



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

MEMORANDUM

To: Trey Hicks, Professional Staff Member, Majority, House Appropriations Committee

From: /s/ Adam Kaplan, Senior Advisor for International Partnerships and Overseas Contingency Operations, USAID OIG

Cc: Laurie Mignone, Professional Staff Member, Minority, House Appropriations Committee

Date: January 2, 2025

Subject: Oversight of USAID Programming Through United Nations Agencies

USAID Office of Inspector General (USAID OIG) provides independent oversight of USAID's personnel, programs, and activities. Over the course of the past several years examining foreign assistance programming, we have encountered challenges in conducting oversight of USAID-funded programming through United Nations (UN) agencies.

This memorandum identifies: 1) the types of challenges USAID OIG faces when conducting oversight of USAID programming through the UN; 2) the types of risks the OIG faces in USAID's administration of programming through the UN; and 3) oversight vulnerabilities within the UN system, particularly with respect to employee vetting and efforts to prevent the recirculation of UN employees engaged in any form of misconduct.

Challenges in Conducting Oversight of USAID Programming Through the UN

USAID funds billions of dollars in humanitarian assistance and development programming through UN agencies across the globe, often in non-permissive environments such as Gaza, Ukraine, Sudan, Syria, and Haiti. In Fiscal Year 2024, approximately 25 percent of USAID's programming (\$8 billion) was funded through "public international organizations" which largely consists of UN agencies.

OIG's oversight work has helped USAID ensure the integrity of its programming implemented through the UN. Results include the governmentwide debarments of numerous former World Health Organization (WHO) officials in 2023 found to have sexually assaulted women and girls while performing USAID-funded Ebola programming in Africa. USAID OIG also has identified multiple fraud schemes involving UN-implemented humanitarian aid in Ethiopia and has efforts underway to prevent USAID-funded organizations from hiring staff previously employed by UNRWA and other aid organizations believed to have participated in the October 7, 2023, terrorist attacks in Israel.

To conduct effective oversight, USAID OIG relies on cooperation and information from USAID-funded UN agencies and must have access to the same level of information that it has for programming administered by nongovernmental organizations (NGOs) and contractors. Unfortunately, as detailed below, that has not been the case. As such, USAID OIG cannot exercise the necessary level of oversight over USAID programming implemented by UN agencies.

Timely sharing of information by UN agencies allows us to swiftly respond to allegations of fraud, sexual exploitation and abuse, corruption, misconduct, or other misuse of USAID programming funded through the UN. However, despite obligations to report allegations of misconduct directly to USAID OIG, reporting from UN agencies is limited and often significantly delayed. In September 2024, we published an [alert](#) highlighting the limited amount of disclosures of potential misconduct transmitted by USAID-funded UN agencies to USAID OIG, as is required by their grant agreements. Failure to report allegations or respond to OIG follow-up requests for information limits our investigators' ability to inform USAID of potential harm to its programs and hold bad actors accountable.

To that end, we appreciate the language in 2024 appropriations legislation requiring the Department of State and USAID to “seek to enter into written agreements” with international organizations receiving U.S. government funding that provide timely access to USAID OIG, State OIG, and the Government Accountability Office to information relevant to U.S. contributions. While concerted efforts have been ongoing for the past several months, the Department of State and USAID have not yet entered into such written agreements with UN agencies. In the absence of such agreements, USAID OIG continues to encounter delays and refusals from UN agencies with respect to sharing information with OIG Special Agents, despite significant protections for handling law enforcement and other sensitive information. Justifications for UN intransigence include premature assertions of “privileges and immunities,” “confidentiality/privacy concerns,” or that providing the requested information to USAID OIG would require the UN agency to respond equally to requests from all UN member states.

Such rationalizations have resulted in delays in our ability to obtain information from UN agencies in response to 1) concerns that their employees, believed to be associated with Hamas and/or implicated in the October 7th attacks, may recirculate to other USAID-funded organizations; 2) concerns that UN staff may be involved in food diversion schemes in Ethiopia; 3) allegations that a UN agency was employing a senior official to lead humanitarian efforts in Ukraine who had been accused of sexual assault; and 4) mismanagement within USAID-funded programming in Yemen.

USAID OIG has the expertise to investigate allegations of criminal misconduct implicating USAID funding to all recipients, whether NGOs, contractors, or UN agencies. Noncooperation by UN agencies prevents us from considering key evidence as part of our investigations, hinders prosecutions and monetary recoveries, and hampers our ability to refer comprehensive investigative findings to USAID, Congress, and the U.S. Missions to UN agencies for administrative action on matters impacting billions of dollars in U.S.-provided aid.

Risks the OIG has identified in USAID’s Administration of Programming through the UN

We have long focused on risks within USAID’s administration of programming through UN agencies. In 2018, one of our audits highlighted the need for USAID to develop policies and procedures for managing risks, clarifying award-making authority, and dealing with suspected or identified fraud in programming implemented by UN agencies. We noted that, “until USAID transforms and codifies its control environment to properly assess, mitigate, and oversee risks, it will continue to miss opportunities to more efficiently and effectively manage [UN] awards and avert fraud, waste, and abuse.” In response, USAID adopted new policies and standard award provisions, but significant complications remain in the ability of both USAID and USAID OIG to provide oversight of UN agencies, as described above.

In August 2024, we issued an evaluation of USAID’s due diligence of funding to public international organizations (PIOs), including UN agencies. The evaluation focused on 67 PIOs that received about \$46 billion in USAID funding between fiscal years 2019 and 2022. We found that USAID did not consistently use available pre-and-post-award due diligence mechanisms to ensure effective oversight of PIOs’ programming involving USAID funds. Failure to employ established mechanisms to ensure that a PIO is capable of safeguarding USAID funding may lead to an inability to identify potential vulnerabilities that, in turn, can lead to waste or misuse within critical programming.

We have also previously reported that USAID exempts UN agencies from partner vetting requirements designed to “ensure that American taxpayer funds do not benefit terrorists and their supporters.” Partner vetting is a risk mitigation tool used for programming in Afghanistan, Iraq, Lebanon, Pakistan, Syria, West Bank/Gaza, and Yemen. The program requires prospective and current partners to submit information about their organization and directors, officers, and other key individuals to USAID for background vetting. USAID checks this information against public and non-public databases to determine the individual’s eligibility to work on a USAID-funded agreement. The lack of required U.S. government partner vetting for UN agency personnel creates risks to USAID’s programs and is another instance in which UN award recipients are subject to less vigorous oversight in comparison to NGOs and contractors.¹

Regarding the UN’s own processes for vetting its own staff, USAID Administrator Samantha Power noted — following allegations that officials working for UNRWA were engaged in the October 7 attacks in Israel — “obviously the vetting is something that has to be significantly strengthened.” USAID asserts that vetting of awards to UN organizations is distinct from vetting of awards to other types of implementing organizations due to the UN agencies’ “international character, privileges & immunities, and the special nature of our relationship, including presence on certain UN agency boards to influence their policies and procedures.” We fundamentally disagree with that position; USAID should apply equal vetting principles for all of its implementing partners, including staff working on the ground, as a condition of funding.

¹ Subawardees of UN organizations are subject to limited partner vetting.

Vulnerabilities in the UN's Ability to Prevent Recirculation of Bad Actors

The UN's haphazard use and lack of standard policies fails to ensure that employees terminated for misconduct do not circulate to other UN agencies. This limitation could result in employees terminated by one UN agency for misconduct—including financial fraud, diversion to terrorist organizations, or bribery—being hired by another UN agency performing USAID-funded work. While the UN's Clear Check system exists to serve this type of vetting purpose, it is limited to employees terminated due to findings of sexual exploitation and abuse/harassment SEAH. For example, if an employee is terminated by the World Food Programme for fraud or corruption, that employee would not show up in a centralized UN database available for another UN agency to check should the individual apply to another UN agency. While the UN is attempting (par. 26) to expand Clear Check to include broader misconduct, it remains a work in progress. Moreover, it is unclear whether the UN's "One HR" database would capture adverse information from an applicant's conduct while employed in another UN position as part of a background check.²

It is also important for UN agencies to share, with bilateral donors, information about individuals who have been terminated. In the case of the WHO doctors (described above), it took significant time and convincing, including by senior U.S. government officials, for WHO to cooperate with USAID OIG investigators seeking specific names of employees so that they could be independently investigated and referred for suspension/debarment. After being provided with standard notice and due process, these individuals—determined to have engaged in sexual exploitation and abuse during the Ebola response in Africa—were debarred by USAID and thus prevented from circulating to other employers receiving USAID or Federal funding. Without routine disclosure of information by the UN about terminated employees, or a centralized and accessible database available like www.sam.gov it remains possible that UN officials engaged in gross misconduct could recirculate to other USAID-funded organizations including contractors, NGOs, or other UN agencies.

² For example, according to two major UN agencies One HR would not identify individuals terminated by UNRWA for associations with Hamas or participation in the October 7 terror attacks.