



October 2025 **SUMMARY**

INTERNAL AUDIT 2025-03
**Coordination of External
Oversight Activities**

DEPARTMENT OF INTERNAL OVERSIGHT SERVICES (DIOS)

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WHAT WAS AUDITED

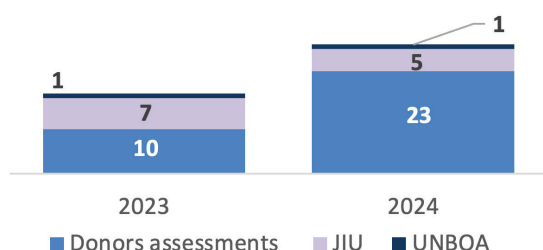
The audit objective is to provide assurance that the governance arrangements, risk management practices, and controls over the coordination of external oversight activities are established and adequately functioning to achieve the objectives of the audited area.

The internal audit covered the period from January 2023 to December 2024 and included the acceptance of external oversight activities, internal coordination mechanisms, and the monitoring and implementation of recommendations.

WHY IT MATTERS

Post-October 2023, concerns about neutrality increased scrutiny over the Agency with some donors suspending or pausing funding. As of end 2024, all but two donors had resumed funding. The resumption of funding has been accompanied by new conditionalities such as a systems audit, third party monitoring, earmarking to non-staff costs, and new anti-terrorist clauses in an overall move from core funding to earmarked emergency funding.

Figure 1: External oversight activities 2023-2024



The total number of recommendations issued by the various external oversight bodies during 2023-2024 reached 202.

WHAT WE CONCLUDED

Overall, the audited area was assessed as partially satisfactory with some improvement needed. The assessed governance arrangements, risk management practices and controls were generally established and functioning but need some improvements to provide reasonable assurance that the objectives of the audited area should be achieved.

WHAT WERE THE AUDIT OBSERVATIONS

Issues noted were mainly due to undefined roles and responsibilities including delegated authority, particularly for monitoring and implementing recommendations, insufficient and fragmented capacities and gaps in documentation related to the Agency's transactions.

WHAT WERE THE ACHIEVEMENTS

The Agency managed to handle an increased number of external oversight activities, which went above and beyond what is expected in normal circumstances.

The Agency showed reactivity and flexibility while managing at the same time a huge emergency response.

WHAT WE RECOMMENDED

Three recommendations were provided, two of which are of high priority and one of medium priority:

1. The Executive Office should review governance arrangements to: a) clarify roles and responsibilities; b) identify the Department responsible for the consolidation of recommendations; and c) assign authority to mark recommendations as implemented.
2. The Executive Office should assess and consider reinforcing or consolidating available capacities.
3. The Executive Office should ensure completion of the on-going activities of updating UNRWA's regulatory and accountability framework led by the Executive Office and the Department of Legal Affairs.

WHAT IS NEXT

Management accepted the recommendations and has developed a time-bound action plan and officials responsible for its implementation.

DIOS monitors and reports on the implementation of internal audit recommendations.

The audit was conducted in conformance with the Global Internal Audit Standards™. Pursuant to the Charter of DIOS this summary is publicly available upon issuance of the report.



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for palestine refugees in the near east

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UNRWA is a United Nations agency established by the General Assembly in 1949 and is mandated to provide assistance and protection to a population of some 5.9 million registered Palestine Refugees. Its mandate is to help Palestine Refugees in Jordan, Lebanon, Syria, the Gaza Strip, and the occupied West Bank, including East Jerusalem, to achieve their full potential in human development, pending a just solution to their plight. UNRWA's services encompass education, healthcare, relief and social services, camp infrastructure and improvement, and microfinance.