



PERFORMANCE AUDIT

OF

REGIONAL BUREAU FOR ARAB STATES

Report No. 1697
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Report on the Audit of UNDP Regional Bureau for Arab States Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted a performance audit of the UNDP Regional Bureau for Arab States (RBAS) from 16 May to 29 July 2016. Performance auditing is an independent examination of a programme, function, operation, project, or the management systems and procedures of an entity to assess whether the entity is achieving economy, efficiency and results in the employment of available resources.

The audit objective was to assess to which extent RBAS was effectively carrying out some of its key functions. The audit focused on three main audit questions:

1. Is RBAS organized to guide and support the work of Country Offices in line with the priorities of country partners and other stakeholders?
2. To what extent is the Regional Programme effectively managed to support groups of countries or regional bodies to work together on addressing common and trans-border development issues?
3. To what extent does RBAS, as head of the United Nations Development Group (UNDG) in the region, effectively contribute to UN reform and coordination efforts by strengthening the UN Resident Coordinator system in the region?

The audit covered the activities of RBAS from 1 January 2015 to 15 May 2016. The last audit of RBAS was conducted by OAI in 2008 (Report No. 530, issued on 31 March 2009). An audit of the Regional Centre in Cairo was also conducted in 2013 (Report No. 1156, issued on 14 June 2013).

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

Overall audit rating

OAI assessed RBAS 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."

OAI assessed that RBAS was effectively carrying out some of its key functions.

Key recommendations: Total = 4, high priority = 0

The four recommendations aim to ensure the following:

Objectives	Recommendation No.	Priority Rating
Achievement of the organization's strategic objectives	1, 3, 4	Medium
Effectiveness and efficiency of operations	2	Medium

Management comments and action plan

RBAS management accepted all four recommendations and is in the process of implementing them. Comments and/or additional information provided had been incorporated in the report, where appropriate.

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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