



UNITED NATIONS RELIEF AND WORKS AGENCY  
FOR PALESTINE REFUGEES IN THE NEAR EAST

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HEADQUARTERS  
1 October 2020

**ORGANIZATION DIRECTIVE NO. 14**

**Charter of the  
Department of Internal Oversight Services**

**PURPOSE**

1. This Directive sets out the terms of reference of the Department of Internal Oversight Services (DIOS).

**MISSION STATEMENT**

2. The mission of DIOS is to provide internal oversight services that add value to and support UNRWA in achieving its mission by strengthening accountability, transparency, integrity and learning within the Agency.

**AUTHORITY**

3. This Directive is issued under the authority conferred on the Commissioner-General as chief executive of the Agency by Resolution 302(IV) of 8 December 1949 of the General Assembly of the United Nations.
4. This Directive is submitted to the Advisory Commission for its information.

**EFFECTIVE DATE**

5. This Directive takes effect from 1 October 2020.

**REFERENCES**

6. This Directive supersedes and replaces Organization Directive No. 14 dated 5 October 2012.
7. This Directive should be read in conjunction with Organization Directive No.2 - Organization of UNRWA; Organization Directive No.3 - Organization of Headquarters; Organization Directive No. 24 - Advisory Committee on Internal Oversight; Organization Directive No. 30 -Terms of Reference of the UNRWA Ethics Office; General Staff Circular No.05/2007 - Allegations and Complaints, Procedures and Protection against Retaliation for Reporting Misconduct and Cooperating with Audits or Investigations; General Staff Circular No. 06/2010 – Prohibition of Discrimination, Harassment – Including Sexual Harassment –

and Abuse of Power; General Staff Circular No.07/2010, Sexual Exploitation and Abuse Complaints Procedure; and the UNRWA Anti-Fraud and Anti-Corruption Policy as amended.

### **ORGANIZATIONAL ARRANGEMENTS**

8. The internal oversight functions of internal audit, evaluation and investigation are entrusted to DIOS.
9. The Director of DIOS reports and is accountable to the Commissioner-General. The Director of DIOS shall exercise operational independence in the conduct of his/her duties and have the authority to initiate, carry out and report on any action, which s/he considers necessary to fulfill its responsibilities for internal oversight functions as set forth in this Directive.
10. The Director of DIOS is advised on the performance of his/her functions by the Advisory Committee on Internal Oversight (ACIO). The ACIO, in line with its terms of reference (OD 24) also advises the Commissioner-General in respect, inter alia, of the Agency's financial reporting, risk management processes, internal control arrangements, evaluation system, ethics function, external audit matters and the internal oversight function, including internal audit, evaluation and investigation.
11. The Commissioner-General in consultation with ACIO shall appoint the Director of DIOS for a non-renewable six-year term including one year of probation. The Director shall not be employed for any other function within UNRWA upon completion of the term.
12. The Director of DIOS is responsible for the work of DIOS and is required to:
  - a. Submit an oversight strategy and annual work plans, including risk-based and flexible annual audit plan and evaluation plan through the ACIO (for review and advice) to the Commissioner-General for information;
  - b. Implement the strategy and work plans and issue timely reports, and consider and implement, as appropriate, any additional requests for assignment from the management;
  - c. Decide to open and close investigations in line with UNRWA's investigative policy;
  - d. Keep the Commissioner-General and ACIO informed of emerging trends through synthesis of oversight results, and significant oversight matters, as appropriate;
  - e. Adopt best practices in oversight functions, and use professionals with sufficient knowledge, skills, experience and any other competencies needed to fulfil the mission of DIOS and to maximize the efficiency and effectiveness of the used resources;
  - f. Liaise with representatives of the United Nations Board of Auditors (UNBoA) and the Joint Inspection Unit (JIU) to foster a cooperative and professional working relationship and to facilitate their works; and
  - g. Provide advisory services to assist management in meeting its objectives, within DIOS capacities and areas of expertise.

## **SCOPE OF WORK**

13. DIOS fulfils its internal oversight role through independent and objective internal audit, evaluation and investigation. DIOS's internal oversight responsibilities are set out in sections 14 to 19 below.

### Internal Audit

14. The internal audit activity aims to add value to UNRWA by providing independent and objective assurance and advice on, and contributing to, the effectiveness and efficiency of governance, risk management and control processes. The internal audit activity assesses the adequacy of processes in place to ensure that:
  - a. Resources are acquired economically and used efficiently;
  - b. Assets are safeguarded;
  - c. Programme results, plans, and business objectives are achieved;
  - d. Financial, managerial and operating information is accurate, reliable and timely; and
  - e. Activities comply with regulations, rules and other administrative issuances, policies and procedures.
15. DIOS's internal audit responsibility includes:
  - a. Implementing the approved work plan and periodically informing the Commissioner General and the ACIO of progress in carrying out the work plan and the impact of amendments thereto, including any scope limitations, and reporting;
  - b. Liaising with UNBoA for the purpose of optimizing audit coverage, and sharing information such as strategies, work plans and all reports produced by both the DIOS and the UNBoA;
  - c. Managing a follow-up system for internal audit recommendations; and
  - d. Ensuring that internal and external stakeholders have appropriate access to internal audit findings and recommendations.

### Evaluation

16. Evaluations aim to systematically and impartially determine the relevance, coherence, efficiency, effectiveness, impact and sustainability of ongoing and completed activities, projects, programmes, strategies, policies, topics, themes, operational areas and institutional performance by examining expected and achieved accomplishments, theory of change, processes, contextual factors and causality.
17. DIOS's evaluation responsibility includes:
  - a. Functional leadership and oversight over UNRWA's evaluation system which consists of the central evaluation function in DIOS and decentralized evaluation functions in Headquarters Departments and Field Offices;
  - b. Designing, commissioning, managing and/or carrying out independent evaluations;

- c. Providing guidance, technical support and capacity development for the management of decentralized self-evaluations and promoting an evaluation culture in the Agency;
- d. Developing and regularly updating policy documents, guidelines, systems, procedures and tools related to evaluation in the Agency;
- e. Managing a follow-up system for evaluation recommendations; and
- f. Ensuring that internal and external stakeholders have access to evaluation findings and recommendations.

### Investigation

18. DIOS's investigations cover various forms of misconduct including, but not limited to: fraud and corruption; sexual exploitation and abuse; harassment including sexual harassment; abuse of authority; or failure to observe regulations, rules and other administrative issuances, policies and procedures. DIOS is mandated to be the central point for the receipt of all allegations and complaints in relation to misconduct.
19. DIOS' responsibility for investigation includes the following:
  - a. Maintaining a confidential registry of allegations and complaints in a centralized Case Management System, which is managed and supervised to ensure the timely recording and management of allegations, complaints and related investigative activity;
  - b. Managing the Agency's telephone hotline email and online complaints system;
  - c. Conducting investigations;
  - d. Providing technical advice, guidance and training to staff who may be required to carry out investigations supervised by Field and Departmental Directors;
  - e. Administering a process of quality assurance by initiating reviews of investigations conducted by other HQ Departments and Field Offices;
  - f. Conducting further investigation if not satisfied with the results or recommendation of any investigation carried out by the Field and Department Directors;
  - g. Maintaining the security and confidentiality of all information and documentary and physical evidence related to DIOS investigations; and
  - h. Respecting the individual rights of staff members and acting with strict regard for fairness and due process for all concerned in accordance with applicable regulations, rules and administrative issuances.

### **REPORTING**

20. DIOS shall issue periodic reports to the Commissioner-General and the ACIO for information on the status of implementation of its work plan, the status of implementation of audit and evaluation recommendations and the status of follow-up related to investigation reports. All audit, evaluation and investigation reports shall be made available to the ACIO, upon request.
21. DIOS independently prepares and submits an annual report on its activities,

resources, significant findings highlighted by audits, evaluations and investigations, and measures taken by management to implement DIOS's recommendations. A draft is shared with ACIO for review and advice. Subsequently, DIOS submits the annual report to the Commissioner-General, and for information purposes to the Advisory Commission. The Commissioner-General may prepare a management response to the annual report and submit it to the Advisory Commission.

#### **INDEPENDENCE AND OBJECTIVITY**

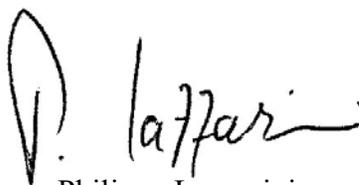
22. To ensure appropriate organizational and individual independence and objectivity and to enable DIOS to fulfill its responsibilities free from interference in determining the scope of work, performing its work and communicating results:
  - a. DIOS staff shall have no direct operational responsibility or authority over any of the activities in the Agency;
  - b. DIOS staff shall be impartial, unbiased and avoid conflicts of interest; DIOS staff and consultants shall not be assigned to areas for which they have had operational responsibility within at least two years, and are required to immediately declare to the Director, DIOS any potential and/or actual conflicts of interest or other circumstances that may be perceived to impair their independence and objectivity in relation to any assigned activity;
  - c. DIOS shall be provided with the necessary resources in terms of adequate funds and professional staff to maintain its independence and objectivity.

#### **AUTHORITY OF DIRECTOR AND STAFF OF DIOS**

23. The authority of the Director and staff of DIOS includes:
  - a. The Director of DIOS shall have the authority to select staff, allocate resources, set frequencies, select subjects, determine scopes of work, and apply the techniques required to accomplish audit, inspection, evaluation or investigation objectives;
  - b. The Director of DIOS and its staff shall have unrestricted access to all functions, records, property, premises and personnel; all officers and staff members, consultants, contractors, interns and United Nations volunteers shall cooperate with DIOS audits, evaluations, and investigations and provide access to all records, documents and information requested by DIOS in connection with such assignments except for medical records which shall not be made available without the prior written consent of the staff member concerned;
  - c. The Director of DIOS shall have full and unrestricted access to the Commissioner-General, the members of the ACIO, Advisory Commission, the UN Office of Internal Oversight Services, Ethics Office, and the UN Ethics Office and UNBoA and JIU.

## PROFESSIONAL STANDARDS

24. DIOS's oversight activities shall be performed in accordance with international standards for audit, evaluation and investigation. These include (i) the International Standards and Code of Ethics defined in the Professional Practices Framework for Internal Auditing issued by the Institute of Internal Auditors (IIA) as adopted by the Representatives of the Internal Audit Services (RIAS) of the United Nations and Multilateral Financial Organizations, (ii) the Norms and Standards for Evaluation in the UN System issued by the United Nations Evaluation Group (iii) the Uniform Standards for Investigations adopted by the 10<sup>th</sup> Conference of International Investigators of the United Nations Organizations and Multilateral Financial Institutions, (iv) the Standards of Conduct for the International Civil Service issued by the International Civil Service Commission, and (v) applicable UNRWA Regulations, Rules, other administrative issuances, policies and procedures.
25. DIOS shall maintain professional staff with sufficient qualifications, knowledge, skills, and experience to meet the requirements of this Directive, subject to the relevant regularity framework of the Agency.
26. The Director shall establish a quality assurance and development programme that covers all aspects of DIOS's activities. S/he shall continuously monitor the programme's effectiveness.



Philippe Lazzarini  
Commissioner-General

**ANNEX TO ORGANIZATION DIRECTIVE NO. 14**

**UNRWA's Policy on Disclosure of Internal Audit Reports to Member States of the United Nations**

**Background and Purpose**

1. The Chief Executives Board has endorsed a recommendation made by the Representatives of Internal Audit Services of the United Nations System that Internal audit reports are to be disclosed to UN Member States subject to conditions and criteria defined in policies adopted by each United Nations system organization. Accordingly, UNRWA hereby sets out its policy on disclosure of internal audit reports.

**Authority**

2. This policy is issued under the authority conferred on the Commissioner-General as chief executive of UNRWA by Resolution 302(IV) of the United Nations General Assembly dated 8 December 1949. It is issued as an annex to Organization Directive No. 14, which sets out the terms of reference for the internal oversight function in UNRWA.

**Effective Date**

3. This policy shall take effect from (DATE of OD 14) and applies to internal audit reports issued by the Director of DIOS after this date.

**Considerations Governing Disclosure**

4. UNRWA is committed to transparency with Member States of the United Nations. This commitment shall be pursued in a manner consistent with best management practice and with UNRWA's obligations while safeguarding the privacy and confidentiality owed to its beneficiaries as well as, in respect of its staff, including any applicable due process rights and subject to relevant regulatory framework of the Agency.

**Scope**

5. This policy applies solely and exclusively to the disclosure of internal audit reports to Member States of the United Nations. For purposes of this policy, an "internal audit report" shall mean a final internal audit report issued by DIOS.
6. For the avoidance of doubt, the term "Internal audit report" does not include investigation reports, which reports shall remain strictly confidential and protected from disclosure to Member States and other persons and entities external to UNRWA.

## **General Policy**

7. A summary of internal audit findings and recommendations shall be published in the UNRWA external website as and when the final report is issued.
8. The United Nations Member States seeking disclosure of an UNRWA internal audit report shall present, through a duly-accredited representative, a written request for such disclosure. The request shall be addressed to the Director of DIOS and shall furnish specific details of the report requested and the purposes for which the disclosure is sought. The request for disclosure of an internal audit report shall be considered and a response provided no later than two calendar months after the request is received by the Director of DIOS. Notwithstanding the foregoing, the Director of DIOS may, in exceptional cases, inform the requesting State that further time is needed to respond to the request.
9. The Director of DIOS, in consultation, as appropriate, with the Commissioner-General, and the Director of relevant departments/Field Office as determined by the Director of DIOS, shall consider each request submitted by a Member State and make a decision on whether the internal audit report may be disclosed and the terms on which the said report may be disclosed. The Director of DIOS shall also consult the Director of Legal Affairs with regard to any legal issues relating to the request for disclosure.
10. Director of DIOS may: (i) approve the request for disclosure of the internal audit report; (ii) decline the request for disclosure of the internal audit report; (iii) approve the disclosure of the requested internal audit report with such modification (including redaction) or explanatory addendum as the Director of DIOS deems necessary; or (iv) authorize a representative of the Member State concerned to view the internal audit report at an office of DIOS without making a copy thereof.
11. Prior to the disclosure of an internal audit report, the receiving Member State shall execute, through its duly accredited representative, a confidentiality agreement as per the attached form.

### **Disclosure of Reports with Modifications or with Explanatory Addenda**

12. An internal audit report may be modified by the removal of names and other information pertaining to persons or entities in order to protect confidentiality and any applicable due process rights, of those concerned.
13. An internal audit report may be disclosed along with an explanatory addendum which clarifies or corrects information in the report or which addresses the findings or recommendations of the report. Such an addendum shall be deemed to be an integral part of the disclosed internal audit report.

## FORM OF CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement ("Agreement") effective as of [Date] is made this [insert date] by [Name of recipient of Internal Audit Report (hereafter the Recipient)] in his/her capacity as a duly accredited Representative of the State of [Name of State].

### 1. Recipient's Obligations

The Recipient undertakes:

- a. that UNRWA's Internal Audit Report [Insert title and reference number] as well as its contents shall be held in strict confidence and that the confidentiality of this Report shall be protected;
- b. to refrain from any use of the Report or its contents other than for the purposes of [Insert purpose of disclosure];
- c. that the Report and its contents shall not be disclosed, published or otherwise revealed except to officers of [Insert State] with a specific need to be apprised for the purpose stated in paragraph 1(b) above; and
- d. to seek specific prior written authorization from UNRWA in the exceptional event that [Insert State] may wish to disclose the Report to another State.

### 2. Limitation of Liability.

The Recipient shall indemnify, hold and save harmless, and defend, at its own expense, UNRWA, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of or in connection with this Agreement or with the presence of the Recipient's representatives on UNRWA premises.

By:

Name:

Title:

Organization

UNITED NATIONS RELIEF AND WORKS AGENCY  
FOR PALESTINE REFUGEES IN THE NEAR EAST (UNRWA)

By:

Name:

Title:

Organization