

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



*Empowered lives.  
Resilient nations.*

**AUDIT**  
  
**OF**  
  
**UNDP COUNTRY OFFICE**  
  
**IN**  
  
**LIBYA**

**Report No. 1747**  
**Issue Date: 25 January 2017**

## Report on the Audit of UNDP Libya Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of UNDP Libya (the Office) from 7 to 18 November 2016. 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, and risk management);
- (b) United Nations system coordination (Resident Coordinator Office);
- (c) programme activities (programme management, and project management); and
- (d) operations (human resources, finance, procurement, information and communication technology, general administration, and safety and security).

The audit covered the activities of the Office from 1 January 2015 to 30 September 2016. The Office recorded programme and management expenditures of approximately \$17.4 million. The last audit of the Office was conducted by OAI in 2013.

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 **partially satisfactory/some improvement needed**, which means, "The assessed governance arrangements, risk management practices and controls were generally established and functioning, but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area." This rating was mainly due to weaknesses in organizational structure and delegations of authority, project management, financial management, procurement, and information and communication technology.

**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. Failure to take action could result in negative consequences for UNDP." These recommendations aim to ensure the following:

Objectives	Recommendation No.	Priority Rating
Achievement of the organization's strategic objectives	5	Medium
Effectiveness and efficiency of operations	1,2,3, 4	Medium

**Implementation status of previous OAI audit recommendations:** Report No. 1243, 16 April 2014.

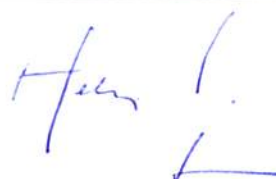
Total recommendations: 8

Implemented: 8

### Management comments and action plan

The Country Director and the Resident Representative a.i accepted all five recommendations and are in the process of implementing them. Comments and/or additional information provided had have 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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