

OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

Ukraine Response: USAID Can Strengthen Efforts to Ensure Compliance and Improve Monitoring to Protect Against Sexual Exploitation and Abuse for Humanitarian Assistance

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Inspection



Office of Audits, Inspections, and Evaluations



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

DATE: February 13, 2025

TO: Timothy Meisburger
Assistant to the Administrator
Bureau for Humanitarian Assistance

FROM: Toayoa Aldridge
Assistant Inspector General for Audits, Inspections, and Evaluations /s/

SUBJECT: Ukraine Response: USAID Can Strengthen Efforts to Ensure Compliance and Improve Monitoring to Protect Against Sexual Exploitation and Abuse for Humanitarian Assistance

This memorandum transmits the final report on our inspection of USAID's efforts to protect against sexual exploitation and abuse (PSEA) in the Bureau for Humanitarian Assistance's (BHA) Ukraine response. Our objectives were to determine (1) whether USAID ensured that pre-award requirements related to PSEA were met prior to executing BHA awards for its Ukraine response and (2) to what extent USAID ensured that implementers that received BHA awards for the Ukraine response operationalized PSEA-related requirements. In finalizing the report, we considered your comments on the draft and included them in their entirety, excluding attachments, in Appendix C.

The report contains three recommendations to improve USAID's compliance with and monitoring of USAID's PSEA-related award requirements. After reviewing the information you provided in response to the draft report, we consider Recommendations 1 and 2 resolved but open pending completion of planned activities, and Recommendation 3 open and unresolved.

For Recommendations 1 and 2, please provide evidence of final action to the Audit Performance and Compliance Division.

For Recommendation 3, please provide a revised management decision within 30 days of issuance of this report.

We appreciate the assistance you and your staff provided to us during this inspection.

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Pursuant to Pub. L. No. 117-263 § 5274, USAID OIG provides nongovernmental organizations and businesses specifically identified in this report 30 days from the date of report publication to submit a written response to USAID OIG. Comments received will be posted on <https://oig.usaid.gov/>. Please direct inquiries to oinotice_ndaa5274@usaid.gov.



Report in Brief

Why We Did This Inspection

On February 24, 2022, Russia launched a full-scale invasion of Ukraine. According to the United Nations, approximately 90 percent of the nearly 6.5 million people who fled the country are women and children, with women at the greatest risk of sexual exploitation and abuse (SEA), human trafficking, and forced prostitution.

In July 2022, we issued an advisory notice highlighting key considerations for USAID's developing humanitarian response led by its Bureau for Humanitarian Assistance (BHA), which included risks of SEA. However, more than a year later, we had not received any allegations of SEA, which raised concerns that cases were underreported.

We conducted this inspection to determine (1) whether USAID ensured that pre-award requirements related to protection from sexual exploitation and abuse (PSEA) were met prior to executing BHA awards for its Ukraine response and (2) to what extent USAID ensured that implementers that received BHA awards for the Ukraine response operationalized PSEA-related requirements.

What We Recommend

We made three recommendations to improve compliance with and monitoring of USAID's PSEA-related award requirements. The Agency agreed with two recommendations and disagreed with one recommendation.

What We Found

USAID did not consistently ensure that implementer applications for Ukraine response awards met PSEA-related, pre-award requirements and did not maintain pre-award documentation in the Agency's official records system. USAID's Policy on Protection from Sexual Exploitation and Abuse (PSEA Policy) and BHA's Emergency Application Guidelines contained Agency efforts and pre-award requirements aimed at safeguarding beneficiaries from SEA. However, the majority of BHA Ukraine response awards that were active between February 2022 and September 2023 did not include prevention and reporting measures consistent with USAID's PSEA Policy. In addition, implementers' SEA prevention and reporting measures lacked sufficient detail in their application materials to meet BHA's full PSEA-related requirements. Furthermore, USAID staff lacked clear guidance to ensure that their pre-award risk assessments included reviews of implementers' PSEA internal controls. Finally, multiple awards did not have the PSEA-related application materials filed in the Agency Secure Image and Storage Tracking system, USAID's official system of record.

BHA did not fully monitor the implementation of PSEA requirements for Ukraine response awards. Due to movement restrictions in Ukraine, BHA staff relied on virtual meetings and a third-party monitor to verify and monitor the implementation of PSEA-related requirements by implementers. However, BHA's guidance for third-party monitors was not as robust as the PSEA monitoring guidance for BHA staff. In addition, the guidance did not address all the SEA prevention and reporting measures required by BHA's Emergency Application Guidelines, which limited the information that third-party monitors collected for Ukraine response awards.

Introduction

On February 24, 2022, Russia launched a full-scale invasion of Ukraine. According to the United Nations, in the first year of the war, one-third of Ukraine’s total population of 41.4 million people were uprooted and forced to flee to safer areas either within the country, in neighboring countries in Europe, or abroad. Approximately 90 percent of the people who fled the country were women and children, with women at the greatest risk of sexual exploitation and abuse (SEA), human trafficking, and forced prostitution.

From the onset of the full-scale invasion, BHA led the U.S. humanitarian response in Ukraine and, shortly after the full-scale invasion, expanded programs to respond to the emerging challenges. In the months following, we issued an advisory notice to the USAID Administrator that highlighted risks of SEA that were relevant to USAID’s developing response.¹ As a matter of policy, USAID requires staff to report to OIG any allegations of SEA that affect recipients of its aid. While we expected to receive an increase in reported allegations of SEA in Ukraine in light of the displacement of a significant proportion of its population, by August 2023—more than a year later—we had not received any SEA allegations. Given the recognized SEA-related risks due, in part, to the high rates of displacement, this raised concerns that SEA cases were being underreported in Ukraine.

We conducted this inspection to determine (1) whether USAID ensured that pre-award requirements related to PSEA were met prior to executing BHA awards for its Ukraine response and (2) to what extent USAID ensured that implementers that received BHA awards for the Ukraine response operationalized PSEA-related requirements.

We conducted this inspection from August 2023 through November 2024 in accordance with the Council of the Inspectors General on Integrity and Efficiency’s Quality Standards for Inspection and Evaluation. We focused on BHA’s Ukraine response assistance awards that were active from the beginning of the full-scale invasion in February 2022 through September 2023. This included 34 awards implemented by 21 nongovernmental organizations—including Catholic Relief Services and Mercy Corps—totaling more than \$750 million. Our scope did not include assistance awards to public international organizations or interagency awards because of differences in PSEA-related, pre-award requirements. In addition, we did not include subawards. We reviewed relevant USAID policies and analyzed award documentation that BHA provided, including award language, application materials, pre-award risk assessments, site visit reports, and documentation related to BHA’s Ukraine response third-party monitor. In addition, we interviewed staff from BHA; the Bureau for Management’s Office of Acquisition and Assistance; and the Office of Management, Policy, Budget, and Performance, to understand how they fulfilled PSEA-related responsibilities.

Background

Immediately after Russia’s full-scale invasion began on February 24, 2022, USAID deployed a Disaster Assistance Response Team to lead the U.S. humanitarian response. In addition, the

¹ USAID OIG, [Key Considerations to Inform USAID’s Response in Ukraine](#), July 22, 2022.

Agency ramped up programming in Ukraine by modifying existing development assistance programs to respond to the emerging humanitarian challenge. To support the Disaster Assistance Response Team, BHA activated a Response Management Team based out of Washington, DC. By late-September 2023, BHA had provided nearly \$2 billion to its Ukraine response—approximately \$1 billion in fiscal year (FY) 2022 and \$954 million in FY 2023—through awards to 21 nongovernmental organizations, 9 public international organizations, and 1 interagency agreement. According to BHA, the funding provided to implementers supported activities for early recovery and market systems; food assistance; health; humanitarian coordination, information management, and assessments; logistics; multipurpose cash assistance; nutrition; protection; shelter and settlements; and water, sanitation, and hygiene.

In March 2020, USAID enacted its *Policy on Protection from Sexual Exploitation and Abuse (PSEA Policy)*, which defines the principles and mechanisms through which USAID would fulfill commitments to prevent and address SEA.² To implement the policy, USAID committed to incorporating the Agency’s SEA reporting requirements and expectations for addressing SEA in all award agreements. USAID’s PSEA Policy also sets specific responsibilities for the Bureau for Management’s Office of Acquisition and Assistance staff to ensure that PSEA-related requirements are included in solicitations and awards and that prospective implementers’ internal controls for SEA prevention, detection, and response are reviewed in a pre-award risk assessment.

In addition, BHA’s Emergency Application Guidelines outline PSEA-related requirements for BHA award applications.³ Specifically, BHA requires implementers to submit documents in their award applications that detail SEA prevention and reporting measures, including a code of conduct, code of conduct implementation details, and an accountability to affected populations plan, which ensures that implementers have mechanisms for beneficiaries to receive information, voice complaints, and provide feedback. For each of the three documents, the Emergency Application Guidelines require specific details outlined in 14 individual elements, as shown in Appendix B.

A variety of offices within USAID have key roles in ensuring that PSEA-related award requirements are met before awards are made and for monitoring SEA risks post-award. While USAID’s PSEA Policy charges the Office of Acquisition and Assistance with ensuring that awards include applicable PSEA-related requirements and reviewing implementer’s PSEA-related internal controls, BHA fulfilled these responsibilities for the Ukraine response awards that we reviewed. After the Agency made the awards, BHA field staff were responsible for identifying SEA risks by conducting continuous program monitoring, following up on implementer SEA

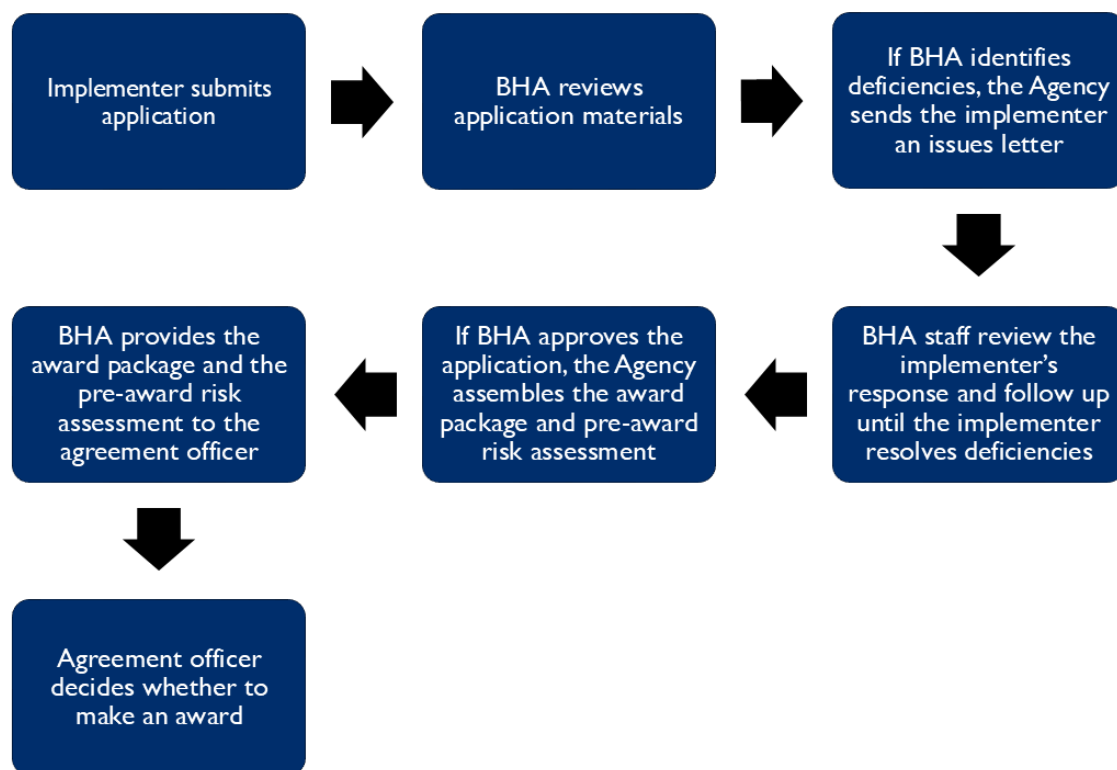
² USAID, [USAID Policy on Protection from Sexual Exploitation and Abuse \(PSEA\)](#), March 2020. USAID’s PSEA Policy is focused on USAID’s workforce and processes and is not binding on implementers.

³ Bureau for Humanitarian Assistance, [Bureau for Humanitarian Assistance Emergency Application Guidelines: Common Requirements](#), accessed on November 13, 2023. BHA’s Emergency Application Guidelines provide detailed information about the application submission and award process for grants, cooperative agreements, and fixed amount awards submitted for noncompetitive awards, including activities focused on urgent emergency response, early recovery, or disaster reduction.

prevention and reporting measures from the Emergency Application Guidelines, and engaging in regular discussions with recipients on topics related to PSEA through implementer meetings.

Upon receiving an award application from a prospective implementer, designated units within BHA review the documents against the requirements in the Emergency Application Guidelines and follow up with the applicant through issues letters if the Agency identifies deficiencies. The applicant must respond to the issues letter and make corrections before an application moves forward. Once the application is approved, BHA acquisition and assistance staff document the results of the pre-award risk assessment, which consider financial stability and history of performance. The award package is then forwarded to the Office of Acquisition and Assistance for a final review by the agreement officer before they make an award determination and sign the award. The agreement officer is the final authority with the responsibility to sign an award. Figure 1 illustrates BHA's award process.

Figure 1. USAID's Bureau for Humanitarian Assistance Award Process



Source: OIG graphic based on BHA's award process and Pre-Award Risk Assessment Guidance.

USAID Did Not Consistently Ensure That Implementer Applications for Ukraine Response Awards Met PSEA-Related, Pre-Award Requirements and Did Not Maintain Pre-Award Documentation in the Agency’s Official Records System

USAID did not consistently ensure that implementer SEA prevention and reporting measures aligned with USAID’s PSEA Policy or that PSEA-related, pre-award requirements from BHA’s Emergency Application Guidelines were met prior to making awards. We found that most BHA Ukraine response awards did not include award requirements that held implementers accountable to USAID’s PSEA Policy. Moreover, pre-award risk assessments for Ukraine response awards did not consistently document whether BHA staff had reviewed implementers’ PSEA-related internal controls, as stated in USAID’s PSEA Policy. While BHA ensured that implementers provided PSEA-related application materials required by BHA’s Emergency Application Guidelines, multiple implementers’ SEA prevention and reporting measures lacked sufficient detail to meet the full requirements for those materials. In addition, multiple awards did not have PSEA-related application materials filed in USAID’s official system of record, the Agency Secure Image and Storage Tracking (ASIST) system.

More Than 90 Percent of BHA Awards Made During the Initial Ukraine Response Did Not Include SEA Prevention and Reporting Measures Consistent With USAID’s PSEA Policy

At the time of our inspection, 32 of the 34 (94 percent) BHA Ukraine response awards we reviewed did not include language that was consistent with USAID’s PSEA Policy. According to the policy, USAID will⁴ include the following four elements into award agreements:

1. An affirmation of USAID’s zero-tolerance policy and survivor-centered approach to addressing SEA;
2. An expectation that implementers take reasonable measures to address SEA in programs funded by USAID;
3. A requirement that implementers report all credible allegations of SEA to USAID and OIG; and
4. A requirement for implementers to provide transparency on employment procedures to address the potential circulation of perpetrators of SEA.

⁴ USAID’s Automated Directives System, Chapter 501 mac, “ADS Style Guide” (effective October 21, 2021) uses the terms “must,” “requires,” or “is required” to signify mandatory action. The term “will” is used to signify future tense. Nonmandatory procedures in the ADS are identified with use of the words “should, recommended, might, are encouraged to, encourages,” or other clear designation.

Although the PSEA Policy was issued in March 2020, it was not until October 2023 that USAID released a new standard provision⁵ with language that was generally consistent with the four elements to be included in award agreements. The new provision, “Safeguarding Against Exploitation, Sexual Abuse, Child Abuse, and Child Neglect,” required nongovernmental organization implementers to have the following:

- A publicly available set of standards, policies, or procedures to prevent, detect, address, and respond to allegations of SEA;
- A compliance plan that details risk analysis and mitigation measures to be implemented during the period of performance to prevent and address SEA; and
- A mandatory requirement to report, in writing, credible allegations of SEA to USAID and OIG.⁶

The standard provision was released after the Ukraine response awards were made and therefore not originally included in the award agreements. According to USAID, before the existence of the safeguarding standard provision, implementers were not required to comply with the SEA prevention and reporting measures included in USAID’s PSEA Policy. While USAID took steps to develop the safeguarding standard provision in March 2021, the Agency said it was not released until October 2023 because the award requirements had to be developed and approved consistent with Agency policy and government-wide regulatory requirements associated with rulemaking.

On November 3, 2023, the Office of Acquisition and Assistance released an Agency notice that directed agreement officers to incorporate the safeguarding standard provision into existing assistance awards when certain conditions were met. Specifically, the guidance stated the following:

“To the maximum extent possible, agreement officers should amend awards to incorporate the new standard provision...when the following are true:

- When an award is greater than \$500,000;
- When there is 1 year or more of performance remaining; and
- When the agreement officer is adding incremental funds or expanding a program description.

Such amendments should be, to the extent practicable, combined with upcoming amendments.”

Based on the guidance provided by the Office of Acquisition and Assistance, at least 9 of the 34 Ukraine response awards should have been amended to include the new standard provision. As of March 2024, we found that only 2 of the 34 Ukraine response awards we reviewed had

⁵ The Agency’s standard provisions are used in the framework of final award language and represent a variety of laws, regulations, and requirements that apply to entities receiving Federal funding from USAID.

⁶ The requirements included in the mandatory standard provisions “Safeguarding Against Exploitation, Sexual Abuse, Child Abuse, and Child Neglect” apply to nongovernmental organization implementers when the standard provision is incorporated into an implementer’s award.

incorporated the new safeguarding standard provisions. As a result, implementers for the remaining awards may not be aware of and may not address key SEA prevention and reporting measures included in USAID's PSEA Policy.

USAID Lacked Clear Guidance to Review Implementers' PSEA Internal Controls in Pre-Award Risk Assessments

USAID's PSEA Policy states that the Office of Acquisition and Assistance will ensure that pre-award risk assessments⁷ include a review of the implementer's internal controls related to SEA prevention, detection, and response.⁸ For the 34 Ukraine response awards we reviewed, BHA prepared the pre-award risk assessments on behalf of the Office of Acquisition and Assistance. However, we found that only 2 of the 34 (about 6 percent) assessments demonstrated that BHA had reviewed implementer PSEA internal controls in line with USAID's PSEA Policy.

At the time of the inspection, USAID lacked guidance that clarified how staff should review prospective implementers' PSEA-related internal controls and how to document the review. While BHA staff used checklists and templates to document results from the pre-award risk assessment and associated processes, BHA staff said that they did not have Agency-level guidance on how to fulfill their PSEA-related responsibilities in the pre-award risk assessment. We found that the checklists and templates did not consistently show whether staff had reviewed internal controls related to SEA prevention, detection, and response in line with the PSEA Policy.

This finding is consistent with our May 2021 audit on controls to prevent and respond to SEA of beneficiaries, in which we recommended that USAID issue related guidance to staff responsible for conducting pre-award risk assessments.⁹ At the time, we reported that USAID planned to expand its pre-award risk assessment—to include requiring staff to assess implementers' internal controls to protect beneficiaries—as stated in USAID's PSEA Policy. However, USAID had not disseminated guidance to Agency staff to clarify the roles and responsibilities for the assessments due to the newness of the PSEA Policy. As a result, we recommended that the USAID Administrator “issue guidance to Agency staff on roles and responsibilities for assessing implementers' internal controls designed to protect beneficiaries from sexual exploitation and abuse when conducting pre-award risk assessments.” As of June 2024, USAID had yet to release guidance for staff.

We are not making a new recommendation because the May 2021 audit recommendation remains open. Without clear guidance, USAID cannot ensure that pre-award risk assessments include staff review of implementers' PSEA internal controls before making awards. As such, the implementers with Ukraine response awards may not have internal controls to prevent, detect,

⁷ Title 2 of the Code of Federal Regulation, Part 200, Section 206, requires Federal awarding agencies to review risks posed by applicants prior to making an award. Federal awarding agencies can use a risk-based approach and consider factors such as financial stability; quality of management systems and standards; history of performance; reports and findings from single audits and any other available audits; and the applicant's ability to effectively implement statutory, regulatory, or other requirements.

⁸ USAID, [USAID Policy on Protection from Sexual Exploitation and Abuse \(PSEA\)](#), March 2020.

⁹ USAID OIG, [USAID Should Implement Additional Controls To Prevent and Respond To Sexual Exploitation and Abuse of Beneficiaries](#) (9-000-21-006-P), May 12, 2021.

and respond to instances of SEA, and USAID missed an opportunity to detect and correct deficiencies in the implementers' PSEA-related internal controls.

PSEA Requirements From BHA's Emergency Application Guidelines Were Not Fully Met Before USAID Issued Awards

For the Ukraine response awards that we reviewed, BHA staff were responsible for ensuring compliance with Federal regulations, Agency policies, and Emergency Application Guidelines on behalf of the agreement officer. PSEA-related requirements from the Emergency Application Guidelines state that, as a part of their application materials, implementers must submit the following:¹⁰

- A code of conduct explicitly addressing PSEA;
- A set of implementation details for the code of conduct specific to the country or region; and
- An accountability to affected populations plan to provide accessible information and receive feedback from beneficiaries.

In addition, the Emergency Application Guidelines include specific guidance about what details implementers should include in each of these documents, as shown in Appendix B.

While BHA had collected the required application materials for all 34 Ukraine response awards that we reviewed, with the exception of one implementer's implementation details, more than 60 percent of the awards did not fully meet the PSEA-related requirements outlined in BHA's Emergency Application Guidelines. Specifically, we found that 21 of the 34 awards had at least one missing or deficient element in their codes of conduct, implementation details, or accountability to affected populations plans. For example, implementation details frequently described the systems in place to prevent, detect, and respond to allegations and instances of SEA but did not fully describe who in the country was responsible for ensuring an appropriate and accountable response. Table I provides details of award materials compliance with the Emergency Application Guidelines for each deliverable.

¹⁰ BHA, [Bureau for Humanitarian Assistance Emergency Application Guidelines: Common Requirements](#), accessed on November 13, 2023.

Table I. Assessment of Implementer Application Materials Compliance With PSEA-Related Requirements From BHA’s Emergency Application Guidelines

PSEA-Related Requirements	Fully Compliant	Not Fully Compliant
<i>Code of Conduct</i>		
Submitted by implementer	34	0
Described all six elements	22	12
<i>Implementation Details</i>		
Submitted by implementer	33	1
Described all four elements	23	11
<i>Accountability to Affected Populations Plan</i>		
Submitted by implementer	34	0
Described all four elements	22	12

Source: OIG analysis based on USAID data.

While BHA sent issues letters to implementers when staff identified deficiencies in application materials, these letters did not fully address the deficiencies that we identified in our review of the 34 Ukraine response awards. We found that 21 of the 34 (62 percent) Ukraine response awards had deficiencies, but only 17 of those 21 (81 percent) awards had issues letters. In the issues letters, BHA identified the following:

- Eight deficiencies in implementer codes of conduct;
- Four deficiencies in implementation details; and
- Four deficiencies in accountability to affected populations plans.

Almost half of the issues letters fully addressed the deficiencies we identified. For example, to ensure that an implementer’s accountability to affected populations plan met requirements in the Emergency Application Guidelines, BHA requested additional details about how the implementer “will ensure confidentiality and respond to any critical or sensitive program irregularity or protection issues that arise through [its reporting] mechanisms.”

According to BHA staff, significant expansion of the Ukraine response portfolio, staffing limitations, and time pressures impacted the review process for all Ukraine response awards. For example, the funding for Ukraine response awards increased dramatically from approximately \$20.5 million pre-invasion to almost \$2 billion by September 2023 when our inspection began. However, at the beginning of the full-scale invasion, BHA had two employees to review implementer codes of conduct, implementation details, and accountability to affected populations plans for 106 applications for Ukraine response awards and 2,796 award applications for other responses. In addition, BHA expedited application reviews from an

average of 5 days to 24-48 hours and focused reviews on “the most critical shortcoming or gaps in partner proposals.”¹¹

According to internal BHA guidance, an implementer must respond to an issues letter and make corrections before an application moves forward. Therefore, when BHA did not identify deficiencies in application materials in issues letters, it missed an opportunity to ensure compliance with PSEA-related requirements before making an award. Because Ukraine response awards did not fully meet the descriptions in the Emergency Application Guidelines, BHA did not have assurance that implementer SEA prevention and reporting measures were robust enough to prevent, detect, or respond to instances of SEA. As of March 2024, BHA had hired additional staff and increased the number of positions available to review implementer codes of conduct, implementation details, and accountability to affected populations plans to address its staffing limitations.

BHA Did Not Consistently File PSEA-Related Application Materials in the Agency Secure Image and Storage Tracking System

While BHA collected the PSEA-related application materials required by the Emergency Application Guidelines, fewer than half of the award files in ASIST¹² contained all of the documentation. We reviewed award documentation provided to us by BHA against what was maintained in ASIST and found that of the 34 award files in ASIST:

- 10 (29 percent) contained implementers’ codes of conduct,
- 8 (24 percent) contained implementation details, and
- 12 (35 percent) contained accountability to affected populations plans.

Although acquisition and assistance staff are required to file all documentation relating to an award in ASIST from pre-solicitation through close out,¹³ BHA primarily processed all applications and awards in an alternative system, Abacus.¹⁴ Internal BHA Award Filing Guidance outlines how Abacus supports ASIST filing requirements, but it does not require BHA staff to file PSEA-related application materials in ASIST. This guidance advises staff that implementer codes of conduct and accountability to affected populations plans are maintained in Abacus, but “not filed in ASIST,” and did not include filing guidance for implementation details. According to a staff member from the Office of Acquisition and Assistance, PSEA-related, pre-award documentation is filed in ASIST. However, a BHA staff member said that because the requirements from the Emergency Application Guidelines were BHA-specific, application

¹¹ According to BHA, these were issues that threatened the health or safety of beneficiaries; violated U.S. government laws, regulations, or policies; caused reputational harm to the U.S. government or USAID; or highlighted where an implementer would not be following humanitarian best practices.

¹² ASIST is the Agency’s official electronic repository for all acquisition and assistance award documentation.

¹³ ADS 303.3.12, “Grants and Cooperative Agreement to Non-governmental Organizations,” under “Negotiation of the Award,” Part b, “File Documentation,” November 2020.

¹⁴ BHA uses Abacus for document storage, reporting, and tracking of award information.

materials such as codes of conduct, implementation details, and accountability to affected populations plans are maintained in Abacus but may not be filed in ASIST.

Agreement officers—who are responsible for deciding whether to make an award—worked primarily in ASIST but relied on BHA staff to ensure application conformity with award requirements and compile final award packages for their review. By not requiring the filing of all application material in ASIST, BHA falls short of Agency award documentation requirements and hinders the ability of agreement officers to ensure that all PSEA-related, pre-award requirements are met prior to issuing an award.

BHA Did Not Fully Monitor the Implementation of PSEA Requirements for Ukraine Response Awards

Internal BHA guidance stated that BHA field staff were responsible for identifying SEA risks through continuous program monitoring—including implementer SEA prevention and reporting measures—and regular discussions with implementers.¹⁵ However, at the time of our inspection, BHA staff were not conducting site visits for Ukraine response awards because U.S. government personnel movements outside of Kyiv City were restricted due to the security risks. According to BHA, the site locations may change rapidly given the nature of humanitarian operations, where needs can shift day-to-day due to wartime complexities. As such, a BHA field staff member told us that at one point in the response, BHA did not know where warehouses or program sites were located because they could not go into the field. As a result, BHA relied on virtual meetings with implementers and a third-party monitor to perform SEA monitoring for Ukraine response awards.¹⁶ However, these efforts to monitor SEA risks and the implementation of PSEA-related requirements, including those in the Emergency Application Guidelines, were limited.

BHA staff in the field and Washington, DC, monitored PSEA and SEA risks primarily by holding virtual meetings with implementers. However, BHA staff and implementers did not discuss these topics in more than 80 percent of the implementer meeting notes we reviewed. BHA developed a Ukraine-specific implementer meeting checklist for BHA Ukraine response staff, which included questions based on the PSEA-related, pre-award requirements from BHA's Emergency Application Guidelines. However, the checklist guidance stated that the purpose of the implementer meetings was to gain insight on changes to the operational context, implementer performance, and program implementation. The checklist did not emphasize monitoring implementer compliance with award requirements, but rather stressed that the questions were potential topics to raise with implementers and asked BHA staff to prioritize and tailor questioning to implementer- and award-specific issues.

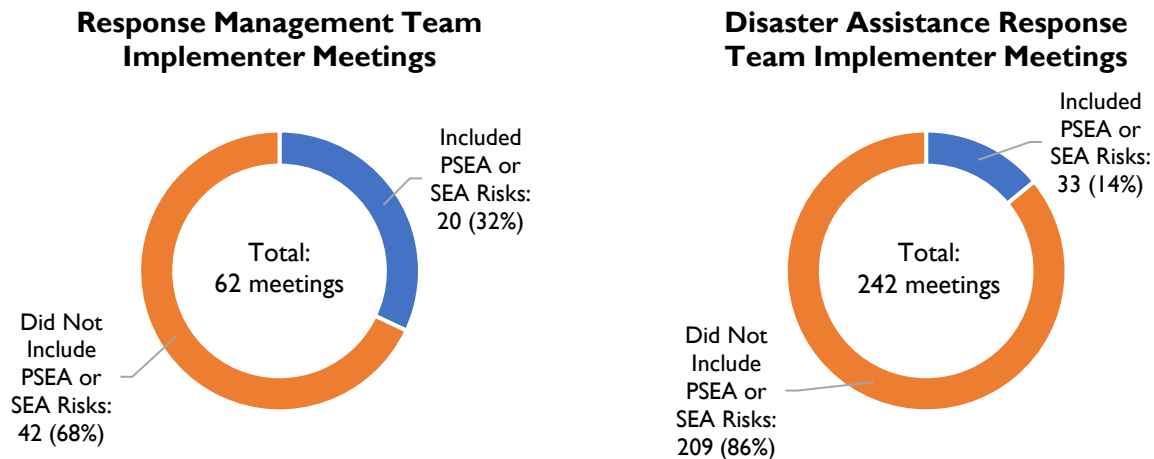
Our review of meeting notes for the 34 BHA Ukraine response awards found that between February 2022 and September 2023, the Disaster Assistance Response Team in the field and

¹⁵ BHA, *Documenting, Reporting, and Responding to Incidents of Sexual Exploitation and Abuse*, August 2023.

¹⁶ To address access impediments, BHA may contract independent third-party monitors with in-depth knowledge of local communities and security conditions. Third-party monitors combine quantitative and qualitative methods—including direct observation, document reviews, focus group discussions, individual interviews, and surveys—for data collection at program sites.

Response Management Team in Washington, DC, had engaged with all 21 implementers through at least 304 implementer meetings. However, only 14 percent of Disaster Assistance Response Team implementer meetings and 32 percent of Response Management Team implementer meetings included discussions related to PSEA or SEA risks, as shown in Figure 2. For example, in meetings, BHA staff reminded implementers to report instances of SEA to USAID and OIG.

Figure 2. Bureau for Humanitarian Assistance Monitoring Through Implementer Meetings

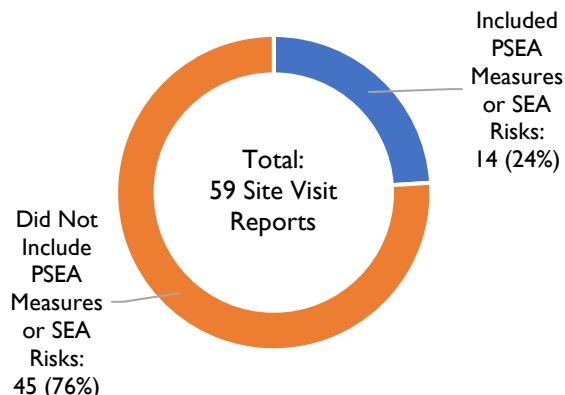


Source: OIG analysis of Disaster Assistance Response Team and Response Management Team implementer meeting notes between February 24, 2022, and September 26, 2023.

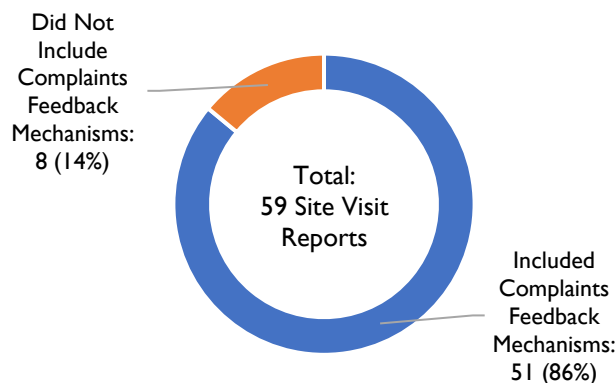
In recognition of the substantial need to monitor through site visits, BHA contracted a third-party monitor to perform monitoring of its projects, produce and present site visit reports to BHA, and perform remote monitoring in circumstances where physical visits were not possible. However, the SEA-related monitoring that the third-party monitor performed was limited because BHA’s PSEA monitoring guidance for third-party monitors was not as robust as the PSEA monitoring guidance for BHA staff. As of December 2023, the third-party monitor had completed a total of 59 site visits for 21 of the 34 awards, and 14 of those site visits included information related to implementer SEA prevention measures or SEA-related risks, as shown in Figure 3. For example, third-party monitor site visits made observations about whether implementer staff received training related to PSEA or gender-based violence. The majority—51 of the 59 site visit reports—included information related to implementer reporting measures through complaints feedback mechanisms, which was a requirement from BHA’s Emergency Application Guidelines that implementers have a reporting mechanism that included, but was not specific to, SEA. For example, in site visit reports, the third-party monitor documented whether the implementer had a complaints feedback mechanism in place and whether the mechanism functioned properly.

Figure 3. Third-Party Monitor Site Visit Reports (November 2022 to December 2023)

PSEA Measures and SEA Risks



Complaints Feedback Mechanisms



Source: OIG analysis based on USAID data.

While BHA developed guidance and PSEA-related questions for BHA staff and the third-party monitor to use when monitoring Ukraine response activities, the guidance BHA provided to third-party monitors was not as robust as the SEA-related monitoring guidance provided to BHA staff. BHA developed Ukraine-specific protocols, a site visit report template with general guidance, and technical sector-specific guidance for the third-party monitor to use when conducting site visits. We found that the protocols advised third-party monitors to refrain from asking beneficiaries questions about sensitive information, including SEA. According to BHA’s Do No Harm Protocols for Third-Party Monitor Service Providers, this was to “prevent and minimize unintended negative effects of any engagement or intervention that can increase people’s vulnerability to physical and/or psychosocial risks.”¹⁷

The general guidance in the third-party monitor site visit report template included a limited set of questions related to implementers’ SEA prevention and reporting measures but did not fully

¹⁷ BHA, Do No Harm Protocols for Third-Party Monitor Service Providers, June 2021.

cover the PSEA-related requirements from the Emergency Application Guidelines, as shown in Table 2. The internal BHA guidance provided BHA staff with a more robust set of PSEA-related questions to serve as a guide to use when conducting site visits or implementer meetings, as shown in Table 3.

Table 2. General PSEA-Related Monitoring Questions for Third-Party Monitor Staff

Beneficiary Questions	<ul style="list-style-type: none"> • Do you know where to report a complaint? • If you have filed a complaint, have implementer staff followed up with you?
Implementer Questions	<ul style="list-style-type: none"> • Do you have a complaint and feedback mechanism to solicit and receive feedback from beneficiaries? • Has anyone followed up with beneficiaries who filed complaints? • Did you or other staff receive training on SEA?

Source: Generated by USAID OIG based on questions from BHA’s Revised Monitoring Site Visit Report Template.

Table 3. PSEA-Related Monitoring Questions for BHA Staff

Guiding Questions
Have you signed your organization’s code of conduct?
Are you aware of the code of conduct and/or policy on PSEA, and do you understand its requirements?
Does your organization require PSEA training? If so, when was the last time you completed such training?
Who do you go to in your organization with any questions about implementing the code of conduct or other PSEA concerns?
Do you tell beneficiaries that goods/services are free, and no one should ask them for anything in exchange?
What methods do you use to disseminate information about the distribution of assistance to affected populations, including their right to receive assistance and services for free without providing anything in exchange?
Does your organization have complaints/investigation mechanisms for allegations of misconduct/abuse? If so, what kinds? How would someone make a complaint about something very sensitive? If not in place, are you planning to implement this type of mechanism? If not, why not?
How do you tell beneficiaries where or how they can make complaints? Have you received any complaints?
What measures has your organization implemented to prevent SEA during beneficiary selection or distributions?

Source: Generated by USAID OIG based on BHA Guidance on Documenting, Reporting, and Responding to Instances of SEA.

Although the technical guidance for protection activities contained specific information about SEA-related risks and SEA prevention and reporting measures, the technical guidance for other activities generally asked the third-party monitor to only collect information related to the implementer complaints feedback mechanism. As such, the information that the third-party monitor collected on PSEA-related efforts was limited, and BHA could not fully monitor and

verify the implementation of PSEA-related requirements from the Emergency Application Guidelines.

Conclusion

At the time of our inspection, the Agency had several established PSEA-related award requirements in USAID's PSEA Policy and BHA's Emergency Application Guidelines that were aimed at safeguarding beneficiaries. In addition, the October 2023 release of the standard provision, "Safeguarding Against Exploitation, Sexual Abuse, Child Abuse, and Child Neglect," was an important step toward implementing the commitments laid out in USAID's PSEA Policy. However, within BHA's Ukraine response, USAID did not consistently meet PSEA-related award requirements prior to making awards nor did the Agency ensure that implementers had fully operationalized required SEA prevention and reporting measures. Given the high potential for SEA experienced by the populations affected by Russia's full-scale invasion, the required SEA-related protections and the Agency's role in ensuring their functionality are critically important within the context of the Ukraine response. As such, the Agency should take steps to allow greater visibility into the implementation and functionality of implementer SEA prevention and reporting measures and provide greater assurance that PSEA-related award requirements are robust enough to protect beneficiaries of Ukraine response activities against risks of SEA.

Recommendations

We recommend that the Bureau for Humanitarian Assistance take the following actions:

1. In coordination with the Bureau for Management Office of Acquisition and Assistance, develop a schedule to incorporate the standard provision, “Safeguarding Against Exploitation, Sexual Abuse, Child Abuse, and Child Neglect,” in existing Ukraine response awards.
2. Update its Award Filing Guidance to include that all protection from sexual exploitation and abuse-related application materials required in the Bureau for Humanitarian Assistance’s Emergency Application Guidelines be filed in the Agency Secure Image and Storage Tracking System.
3. Update technical guidance and develop questions for third-party monitors to use during site visits that align with protection from sexual exploitation and abuse-related guidance and requirements, including the Emergency Application Guidelines.

OIG Response to Agency Comments

We provided our draft report to USAID on November 4, 2024. On December 17, 2024, we received the Agency’s response, which is included as Appendix C of this report. USAID also provided technical comments, which we considered and incorporated as appropriate.

The report included three recommendations. The Agency agreed with Recommendations 1 and 2 and disagreed with Recommendation 3. We consider Recommendations 1 and 2 resolved but open pending completion of planned activities. We do not agree with the management decision for Recommendation 3 and consider it open and unresolved.

USAID disagreed with Recommendation 3 to update technical guidance and develop routine questions for third-party monitors to ensure the implementation of PSEA efforts required by the Emergency Application Guidelines. BHA contended that technical guidance and routine questions with respect to SEA for third-party monitors would adversely affect USAID’s Do No Harm standards for beneficiaries, create risks to personal safety of third-party monitors who engage with them, and not adhere to technical best practices on PSEA. However, our recommendation to update the guidance and questions is focused on ensuring that BHA can fully monitor organizations’ implementation of the PSEA efforts required by BHA’s Emergency Application Guidelines. We are requesting a revised management decision within 30 days of this report date that includes a target action date.

Appendix A. Scope and Methodology

We conducted our work from August 2023 through November 2024 in accordance with the Council of the Inspectors General on Integrity and Efficiency's Quality Standards for Inspection and Evaluation. Our objectives were to determine (1) whether USAID ensured that pre-award requirements related to PSEA were met prior to executing BHA awards for its Ukraine response and (2) to what extent USAID ensured that implementers that received BHA awards for the Ukraine response operationalized PSEA-related requirements.

The scope of the inspection included 34 BHA assistance awards under USAID's Ukraine response that were active from the beginning of Russia's full-scale invasion on February 24, 2022, through the initiation of our inspection fieldwork on September 26, 2023. Twenty-one nongovernmental organizations implemented the 34 awards, totaling more than \$750 million. The awards supported programming for food assistance; agriculture; nutrition; health; multipurpose cash assistance; protection; shelter and settlements; water, sanitation, and hygiene; economic recovery and market systems; and humanitarian coordination, information management, and assessments, as well as logistics support under the Agency's Ukraine response. We did not review assistance awards to public international organizations or interagency awards due to differences in PSEA-related, pre-award requirements. In addition, we limited our review to prime awards and did not include subawards in the scope of the inspection.

To answer our objectives, we reviewed relevant policies and public guidance in Automated Directives System Chapters 201 and 303, USAID's PSEA Policy, BHA's Emergency Application Guidelines, and internal BHA guidance—including BHA's SEA Reporting Guidance and the Office of United States Foreign Disaster Assistance's Monitoring, Evaluation, Accountability, and Learning Policy—to identify PSEA-related, pre-award requirements and USAID staff roles and responsibilities. We analyzed award language, agreement officer representative designation letters, implementer codes of conduct, implementer code of conduct implementation details, accountability to affected populations plans, pre-award risk assessments, site visit reports, and third-party monitor documentation, including the scope of work and third-party monitor protocols for Ukraine. We also conducted interviews with staff from BHA; BHA's third-party monitor; and the Bureau for Management's Offices of Acquisition and Assistance and Management, Policy, Budget, and Performance to understand how USAID staff fulfilled their PSEA-related responsibilities prior to making awards and after executing awards.

Appendix B. PSEA-Related Pre-Award Requirements From BHA's Emergency Application Guidelines

Code of Conduct

Implementers must submit a copy of their code of conduct that explicitly addresses PSEA.

- SEA by humanitarian workers constitute acts of gross misconduct and are therefore grounds for terminating employment.
 - Sexual activity with children (persons under the age of 18) is prohibited regardless of the local age of majority or age of consent. Mistaken belief in the age of a child is not a defense.
 - Exchanging money, employment, goods, or services for sex, including sexual favors or other forms of humiliating, degrading, or exploitative behavior is prohibited. This includes exchanging assistance that is due to beneficiaries.
 - Any sexual relationship between a person providing humanitarian assistance and protection and a person benefiting from such humanitarian assistance and protection that involves improper use of rank or position is prohibited. Such relationships undermine the credibility and integrity of humanitarian aid work.
 - Where a humanitarian worker develops concerns or suspicions regarding sexual abuse or exploitation by a fellow worker, whether in the same aid agency or not, they must report such concerns via established Agency reporting mechanisms.
 - Humanitarian workers must create and maintain an environment that prevents SEA and promotes the implementation of their code of conduct. Managers at all levels are responsible for supporting and developing systems that maintain this environment.
-

Implementation Details

Implementers must submit implementation details for the organization's code of conduct specific to the application's country or region.

- How the implementer trains or makes employees aware of its code of conduct.
 - How the implementer makes beneficiaries aware of its code of conduct and mechanisms to report violations.
 - The systems in place to prevent, detect, and respond to allegations and instances of SEA and who in the country is responsible for ensuring an appropriate and accountable response.
 - How the systems are safe, accessible, confidential, and survivor centered.
-

Accountability to Affected Populations Plan

Implementers must submit an accountability to affected populations plan that is specific to the interventions included in the organization's application.

- How the affected population, including marginalized or vulnerable groups, will actively participate in decisions about the activity design and implementation.
 - What mechanisms are in place to provide timely and accessible information and to receive and respond to beneficiary feedback throughout the activity.
 - How the implementer will ensure feedback and information mechanisms are safe, accessible, and preferred by beneficiaries, especially marginalized or vulnerable populations.
 - How the implementer will ensure confidentiality and respond to any critical or sensitive program irregularity or protection issues.
-

Source: OIG analysis based on USAID data.

Appendix C. Agency Comments



MEMORANDUM

DATE: December 13 2024

TO: Toayoa Aldridge
Assistant Inspector General for Audits, Inspections and Evaluations

FROM: Sonali Korde
Assistant to the Administrator, Bureau for Humanitarian Assistance /s/

SUBJECT: Management Response to the Draft Audit Report Produced by the Office of Inspector General (OIG) titled, *“Ukraine Response: USAID Can Strengthen Efforts to Ensure Compliance and Improve Monitoring to Protect Against Sexual Exploitation and Abuse for Humanitarian Assistance”* (Audit Report No. E-000-25-001-M) (Task No. EE1U0523)

The U.S. Agency for International Development (USAID) would like to thank the Office of Inspector General (OIG) for the opportunity to provide comments on the subject draft report. The Agency agrees with two recommendations and disagrees with one recommendation, herein provides plans for implementing the actions to address the two accepted recommendations, and reports on progress already made.

COMMENTS BY THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT (USAID) ON THE REPORT RELEASED BY THE USAID OFFICE OF THE INSPECTOR GENERAL (OIG) TITLED, "Ukraine Response: USAID Can Strengthen Efforts to Ensure Compliance and Improve Monitoring to Protect Against Sexual Exploitation and Abuse for Humanitarian Assistance" (Tab 1.) (Audit Report No. E-000-25-001-M) (Task No. EE1U0523)

Please find below the management comments from the U.S. Agency for International Development (USAID) on the draft report produced by the Office of the USAID Inspector General (OIG), which contains three recommendations for USAID:

Recommendation 1: In coordination with the Bureau for Management Office of Acquisition and Assistance, develop a schedule to incorporate the standard provision, "Safeguarding Against Exploitation, Sexual Abuse, Child Abuse, and Child Neglect," in existing Ukraine response awards.

- **Management Comments:** BHA agrees with this recommendation.

It should be noted that, per Agency guidance, there is no mandate to establish a fixed schedule for incorporating the standard provision into existing awards. The inclusion of the provision depends on programmatic decisions to add incremental funds or modify the scope of awards, and such decisions are made by the respective Agreement Officers (AOs) in collaboration with program teams.

To address this recommendation, BHA has already taken the following actions:

1. Incorporated the standard provision *Safeguarding Against Exploitation, Sexual Abuse, Child Abuse, and Child Neglect* into all BHA award templates since November 2023.
2. Ensured that, for awards issued prior to this update, the provision is added during bilateral amendments in accordance with Agency guidance. Specifically, as outlined in [Agency Notice 66678](#) (Tab 2.), when:
 - The award exceeds \$500,000,
 - There is a year or more of performance remaining, and
 - Incremental funding is added or the program description is expanded.

To further address the recommendation, BHA propose the timeline below to ensure all Ukraine awards comply with the safeguarding requirements:

ACTION	TARGET COMPLETION DATE
Update Award Templates to incorporate the standard provision <i>Safeguarding Against Exploitation, Sexual Abuse, Child Abuse, and Child Neglect</i> (Tab 3.)	November 2023
Incorporate the standard provision into new awards	Ongoing since November 2023 and will continue until further guidance
Incorporate the standard provision into award modifications.	Ongoing, with completion by September 30, 2025

- **Target Completion Date:** September 30, 2025.

Recommendation 2: Update its Award Filing Guidance to include that all protection from sexual exploitation and abuse-related application materials required in the Bureau for Humanitarian Assistance’s Emergency Application Guidelines be filed in the Agency Secure Image and Storage Tracking System.

- **Management Comments:** BHA agrees with this recommendation.

BHA will update the award filing guidance and begin uploading the sexual exploitation and abuse-related application materials required in the BHA Emergency Application Guidelines (EAG) to ASIST starting in Q2 of FY 2025

- **Target Completion Date:** March 31, 2025.

Recommendation 3: Update technical guidance and develop questions for third-party monitors to use during site visits that align with protection from sexual exploitation and abuse-related guidance and requirements, including the Emergency Application Guidelines.

- **Management Comments:** BHA disagrees with this recommendation based on the below rationale.

We thank OIG for the recommendation. For most sectoral activities, questions asked by third-party monitors (TPM) during site visits can be a useful way to look at partner implementation.

However, BHA notes that use of such guidance and questions during TPM site visits with respect to SEA (or any such highly stigmatized and sensitive topics related to gender-based violence (GBV), such as SEA) may result in further harming the very people USAID is meant to support and is not consistent with best, evidence based practice. Additionally, BHA echoes the concerns of humanitarian colleagues on the frontlines in many countries, who have raised instances of harm that TPM staff themselves can face when asking sensitive questions related to GBV.

Based on the scientific evidence on GBV, PSEA experts have noted that this type of interaction can re-traumatize the very people USAID is meant to support and protect from SEA. Engaging in sensitive discussions about gender-based violence requires specialized capacity that TPM staff, largely locally-hired generalists, are not trained to do. Unskilled questions or probing on SEA can create risks for survivors, their families and communities, service providers, and the monitoring team themselves. These risks may include breaches of confidentiality, creating or exacerbating psychological distress, reprisals from power holders who feel threatened, cultural stigma or ostracization, and/or prompting a backlash toward those who disclose sensitive information. BHA's concerns are also rooted in the 'Do No Harm' principle for TPM staff themselves. Depending on the context, humanitarian workers may face threats to their physical safety, including death threats, from both community members and local authorities who find engaging in gender-based violence issues including SEA to be socio-culturally unacceptable. TPM visits must be carefully executed to protect the safety and well-being of everyone directly and indirectly involved.

Thus, when it comes to issues of highly sensitive protection violations, including SEA, TPM guidance is intentionally limited, so as to uphold 'Do No Harm,' the fundamental principle of humanitarian assistance that aims to prevent or limit the unintended negative effects of aid on affected populations and the environment. By comparison, the guidance for BHA staff is more robust, as they have the diplomatic and other credentials that give additional layers of protection from local authorities and other leaders who have less hesitation to threaten and harass locally-hired TPM staff. BHA staff also have capacities on humanitarian protection due to internal required training, and depth of experience, that TPM monitors do not have.

Although we appreciate the OIG's elevation of monitoring of PSEA as a concern, TPM inquiry into SEA is not keyed to the EAGs for several reasons, including the need for PSEA monitoring to be 1) safe and appropriate for monitors and partner staff; 2) does not inadvertently cause harm to beneficiaries; and 3) does not unintentionally encourage a "tick-box" exercise for BHA partners reverting to minimum practices. Thus, we must regretfully decline to accept this recommendation in order to maintain Do No Harm standards for beneficiaries, the personal safety of TPMs who engage with them, and adhere to technical best practices on PSEA. However, because more can, and should always be done to combat SEA, we will continue to endeavor to think about the ways in which TPM can contribute to monitoring of SEA, as OIG has pointed out.

We do recognize, as noted by OIG in the report, that this will require more intensive support on the part of our PSEA expert staff, and we continue to make the case for the employee footprint to do this critical work. This includes our PSEA experts' work on technical guidance that is keyed to the needs of a specific response, and developed based on engagement between BHA's PSEA technical advisors and country teams to ensure that questions are contextually appropriate, calibrated to enumerator capacity, and designed to ask questions more effective for getting answers within contextual restrictions, while maintaining safety of beneficiaries, partner, and monitor staff as the top priority. Additionally, PSEA technical advisors continue to work closely with country teams, BHA's M&E experts, the PSEA Networks in each country, and with partners' safeguarding focal points to refine, improve, and adapt both TPM and BHA staff tools and resources to fit to the changing needs and challenges of the response operating context while keeping Do No Harm uppermost in the guidance.

- **Target Completion Date:** Not applicable.

In view of the above, we request that the OIG inform USAID when it agrees or disagrees with a management comment.

Attachments.

[Tab. 1 USAID Can Strengthen Efforts to Ensure Compliance and Improve Monitoring to Protect Against SEA \(E-000-25-001-M\)](#)

[Tab. 2 USAID Notices Issuance of Revisions to ADS 303 and New Standard Provision for Safeguarding Against Exploitation, Sexual Abuse, Child Abuse, and Child Neglect](#)

[Tab 3. M27. SAFEGUARDING AGAINST EXPLOITATION, SEXUAL ABUSE, CHILD ABUSE, AND CHILD NEGLECT](#)



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