root cause(s): The lack of SEUM is attributed to insufficient funding and capacity in the CO.

AGREED ACTIONS 6

The HCO agrees to:

i. Develop office-wide monitoring plans to ensure minimum risk-based programmatic visit monitoring and financial spot checks are completed.
ii. Identify relevant monitoring modalities to mitigate the access limitation.
iii. Implement the eTools partner reporting portal and the action points module, and train staff and implementing partners in their use.
iv. Develop and implement a mechanism for SEUM.

Staff Responsible: i. Chief PME and Finance Specialist; ii. Chief PME; iii. Chief PME; iv. Chief PME and Chief Supply and Logistics

Implementation Date: i. March 2026; ii. April 2026; iii. June 2026; iv. April 2026

7. Indirect construction — High

The HCO did not exercise sufficient oversight of construction projects carried out by CSOs. Construction capacity assessments were not completed. PDs and SPDs did not include the required special construction work. In four cases, the value of construction work with CSOs exceeded the maximum allowable amount. These issues increased the risk of financial losses, delays, and suboptimal construction work.

The UNICEF Procedure on Construction Projects requires COs to conduct CSO capacity assessments before signing PDs or SPDs, and to include special conditions when an

intervention involves construction work. In addition, indirect implementation with CSOs for construction projects is limited to US$100,000 per CSO in a calendar year. The audit team reviewed the implementation of indirect construction in the HCO.

The audit noted that the HCO signed SPDs totaling US$1.8 million with 10 CSOs in 2024 and 2025, without conducting any construction capacity assessments. By failing to conduct mandatory construction capacity assessments, the HCO could not verify whether the partners had adequate capacity to perform the construction activities. In addition, the programme cooperation agreements did not include the special conditions for construction works. For 4 out of 10 CSOs, construction components exceeded the US$100,000 threshold, with individual project totals ranging from US$170,000 to US$276,000. By failing to include special conditions for construction in programme cooperation agreements and to get the necessary approval, the HCO bypassed critical oversight mechanisms designed to protect UNICEF and safeguard the integrity of the project. This increases the risk of project failures, financial losses, and reputational damage to UNICEF. The HCO informed the audit team that it followed the Procedure on Supply Strategy and Planning, which permits direct or indirect implementation of WASH projects up to US$500,000 without requiring a local procurement authorization. This created confusion because the procedure addressed only the requirement for a local procurement authorization and did not reference the Procedure on Construction Projects, which defines the implementation modality threshold limits for construction projects.

Root cause(s): Inadequate oversight and a lack of adequate knowledge of the UNICEF Procedure on Construction Projects pertaining to indirect construction.

AGREED ACTIONS 7

The HCO agrees to:

i. Strengthen oversight over indirect construction projects.
ii. Provide staff training to improve their understanding of the UNICEF Procedure for Construction Projects.

Staff Responsible: i. Chief PME; ii. Chief PME and Chief Supply and Logistics
Implementation Date: i. March 2026; ii. March 2026

8. Emergency response — Medium

The preparedness plan was completed outside the EPP due to the changing environment. There was low adoption of emergency procedures in recruitment and partnerships due to

inconsistent implementation. The evaluation of UNICEF's Level 3 emergency in Haiti report included recommendations to address the identified gaps.

Effective implementation of emergency procedures is crucial during Level 3 emergencies to ensure timely and efficient responses to crises. These procedures are designed to streamline operations, minimize delays, and enhance the overall effectiveness of the humanitarian response, thereby directly improving the well-being of affected communities.

The audit team followed up on the HCO's plan to address the key gaps identified in the recent evaluation of UNICEF's Level 3 emergency in Haiti report (evaluation report), which evaluated the Level 3 emergency response in Haiti in mid-2024 to assess the effectiveness, efficiency, and relevance of the humanitarian efforts following escalating violence, displacement, and institutional collapse. The team also reviewed compliance with the Level 3 EPP requirements. It assessed the implementation of emergency procedures in the HCO, focusing on key areas such as human resources, partnerships, procurement, and supply and logistics. In April 2023, UNICEF activated its Level 3 Corporate Emergency Activation Procedure scale-up phase for Haiti. It was extended until July 2025, after which it was lowered to Level 2.

During the audit period, the HCO had an emergency management team that provided oversight and facilitated, in a participatory manner, updates and adaptations to response strategies and priorities. The chief emergency position was abolished in the June 2025 programme and budget review (PBR) to create a new position, chief field operations and emergency (P-4), effective August 2025. The position has been vacant since August 2025. A staff surge was in place from August to September 2025, when the emergency specialist assumed responsibility as officer in charge.

Compliance with EPP requirements: The EPP showed that the HCO's preparedness plan was overdue. Due to the volatile, rapidly shifting environment, the HCO decided to develop the preparedness documentation offline, which the audit noted that it had been created and finalized. This was also highlighted in the evaluation report, which indicated that the EPP was not the most appropriate tool for the analysis because it was not user-friendly.

Inconsistent implementation of emergency procedures: The HCO maintained a tracker to monitor its implementation of emergency procedures in the operations section. The review of the tracker found it incomplete, as most actions, recommendations, responsibilities, and deadlines were neither assigned nor completed. Emergency procedures were implemented across procurement, supply, and logistics. The audit team reviewed ten service contracts and found they were fast-tracked through single-source selection. Similarly, supply and logistics plans were developed and implemented. However, there were significant delays in recruitment and in developing partnership documents. In

2024, 59 recruitments were completed, averaging six months. The recruitment of international staff took an average of 11 months. During discussions, the audit team noted that the recruitment process was not simplified, as the HCO wanted to avoid the perception from the RO and HQ that it was not rigorous. Fifty simplified programme documents were developed during the audit period, of which 26 per cent were processed outside the 15-day deadline.

Inconsistency and reluctance to implement Level 3 emergency procedures across some functions undermine the efficiency and effectiveness of the HCO's emergency response efforts. If left unresolved, these issues may lead to further delays in delivering aid, reduced community engagement, and weakened response capabilities, ultimately prolonging the suffering of affected populations.

Root cause(s): The inconsistent implementation of the emergency procedures in human resources and partnerships was due to a risk-averse culture, a lack of understanding of HACT and partnership procedures, and poor decentralization of field offices.

Evaluation of Level 3 response: The evaluation report noted that despite the Level 3 response, the HCO faced significant challenges, including constrained resources, gaps in preparedness, inadequate community engagement, limited funding, and weak coordination. While UNICEF demonstrated adaptability, the evaluation report highlighted inefficiencies in the response, a lack of strategic focus on protection, and poor integration of cross-cutting issues. Recommendations urge better alignment with local capacities, improved funding strategies, and the reinforcement of a protection-led approach.

The audit noted that the recommendations in the evaluation report addressed issues identified with the EPP and emergency procedures. The report was being finalized during the audit. In the current context of funding constraints and to reduce the burden on the HCO, the audit will recommend that the HCO implement the recommendations in the evaluation report.

AGREED ACTION 8

The HCO agrees to implement the recommendations included in the evaluation of UNICEF Level 3 emergency in Haiti report.

Staff Responsible: Chief Field Operations and Emergency, Representative

Implementation Date: June 2026

9. Security	High

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

AGREED ACTIONS 9

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

Staff Responsible: [redacted]

[redacted]

Implementation Date: [redacted]

10. Human resources management — High

The HCO experienced significant human resources challenges, including staffing cuts from 172 to 105, prolonged vacancies, and a budget reduction that impacted core functions. Recruitment delays, high staff leave due to human resources policies and safety restrictions, and low morale from funding uncertainties and insecurity disrupted operations and reduced programme effectiveness.

An adequate number of staff with the capacity to fulfil their duties is a key component of a CO's ability to deliver on its planned activities in its CPD and related programme goals.

The audit assessed the impact of the staffing cuts, vacancies and budget reduction resulting from the 2025 FFI, on the HCO's ability to deliver its CPD. This included a review of the status of key vacancies, capacity in the people and culture section (formerly the human resources section), the impact of HR requirements on office management, and the related impact on staff well-being. The following observations were made:

Staffing cuts and vacancies: The HCO underwent significant staffing reductions following multiple PBRs in 2024 and 2025, to address considerable funding decrease, resulting in a reduction from 172 to 105 staff or nearly 40 per cent. In 2025, the HCO's institutional budget envelope, used to support core posts with core functions in finance, human resources, information and communication technology, and administration, was reduced from US$12.31 million to US$10.76 million, or a 12 per cent reduction. Consequently, positions, including the administrative specialist role, could no longer be funded through the institutional budget. They were funded through other regular resources, which means the HCO had to raise the funds. Given the complex resource mobilization context, the HCO may not be able to raise the funds needed to maintain the positions in the future. For example, the average salary gap for security positions was 22 per cent in 2026. Furthermore, the global PBR for the medium-term review of the UNICEF Strategic Plan 2022-2025 provided the institutional budget funding for the PSEA P-4 position until the end of 2025. The funding was not extended. The position was abolished in the June 2025 PBR despite the complexity of SEA cases in Haiti.

The HCO also downgraded and nationalized several positions (see Table 1). These changes were reviewed and approved by the regional PBR.

Table 1: International positions downgraded or nationalized in 2024-2025

Position	Status
Chief child survival and development	Downgraded from P-5 to P-4
Chief child protection	Downgraded from P-5 to P-4
Security manager	Downgraded from P-4 to P-3
Administrative specialist	Downgraded from P-3 to P-2

Chief field office (Les Cayes)	Nationalized from P-4 to NO-3
Chief field office (Gonaives)	Nationalized from P-4 to NO-3
Budget officer	Nationalized from P-2 to NO-2

The downgrading and nationalization of positions raise concerns about the HCO's strategic and leadership capacities and could make it less attractive to recruit, given the challenging operating context.

Root cause(s): The changes in the HCO's staffing were due to changes in funding.

Human resources capacity: The HCO faced significant human resources challenges, marked by a substantial staff reduction due to multiple PBRs. The people and culture section initially had six positions in January 2024 to manage the human resources function in the HCO. Despite the need to expedite the recruitment of new positions, their onboarding, and to support the capacity building programme due to the emergency, three positions remained vacant in 2024 due to a lack of funding. They were subsequently abolished in 2025 after the PBRs, and the function was reduced to three positions. As a result, the office faced difficulties fulfilling the human resources responsibilities. To address this issue, the HCO requested support from the RO. Despite recruitment efforts and support from the RO, several essential positions remain unfilled. There were 19 vacant positions, including chief emergency, chief social policy and child protection specialist positions. The audit noted that the HCO did not maintain accurate records on recruitments. At the time of this audit, the Haiti Country Office is facing a 13 per cent funding shortfall on staff salaries for 2026. The salary gap concerned critical positions in the programme and operations section, including social policy, social and behavioural change, PSEA, child protection, and education. The lack of capacity in the people and culture section, coupled with the lack of funding and management decisions to freeze all recruitment, led to delayed recruitment and vacancy in key positions, which could result in the Haiti County Office not effectively fulfilling its mission.

Root cause(s): The lack of capacity in the people and culture section was due to a lack of funding.

High levels of staff on leave and other restrictions: During the period under audit, the HCO implemented flexible work arrangements (teleworking) and other organizational human resources requirements, such as rest and recuperation (R&R) and special emergency compressed time-off (SECTO). For the R&R cycle, the working requirement for international staff was four weeks on, followed by five days of leave, plus annual leave days. For national staff, SECTO is every eight weeks. Staff have five days of leave plus annual leave days. Many staff were on R&R or SECTO at the same time, including section chiefs. The application of human resources policies in Haiti's challenging operating context made it difficult for the HCO to carry out its activities efficiently due to numerous leave breaks. The HCO attempted to manage the situation by completing 27 internal staff

surge requests in 2024 and 16 in 2025. In addition, the audit noted that the internal mechanisms to ensure adequate transition and follow-up on activities needed to be strengthened. The constant staff leave requirements and the lack of sufficient internal mechanisms for transition and follow-up could disrupt and delay the implementation of programme activities and negatively affect staff morale. Due to the safety and security situation, the HCO has a threshold of 15 international staff that can be in the capital, one of the main areas for humanitarian response, at any point in time.

Root cause(s): Delays in implementation of programme activities and difficulties in managing staff were due to the implementation of the human resources leave requirements, inadequate internal transition and follow-up mechanisms, and the limit on staff presence in the capital.

Staff well-being: The staff association has a good working relationship with the HCO management, and there is regular communication and collaboration. The staff association was actively involved in consultations and decision-making processes during the PBRs. During the audit period, the HCO implemented initiatives to support staff well-being, including access to staff counsellors. Staff received regular security briefings, and measures were implemented to help those affected by security issues, including financial and relocation assistance. Despite these efforts and given the context of insecurity, funding uncertainty, and economic instability, morale among the remaining staff is low. The main office in Haiti was relocated to a contingency location due to security issues. The security situation had a notable impact on staff well-being, including burnout and stress. Fourteen staff members were on sick leave for over 20 days, and their leave certifications needed to be reviewed by the United Nations medical team. The sick leave ranged from 11 to 246 days, with seven staff members exceeding 50 days. The dedicated staff counsellor position was abolished, and the HCO was relying on external counsellors to support staff. The staff association has only two members due to a lack of staff motivation since the departure of the president and secretary in June 2024. Elections are planned for November 2025. Consequently, an action plan developed in 2024 to address the issues identified in the 2024 global staff survey was not finalized. The low morale of staff in the HCO presents several risks that could significantly impact its operations and effectiveness, including decreased productivity, increased absenteeism, loss of institutional knowledge, increased recruitment and training costs, and reduced programme effectiveness.

Root cause(s): Low morale in the HCO was due to insecurity, funding uncertainty, and staff reductions.

AGREED ACTIONS 10

The HCO agrees to:

i. Prioritize building the capacity of its human resources function and expedite the recruitment of key vacancies.
ii. Maintain accurate records on the recruitment of staff.
iii. Strengthen internal mechanisms to improve handover and follow-up programme activities.
iv. Implement the global staff survey action plan.

Staff Responsible: i. People and Culture Manager and SMT members; ii. People and Culture Manager; iii. Deputy Representative Programme; iv. People and Culture Manager and Staff Association Chair

Implementation Date: i. February 2026; ii. March 2026; iii. March 2026; iv. April 2026

11. Viability of delivering the country programme — High

Given the past, present, and ongoing security and related challenges facing the HCO, the most recent budget and staffing reductions, and the changes resulting from UNICEF's FFI, there is a significant risk that the HCO is unviable and will be unable to meet its CPD 2023-2027 goals.

An appropriate organizational structure, adequate budget and human resource capacity, effective communication channels, and institutional support are just some of the necessary components that a CO needs to deliver on its planned activities and programmatic goals effectively. Yet, the challenging environment in which the HCO operates, with a complex security context and a prolonged crisis, related human resources and resource mobilisation challenges, creates an additional impediment to the effective delivery of its activities and programmatic goals.

The audit assessed the HCO's new office structure, including the role of field offices, and the implementation of its October 2024 Strategic Moment of Reflection (SMR)[7] programme reprioritization, in relation to the HCO's ability to deliver its CPD. This assessment was completed with due consideration to the observations presented in the preceding sections of this report, the most recent budget and staffing reductions affecting the Country Office as a result of the 2025 FFI decisions, and the complex context in which the Haiti Country Office operates. The following observations were made:

Role of field offices: The HCO's new office structure was reviewed and approved in the June 2025 PBR. The accountability framework defined field office responsibilities; however, the audit found that these responsibilities were not implemented in practice. Programme planning was centralized with delivery through field offices. The audit team found that the

[7] The Strategic Moment of Reflection is a key decision-making point in the programme cycle, focusing on prioritizing goals and strategies with risk analysis and stakeholder input to align the programme direction with children's needs. It evaluates necessary changes, including business engagement, to enhance outcomes for children.

field offices were not strategically involved in developing annual workplans; consequently, plans related to field offices did not always reflect local needs and conditions. Moreover, the 2025 workplans lacked clear descriptions of activities and related budgets to be performed at the field office level. The audit team found that field offices struggled with limited decision-making power and budget control, which hindered their ability to respond swiftly and efficiently to local needs and emergencies. They were often reliant on the main office, causing delays in operations and decision-making. Furthermore, the chief of field office positions were nationalized, and the chief of emergency position is vacant, raising concerns about the strategic and leadership capacities. The lack of clearly defined roles and responsibilities for field offices has resulted in delayed and inefficient responses, impacting programme delivery.

Reprioritization from the SMR: The HCO conducted an SMR in October 2024 which resulted in the reprioritization of programme activities. As part of the SMR exercise, sections ensured that UNICEF programme priorities aligned with those of the transitional government. SMR shifts were discussed with sectoral partners at the technical level and with the Government of Haiti. During this same exercise, the 2025 Humanitarian Response Plan[8] was also refocused on core priorities in light of funding shortfalls and the humanitarian reset. The audit assessed the operationalization of the SMR, noting that actions were underway on integrated multi-sectoral programming, development of an adolescent strategy, and nexus programming. However, 2025 workplans were not revised to reflect the changes resulting from the 2024 SMR, thus limiting their full implementation.

In a context like Haiti, where the successful implementation of the CPD largely depends on the collective ability to respond to emergencies and manage the complexity of interventions, it is essential to understand each partner's role, identify best practices, address challenges, and seize opportunities for enhanced collaboration to accelerate results for target populations. An output of the SMR was to conduct a review of partnerships to assess their relevance, effectiveness, and added value in supporting the implementation of the CPD. Terms of reference for the review were developed, but the review was not conducted. The absence of updated workplans reflecting the new priorities and targets, and the lack of review of partnerships, could lead to inefficient use of resources and impede the HCO’s ability to achieve its programme goals.

The exceptionally challenging environment in which the Haiti Country Office operates, combined with the observations presented in the preceding sections of this report and the most recent budget and staffing reductions, presents significant challenges for the HCO. The audit team wants to highlight the substantial risk to the HCO's ability to deliver its activities and programmatic goals - observations that are echoed in the evaluation report.

[8] A Humanitarian Response Plan (HRP) is a strategic document for humanitarian crisis response, developed with partners to align with needs and integrated into the work plan within 6-12 months, detailing strategy, targets, methods, challenges, and resources, aligned with UNICEF's Core Commitments for Children.

The report raised concerns about the HCO's operational model due to the ongoing crisis, staffing challenges, response capacity, decentralization needs, risk assessment updates, and remote management.

AGREED ACTION 11

The HCO, in collaboration with the RO and relevant HQ divisions, agrees to review the viability of its operational model to achieve its planned programme goals.

Staff Responsible: Representative, Deputy Representative Programme, Deputy Representative Operations, Chief Field Operations and Emergency

Implementation Date: June 2026

APPENDIX

Definitions of Audit Observation Ratings

To assist management in prioritizing the actions arising from the audit, OIAI ascribes a rating to each audit observation based on the potential consequence or residual risks to the audited entity, area, activity or process or to UNICEF as a whole. Individual observations are rated as follows:

Low	The observation concerns a potential opportunity for improvement in the assessed governance, risk management or control processes. Low-priority observations are reported to management during the audit but are not included in the audit report. Action in response to the observation is desirable.
Medium	The observation relates to a weakness or deficiency in the assessed governance, risk management or control processes that requires resolution within a reasonable period to avoid adverse consequences for the audited entity, area, activity or process.
High	The observation concerns a fundamental weakness or deficiency in the assessed governance, risk management or control processes that requires prompt/immediate resolution to avoid severe/major adverse consequences for the audited entity, area, activity or process, or for UNICEF as a whole.

Definitions of Overall Audit Conclusions

The above ratings of audit observations are then used to support an overall audit conclusion for the area under review, as follows:

Satisfactory		The assessed governance, risk management, and control processes were adequate and functioning well.
Partially Satisfactory, Improvement Needed		The assessed governance, risk management, and control processes were generally adequate and functioning but needed 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		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		The assessed governance, risk management or control processes were not adequately established or did not function well. The weaknesses or deficiencies identified could have a severely negative impact on the performance of the audited entity, area, activity or process.

Published by UNICEF Office of Internal Audit and Investigations (OIAI)

3 United Nations Plaza, East 44th St, New York, NY 10017

www.unicef.org/auditandinvestigation

Report No. 2025-26

unicef

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