

**UNITED NATIONS DEVELOPMENT PROGRAMME**  
**Office of Audit and Investigations**



*Empowered lives.  
Resilient nations.*

**AUDIT**

**OF**

**UNDP COUNTRY OFFICE**

**IN**

**NIGER**

**Report No. 1379**  
**Issue Date: 28 October 2014**

## Report on the audit of UNDP Niger Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of UNDP Niger (the Office) from 9 to 24 July 2014. The audit aimed to assess the adequacy and effectiveness of the governance, risk management and control processes relating to the following areas and sub-areas:

- (a) governance and strategic management (organizational structure and delegations of authority, leadership/ethics and values, risk management, planning, monitoring and reporting, financial sustainability);
- (b) United Nations system coordination (development activities, Resident Coordinator Office, role of UNDP – “One UN”, Harmonized Approach to Cash Transfers);
- (c) programme activities (programme management, partnerships and resource mobilization, project management); and
- (d) operations (human resources, finance, procurement, information and communication technology, general administration, safety and security, asset management, leave management).

The audit covered the activities of the Office from 1 January 2013 to 31 March 2014. The Office recorded programme and management expenditures totalling \$25 million. The last audit of the Office was conducted by OAI in 2010. The Global Fund expenditures related to Sub-recipients, which were investigated in 2012 by the Office of the Inspector General in The Global Fund to Fight AIDS, Tuberculosis and Malaria, are not part of the scope of this audit.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

### Overall audit rating

OAI assessed the Office as **satisfactory**, which means, “Internal controls, governance and risk management processes were adequately established and functioning well. No issues were identified that would significantly affect the achievement of the objectives of the audited entity.”

### Key recommendations: Total = 5, High priority = 0

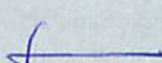
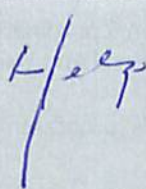
The audit did not result in any high (critical) priority recommendations. There are five medium (important) priority recommendations, which means, “Action is required to ensure that UNDP is not exposed to risks that are considered moderate. Failure to take action could contribute to negative consequences for UNDP.” These recommendations include actions to address weaknesses in project management, weaknesses in management of staff entitlements and absences, inefficiencies in procurement management, assets not capitalized for directly implemented projects, and weak security controls.

There was also one issue caused by factors beyond the control of UNDP, resulting in UNDP not being able to directly sign a contract with an insurance company to cover the Office’s premises, as the African Economic Commission was legally responsible for the premises.

### Management comments and action plan

The Resident Representative accepted all of the recommendations and is in the process of implementing them.

Issues with less significance (not included in this report) have been discussed directly with management and actions have been initiated to address them.



Helge S. Osttveiten  
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