

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP YEMEN

SUPPORT TO ELIMINATE THE IMPACT FROM MINES
(Directly Implemented Project No. 72780, Output No. 85825)

Report No. 1809

Issue Date: 17 August 2017

Report on the Audit of UNDP Yemen Support to Eliminate the Impact from Mines (Project No. 72780, Output No. 85825) Executive Summary

The UNDP Office of Audit and Investigations (OAI), through KPMG SA (the audit firm), from 17 to 24 May 2017, conducted an audit of Support to Eliminate the Impact from Mines, Project No. 72780, Output No. 85825 (the Project), which is directly implemented and managed by the UNDP Country Office in Yemen (the Office). This last audit of the Project was conducted in 2016 by Deloitte & Touche (M.E.) under HACT audits covering the expenditures of the year ended 31 December 2015.

The audit firm conducted a financial audit to express an opinion on whether the financial statements present fairly, in all material aspects, the Project's operations. The audit covered the Project's Combined Delivery Report, which includes expenditure for the period from 1 January to 31 December 2016 and the accompanying Funds Utilization Statement¹ as of 31 December 2016. The audit did not include activities and expenses processed and approved in locations outside of the country (such as UNDP Regional Centres and UNDP Headquarters). The audit did not cover the Statement of Assets as there were no assets held by the Project as of 31 December 2016. In addition, the audit did not cover the Statement of Cash Position as no separate bank account was established and maintained for the Project.

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

Audit results

Based on the audit report and corresponding management letter submitted by the audit firm, the results are summarized in the table below:

Project Expenditure*		
Amount (in \$ '000)	Opinion	NFM** (in \$ '000)
3,506	Qualified	158

* Expenditures recorded in the Combined Delivery Report were \$3,941,806. Excluded from the audit scope were expenditures processed and approved by other UNDP offices outside of the country (\$436,115).

**NFM= Net Financial Misstatement

The audit firm qualified its opinion on project expenditure mainly due to unsupported basis for calculating the Direct Project Costs.

Key recommendations: Total = 2, high priority = 2

The two recommendations aim to ensure the reliability and integrity of financial and operational information (Recommendations 1 and 2).

¹ The Funds Utilization statement includes the balance, as at a given date, of five items: (a) outstanding advances received by the project; (b) depreciated fixed assets used at the project level; (c) inventory held at the project level; (d) prepayments made by the project; and (e) outstanding commitments held at the project level.

For high (critical) priority recommendations, prompt action is required to ensure that UNDP is not exposed to high risks. Failure to take action could result in major negative consequences for UNDP. All high (critical) priority recommendations are presented below:

Basis for calculating the Direct Project Cost not provided (Issue 1)

The review noted that the Office did not adhere to the UNDP policy and procedures in calculating the Direct Project Costs. The Office was not able to provide sufficient justification and supporting documents on the basis of calculating the Direct Project Costs amounting to \$158,073.

Recommendation: UNDP management should adhere to UNDP policy and procedures in calculating the Direct Project Costs and maintain appropriate documentation.

Inadequate budgetary controls (Issue 2)

The review between the budget and actual expenditures disclosed that expenditures amounting to \$77,089 relating to salary, travel and allowances were charged to the project. However, they were not provided for in the approved donor budget. Furthermore, expenditures amounting to \$574,406 that were charged to the project in excess of the approved budget line items, although the overall project budget was not overspent.

Recommendation: UNDP management should enhance controls to ensure only budgeted expenses are charged to the project at each appropriate period. In addition, approval should be sought from the donor prior to incurring costs over and above the approved budget amounts.

Management comments and action plan

The UN Resident Coordinator and UNDP Resident Representative accepted both recommendations and is in the process of implementing them.

Management comments and/or additional information provided have been incorporated into the report, where appropriate.



Helge S. Osttveiten
Director
Office of Audit and Investigations



**United Nations Development Programme
(UNDP)**

Report of the Independent Auditor on
the United Nations Development Program (UNDP)
Directly Implemented (DIM) Project ID 72780 “Support to
Eliminate the Impact from mines” - Output no. 85825
- Sana’a, Yemen -
For the year ended 31 December 2016



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Executive Summary

KPMG Geneva conducted the financial audit of UNDP project ID 72780 - Output ID 85825 "Support to Eliminate the Impact from mines" (the project) for the period 1 January to 31 December 2016. The audit was undertaken on behalf of the Office of Audit and Investigations (OAI) United Nations Development Programme (UNDP).

We have issued audit opinions as summarized in the table below and as detailed in the next section:

Statement of Expenditures
Statement of Fixed Assets
Statement of Cash Position

Qualified
Not Applicable
Not Applicable

As a result of our audit, we have raised two audit findings with a net financial impact totaling US\$ 158,073 as summarized below, more details to the findings are provided in the management letter on page 6.

No.	Description	Priority	Net financial impact US\$
1	Basis for calculating the direct project cost (DPC) not provided	High (Critical)	158,073
2	Inadequate budgetary controls	High (Critical)	-
	Total		158,073

The project was not audited in the prior period and as such there was no follow up on prior period recommendations.

KPMG SA

Pierre-Henri Pingeon
Partner

Henri Mwaniki

Geneva, 15 August 2017

Audit Objectives and Scope

The objective of the financial audit was to express an opinion on the project's financial statements which include:

- Expressing an opinion on whether the financial expenses incurred by the project between 1 January and 31 December 2016 and the fund utilization as at 31 December 2016 are fairly presented in accordance with UNDP accounting policies and that the expenses incurred were: (i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; (iii) in compliance with the relevant regulations and rules, policies and procedures of UNDP; and (iv) supported by properly approved vouchers and other supporting documents. The Combined Delivery Report (CDR) and the Funds Utilization statements are the mandatory and official Statement upon which the audit opinion should be expressed. Other forms of Statement of expenses that may be prepared by a project office are not accepted.
- Expressing an opinion on whether the Statement of Fixed Assets presents fairly the balance of assets of the UNDP project as at 31 December 2016. This Statement must include all assets available as at 31 December 2016 and not only those purchased in a given period. Where a DIM project does not have any assets or equipment, it will not be necessary to express such an opinion.
- Expressing an opinion on whether the Statement of Cash presents fairly the cash and bank balance of the project as at 31 December 2016. Where a DIM project does not have a dedicated bank account for the project, it will not be required to express such an opinion.

The Financial Audit was conducted in accordance with the International Standards of Auditing (ISA), the 700 series.

The scope of the audit relates only to transactions concluded and recorded against the UNDP DIM project, between 1 January and 31 December 2016. The scope of the audit did not include:

- Activities and expenses incurred or undertaken at the level of "responsible parties", or other UN agencies, unless the inclusion of these expenses is specifically required in the request for proposal; and
- Expenses processed and approved in locations outside the country such as UNDP Regional Offices and UNDP Headquarters and where the supporting documentation is not retained at the level of the UNDP country office.



Independent Auditors' Report Statement of Expenditure

To: the Director of the Office of Audit and Investigations (OAI)
United Nations Development Programme (UNDP)

We have audited the accompanying Combined Delivery Report (CDR) and Funds Utilization statement ("the statement of expenditures") of the UNDP project ID 72780 - Output ID 85825 "Support to Eliminate the Impact from mines" for the period 1 January to 31 December 2016.

The CDR expenditure totaling US\$ 3,941,806, is comprised of expenditure directly incurred by the UNDP Country Office in Yemen for an amount of US\$ 3,505,691 and expenditure incurred by entities other than the Country Office for an amount of US\$ 436,115. Our audit only covered the expenditure directly incurred by the UNDP Country Office in Yemen of US\$ 3,505,691.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying CDR and Funds Utilization statement present fairly, in all material respects, the expenses of US\$ 3,505,691 directly incurred by the UNDP Country Office in Yemen and charged to the project for the period 1 January to 31 December 2016 in accordance with UNDP accounting policies, and were: (i) in conformity with the approved project budgets; (ii) for the approved purposes of the project; (iii) in compliance with the relevant regulations and rules, policies and procedures of UNDP; and (iv) supported by properly approved vouchers and other supporting documents.

Basis for Qualified Opinion

During the course of our audit, management failed to provide us with their basis for the calculation of the Direct Project Costs (DPC) charged to the project in the amount of US\$ 158,073. As a result, we were unable to determine the accuracy of the DPC costs as there was no supporting document to justify the expenses as reported in the CDR as at 31 December 2016.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the auditor's responsibilities for the audit of the CDR and Funds Utilization section of our report. We are independent of UNDP in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with this code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management responsibilities

Management is responsible for the preparation of the CDR and the Funds Utilization statement of the project, and for such internal control as management determines is necessary to enable the preparation of a CDR and Funds Utilization statement that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the CDR and the Funds Utilization statement are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these documents.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the CDR and Funds Utilization statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG SA



Pierre-Henri Pigeon
Partner



Henri Mwaniki

Geneva, 15 August 2017



Management Letter

To the Director of the Office of Audit and Investigations (OAI)
United Nations Development Programme (UNDP)

We noted the following finding related to this project as a result of our audit.

Finding 1: Basis for calculating the direct project cost (DPC) not provided

Observation

The UNDP Programme and Project Management Policies (POPP) stipulates that direct project costs (DPC) in terms of personnel cost are calculated based on estimated staff cost and UNDP pro forma cost, or actual contracted personnel costs. Furthermore, in the case of General Operating Expenses (GOE) it shall be costed and charged based on the actual costs for identifiable inputs to the project.

DPC is currently calculated based on 5% or 7% of the total expenses + full assets cost + commitments for a given period (Monthly or quarterly) rather than actual contracted cost or actual cost for identifiable outputs, and then 70% of this amount is charged to personnel cost and 30% to GOE. Additionally, we could not ascertain the base amount (Total expenses+ full assets cost + commitments) on which the DPC (5% or 7%) charge is based on.

During our review, we noted that neither personnel cost transactions nor GOE transactions were used as a basis to calculate DPC as per the UNDP policies, but rather the costs were calculated as fixed percentage from total expenses. Additionally, we could not ascertain the base amount of total expenses on which the DPC charge was reported on. An amount of US\$ 158,073 was recorded as Direct Project Cost (DPC) in the general ledger under account codes 64398 and 74598.

Furthermore, management was not able to provide us with reasonable and sufficient justification on basis of how they calculated the DPC and the GOE. We were unable to verify the basis and the accuracy of the DPC costs of US\$ 158,073 as there was no verifiable supporting document to support the transactions, as a result the DPC costs charged to the project may be inaccurate.

The finding was caused by management failure to document and provide an audit trail for the basis on which DPC was calculated.

Priority

High (Critical)

Recommendation

UNDP management should adhere to the financial procedures and rules of UNDP relating to the computation of DPC costs. Furthermore, management should strive to maintain the appropriate documentation indicating how the DPC costs charged to the project are computed and if applicable, their deviations from policy.

Management Comment and Action Plan

Noted. UNDP Yemen has already introduced revised DPC calculation in 2017.

Auditor's response (if applicable)

N/A

Finding 2: Inadequate budgetary controls

Observation

The approved budget provided by the donor stipulates categories of expenses upon which cost should be charged.

From our review of the budget versus actual analysis, we noted expenses amounting to US\$ 77,088.50 charged to the project, relating to salary, travel and allowances that were not provided for in the approved donor budget.

Account code in the budget	Account code in the GL	Description	Expenses charged to the project US\$
61100	61105	Salary Costs - NP Staff	25,161.55
62100	62110 62115 62120 62140	Recur Payroll Costs - NP Staff	2,491.20
63300	63325 63330 63335 63340 63365	Non-Recurrent Payroll - IP Stf	49,120.15
77100	77165	Salary and related costs-TA/NP	315.60
Total			77,088.50

We further noted expenses amounting to US\$ 574,406.41 inadvertently charged to the project in excess of the approved budget as detailed below, even though the overall project budget was not overspent. The above observations occurred due to a lack of sufficient oversight.

Account code in the budget	Account code in the GL	Description	Approved budget US\$	GL US\$	Difference (Exceptions) US\$
62300	62305 62310 62315 62320 62335 62340	Recurrent Payroll Costs-IP Stf	61,050.15	119,371.13	58,320.98
71600	71605 71610 71615 71620 71625 71635	Travel	1,511,464.29	2,027,549.72	516,085.43
Total			1,572,514.44	2,146,920.85	574,406.41



Unbudgeted costs or costs inadvertently charged in excess of the approved budget amounts may be disallowed by the donor resulting in financial losses.

Priority/Grading

High Critical

Recommendation

UNDP management should implement review and approval controls to ensure only budgeted expenses are charged to the project at each appropriate period. In addition, express approval should be sought from the donor prior to incurring costs over and above the approved budget amounts.

Management Comment and Action Plan

Noted. Appropriate measures will be implemented by the Project Management Unit with CO oversight.

Auditor's response (if applicable)

N/A

KPMG SA

Pierre-Henri Pingeon
Partner

Henri Mwaniki

Geneva, 15 August 2017

Annex 1: Statement of Expenditures



UN Development Programme
Report ID: ungidrb

Combined Delivery Report by Activity

Page 1 of 9
Run Time: 07-05-2017 12:05:00

Selection Criteria :

Business Unit : YEM10
Period : Jan-Dec (2016)
Selected Project Id : 00072780
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00085825

Project Id : 00072780 Support to Eliminate the Impac		Period :	Jan-Dec (2016)	
Output # : 00085825 Support to Eliminate the Impac		Impl. Partner :	03474 UNDP (Direct Execution)	
		Location :	YEMEN MINE ACTION PROGRAMME	
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp

Activity : ()

Fund : 26960 (CPR TTF-Conflict-Country S)

76120 - Unrealized Loss	0.00	2,080.84	0.00	2,080.84
76130 - Unrealized Gain	0.00	- 33.02	0.00	- 33.02

Total for Fund 26960	0.00	2,047.82	0.00	2,047.82
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Fund : 30000 (PROGRAMME COST SHARING)

72215 - Transporation Equipment	0.00	83,000.00	0.00	83,000.00
75105 - Facilities & Admin - Implement	0.00	6,640.00	0.00	6,640.00
76120 - Unrealized Loss	0.00	13,069.90	0.00	13,069.90
76130 - Unrealized Gain	0.00	- 13,066.42	0.00	- 13,066.42

Total for Fund 30000	0.00	89,643.48	0.00	89,643.48
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Total for Activity	0.00	91,691.30	0.00	91,691.30
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Activity : ACTIVITY1 (Enhance national capacity)

Fund : 04000 (Core Programme, UNU Centre)

61305 - Salaries - IP Staff	0.00	- 14,849.35	0.00	- 14,849.35
61310 - Post Adjustment - IP Staff	0.00	18,439.65	0.00	18,439.65
62305 - Dependency Allowances-IP Staff	0.00	50,861.36	0.00	50,861.36
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	18,777.67	0.00	18,777.67
62315 - Contrib. to medical, social in	0.00	1,277.00	0.00	1,277.00
62320 - Mobility, Hardship, Non-remova	0.00	14,230.80	0.00	14,230.80
62340 - Annual Leave Expense - IP	0.00	- 1,509.67	0.00	- 1,509.67
63330 - Ed Grt Incl Trvl&Allow-IP Stf	0.00	3,500.00	0.00	3,500.00
63335 - Home Leave Trvl & Allow-IP Stf	0.00	1,387.51	0.00	1,387.51
63365 - Special Oper Living Allow-IP	0.00	12,043.69	0.00	12,043.69
63530 - Contribution to EOS Benefits	0.00	2,926.57	0.00	2,926.57
63535 - Contribution to Security	0.00	4,877.62	0.00	4,877.62
63540 - Contribution to Training	0.00	936.53	0.00	936.53
63545 - Contribution to ICT	0.00	1,170.62	0.00	1,170.62
63550 - Contributions to MAIP	0.00	195.09	0.00	195.09
63555 - Contribution to UN JFA	0.00	2,536.39	0.00	2,536.39
63560 - Contributions to Appendix D	0.00	195.09	0.00	195.09
64306 - Appointment-Ticket Costs	0.00	25,364.23	0.00	25,364.23
64398 - Direct Project Cost-Staff	0.00	14,467.19	0.00	14,467.19
65115 - Contributions to ASHI Reserve	0.00	6,243.39	0.00	6,243.39
65135 - Payroll Mgt Cost Recovery ATLA	0.00	515.04	0.00	515.04
71635 - Travel - Other	0.00	60.44	0.00	60.44

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Combined Delivery Report by Activity

Project Id : 00072780 Support to Eliminate the Impac		Period :	Jan-Dec (2016)	
Output # : 00085825 Support to Eliminate the Impac		Impl. Partner :	03474 UNDP (Direct Execution)	
		Location :	YEMEN MINE ACTION PROGRAMME	
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
74525 - Sundry	0.00	121,416.00	0.00	121,416.00
74598 - Direct Project Costs - GOE	0.00	6,200.22	0.00	6,200.22
Total for Fund 04000	0.00	291,263.08	0.00	291,263.08
Fund : 26960 (CPR TTF-Conflict-Country S)				
61105 - Salaries - NP Staff	0.00	12,181.55	0.00	12,181.55
61305 - Salaries - IP Staff	0.00	-47,617.91	0.00	-47,617.91
61310 - Post Adjustment - IP Staff	0.00	11,301.53	0.00	11,301.53
62110 - Contrib Joint Staff Pension-NP	0.00	2,113.70	0.00	2,113.70
62115 - Contrib to Med,SocIns-NP Staff	0.00	326.40	0.00	326.40
62120 - Hazard Duty Station Allow-NP	0.00	1,280.00	0.00	1,280.00
62140 - Annual Leave Expense - NO	0.00	1,016.52	0.00	1,016.52
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	11,763.57	0.00	11,763.57
62315 - Contrib. to medical, social in	0.00	1,075.78	0.00	1,075.78
62320 - Mobility, Hardship, Non-remova	0.00	13,302.70	0.00	13,302.70
62335 - Hazard Duty Station Allow-IP	0.00	131.51	0.00	131.51
62340 - Annual Leave Expense - IP	0.00	1,963.84	0.00	1,963.84
63335 - Home Leave Trvl & Allow-IP Stf	0.00	798.59	0.00	798.59
63365 - Special Oper Living Allow-IP	0.00	8,547.00	0.00	8,547.00
63530 - Contribution to EOS Benefits	0.00	2,236.02	0.00	2,236.02
63535 - Contribution to Security	0.00	3,726.74	0.00	3,726.74
63540 - Contribution to Training	0.00	589.22	0.00	589.22
63545 - Contribution to ICT	0.00	894.45	0.00	894.45
63550 - Contributions to MAIP	0.00	149.03	0.00	149.03
63555 - Contribution to UN JFA	0.00	1,937.91	0.00	1,937.91
63560 - Contributions to Appendix D	0.00	149.03	0.00	149.03
64321 - Reassignment-Ticket Costs	0.00	1,216.00	0.00	1,216.00
64322 - Reassignments-Subsistence Allow	0.00	737.00	0.00	737.00
64323 - Reassignments-Lump Sum	0.00	9,421.32	0.00	9,421.32
64324 - Reassignments-Shipments	0.00	15,500.00	0.00	15,500.00
64398 - Direct Project Cost-Staff	0.00	9,358.98	0.00	9,358.98
65115 - Contributions to ASHI Reserve	0.00	4,770.17	0.00	4,770.17
65135 - Payroll Mgt Cost Recovery ATLA	0.00	389.53	0.00	389.53
71205 - Intl Consultants-Sht Term-Tech	0.00	61,392.50	0.00	61,392.50
71305 - Local Consult.-Sht Term-Tech	8,622.33	1,200.00	0.00	9,822.33
71405 - Service Contracts-Individuals	0.00	130,142.45	0.00	130,142.45
71410 - MAIP Premium SC	0.00	72.18	0.00	72.18
71415 - Contribution to Security SC	0.00	1,804.57	0.00	1,804.57
71605 - Travel Tickets-International	0.00	5,262.72	0.00	5,262.72
71615 - Daily Subsistence Allow-Intl	0.00	18,071.10	0.00	18,071.10
71620 - Daily Subsistence Allow-Local	0.00	-1,649.64	0.00	-1,649.64
71625 - Daily Subsist Allow-Mtg Partic	0.00	1,460.00	0.00	1,460.00
71635 - Travel - Other	0.00	1,609.34	0.00	1,609.34
72105 - Svc Co-Construction & Engineer	0.00	30.00	0.00	30.00
72120 - Svc Co-Trade and Business Serv	0.00	62.80	0.00	62.80
72311 - Fuel, petroleum and other oils	0.00	5,847.02	0.00	5,847.02
72315 - Food & Textile Products	0.00	37.23	0.00	37.23
72399 - Other Materials and Goods	0.00	4,357.86	0.00	4,357.86
72402 - Building Maintenance	0.00	88.76	0.00	88.76
72405 - Acquisition of Communic Equip	0.00	3,480.00	0.00	3,480.00
72420 - Land Telephone Charges	0.00	1,374.61	0.00	1,374.61
72425 - Mobile Telephone Charges	0.00	473.62	0.00	473.62





Combined Delivery Report by Activity

Project Id : 00072780 Support to Eliminate the Impac		Period :	Jan-Dec (2016)	
Output # : 00085825 Support to Eliminate the Impac		Impl. Partner :	03474 UNDP (Direct Execution)	
		Location :	YEMEN MINE ACTION PROGRAMME	
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
72440 - Connectivity Charges	0.00	680.54	0.00	680.54
72505 - Stationery & other Office Supp	516.31	130.39	0.00	646.70
72510 - Publications	0.00	791.55	0.00	791.55
72520 - Electronic Media	0.00	510.00	0.00	510.00
72705 - Hospitality-Special Events	0.00	- 63.39	0.00	- 63.39
72805 - Acquis of Computer Hardware	0.00	321.48	0.00	321.48
73105 - Rent	0.00	27,282.70	0.00	27,282.70
73405 - Rental & Maint-Other Office Eq	0.00	72.99	0.00	72.99
73410 - Maint, Oper of Transport Equip	0.00	15,073.69	0.00	15,073.69
74510 - Bank Charges	0.00	134.80	0.00	134.80
74525 - Sundry	0.00	53.59	0.00	53.59
74598 - Direct Project Costs - GOE	0.00	4,010.99	0.00	4,010.99
74599 - UNDP cost recovery chrgs-Bills	623.01	0.00	0.00	623.01
74710 - Land Transport	2,736.39	0.00	0.00	2,736.39
75105 - Facilities & Admin - Implement	0.00	25,598.58	0.00	25,598.58
75705 - Learning costs	0.00	459.12	0.00	459.12
76125 - Realized Loss	0.00	0.66	0.00	0.66
76135 - Realized Gain	0.00	- 865.64	0.00	- 865.64
77165 - Hazard Duty Stat Allow-NP-TA	0.00	315.60	0.00	315.60
Total for Fund 26960	12,498.04	378,884.95	0.00	391,382.99
Fund : 30000 (PROGRAMME COST SHARING)				
61305 - Salaries - IP Staff	0.00	164,469.37	0.00	164,469.37
61310 - Post Adjustment - IP Staff	0.00	1,374.79	0.00	1,374.79
62305 - Dependency Allowances-IP Staff	0.00	- 1.92	0.00	- 1.92
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	1,427.84	0.00	1,427.84
62315 - Contrib. to medical, social in	0.00	- 39.98	0.00	- 39.98
62320 - Mobility, Hardship, Non-remova	0.00	- 172.61	0.00	- 172.61
62335 - Hazard Duty Station Allow-IP	0.00	394.53	0.00	394.53
62340 - Annual Leave Expense - IP	0.00	499.98	0.00	499.98
63325 - Security Evacuation - IP Staff	0.00	7,898.40	0.00	7,898.40
63335 - Home Leave Trvl & Allow-IP Stf	0.00	83.22	0.00	83.22
63340 - Proc trips/Rest & Recup-IP Stf	0.00	5,864.00	0.00	5,864.00
63365 - Special Oper Living Allow-IP	0.00	891.00	0.00	891.00
63515 - Security-related Costs	0.00	51,487.88	0.00	51,487.88
63530 - Contribution to EOS Benefits	0.00	224.16	0.00	224.16
63535 - Contribution to Security	0.00	373.62	0.00	373.62
63540 - Contribution to Training	0.00	71.76	0.00	71.76
63545 - Contribution to ICT	0.00	89.70	0.00	89.70
63550 - Contributions to MAIP	0.00	14.94	0.00	14.94
63555 - Contribution to UN JFA	0.00	194.28	0.00	194.28
63560 - Contributions to Appendix D	0.00	14.94	0.00	14.94
64398 - Direct Project Cost-Staff	0.00	86,589.73	0.00	86,589.73
65115 - Contributions to ASHI Reserve	0.00	478.26	0.00	478.26
65135 - Payroll Mgt Cost Recovery ATLA	0.00	34.74	0.00	34.74
71205 - Intl Consultants-Sht Term-Tech	0.00	46,734.85	0.00	46,734.85
71405 - Service Contracts-Individuals	0.00	113,374.37	0.00	113,374.37
71410 - MAIP Premium SC	0.00	68.40	0.00	68.40
71415 - Contribution to Security SC	0.00	1,710.99	0.00	1,710.99
71605 - Travel Tickets-International	0.00	10,253.39	0.00	10,253.39
71615 - Daily Subsistence Allow-Intl	0.00	9,649.90	0.00	9,649.90
71620 - Daily Subsistence Allow-Local	0.00	565,032.06	0.00	565,032.06

KPMG
INITIALED FOR IDENTIFICATION
PURPOSES ONLY



Combined Delivery Report by Activity

UN Development Programme
Report ID: unglcdrb

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Run Time: 07-05-2017 12:05:00

Project Id : 00072780 Support to Eliminate the Impac		Period :	Jan-Dec (2016)	
Output # : 00085825 Support to Eliminate the Impac		Impl. Partner :	03474 UNDP (Direct Execution)	
		Location :	YEMEN MINE ACTION PROGRAMME	
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp

71635 - Travel - Other	0.00	719.01	0.00	719.01
72205 - Office Machinery	0.00	1,783.00	0.00	1,783.00
72210 - Machinery and Equipment	0.00	8,823.86	0.00	8,823.86
72215 - Transportation Equipment	0.00	102,000.00	0.00	102,000.00
72220 - Furniture	0.00	5,755.21	0.00	5,755.21
72310 - Minerals, Mining & Metal Prdcts	0.00	451.01	0.00	451.01
72311 - Fuel, petroleum and other oils	0.00	6,727.15	0.00	6,727.15
72315 - Food & Textile Products	0.00	367.93	0.00	367.93
72320 - Wood & Paper Products	0.00	2,040.06	0.00	2,040.06
72325 - Chemical, Glass, NonMetallic Prd	0.00	307.94	0.00	307.94
72370 - Security related goods and mat	0.00	30,960.00	0.00	30,960.00
72399 - Other Materials and Goods	0.00	3,412.20	0.00	3,412.20
72405 - Acquisition of Communic Equip	0.00	8,325.00	0.00	8,325.00
72410 - Acquisition of Audio Visual Eq	0.00	431.40	0.00	431.40
72420 - Land Telephone Charges	0.00	2,101.21	0.00	2,101.21
72425 - Mobile Telephone Charges	0.00	161.98	0.00	161.98
72440 - Connectivity Charges	0.00	453.55	0.00	453.55
72505 - Stationery & other Office Supp	0.00	619.24	0.00	619.24
72510 - Publications	0.00	297.75	0.00	297.75
72705 - Hospitality-Special Events	0.00	0.00	0.00	0.00
73105 - Rent	0.00	30,279.38	0.00	30,279.38
73405 - Rental & Maint-Other Office Eq	0.00	385.46	0.00	385.46
73406 - Maintenance of Equipment	0.00	263.42	0.00	263.42
73410 - Maint, Oper of Transport Equip	0.00	14,922.76	0.00	14,922.76
74120 - Capacity Assessment	0.00	45,773.52	0.00	45,773.52
74220 - Translation Costs	0.00	136.76	0.00	136.76
74230 - Audio & Visual Equipment	0.00	767.17	0.00	767.17
74510 - Bank Charges	0.00	- 25.19	0.00	- 25.19
74525 - Sundry	0.00	- 167,683.89	0.00	- 167,683.89
74598 - Direct Project Costs - GOE	0.00	37,109.89	0.00	37,109.89
74710 - Land Transport	0.00	1,903.96	0.00	1,903.96
75105 - Facilities & Admin - Implement	0.00	97,106.66	0.00	97,106.66
76110 - Foreign Exch Translation Loss	0.00	0.01	0.00	0.01
76125 - Realized Loss	0.00	131.57	0.00	131.57
76135 - Realized Gain	0.00	- 7.98	0.00	- 7.98

Total for Fund 30000	0.00	1,305,887.59	0.00	1,305,887.59
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Fund : 32045 (JPN-Partnership Devt. Pgm. PCF)

61105 - Salaries - NP Staff	0.00	- 16,398.92	0.00	- 16,398.92
61305 - Salaries - IP Staff	0.00	1,534.43	0.00	1,534.43
61310 - Post Adjustment - IP Staff	0.00	459.93	0.00	459.93
62305 - Dependency Allowances-IP Staff	0.00	1.92	0.00	1.92
62310 - Contrib to Jt Staff Pens Fd-IP	0.00	511.84	0.00	511.84
62315 - Contrib. to medical, social in	0.00	98.30	0.00	98.30
62320 - Mobility, Hardship, Non-remova	0.00	1,589.81	0.00	1,589.81
62340 - Annual Leave Expense - IP	0.00	166.66	0.00	166.66
63335 - Home Leave Trvl & Allow-IP Stf	0.00	27.74	0.00	27.74
63365 - Special Oper Living Allow-IP	0.00	297.00	0.00	297.00
63530 - Contribution to EOS Benefits	0.00	74.72	0.00	74.72
63535 - Contribution to Security	0.00	124.54	0.00	124.54
63540 - Contribution to Training	0.00	23.92	0.00	23.92
63545 - Contribution to ICT	0.00	29.90	0.00	29.90





Combined Delivery Report by Activity

Project Id : 00072780 Support to Eliminate the Impac	Period :	Jan-Dec (2016)
Output # : 00085825 Support to Eliminate the Impac	Impl. Partner :	03474 UNDP (Direct Execution)
	Location :	YEMEN MINE ACTION PROGRAMME

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
63550 - Contributions to MAIP	0.00	4.98	0.00	4.98
63555 - Contribution to UN JFA	0.00	64.76	0.00	64.76
63560 - Contributions to Appendix D	0.00	4.98	0.00	4.98
64398 - Direct Project Cost-Staff	0.00	235.54	0.00	235.54
65115 - Contributions to ASHI Reserve	0.00	159.42	0.00	159.42
65135 - Payroll Mgt Cost Recovery ATLA	0.00	11.58	0.00	11.58
71405 - Service Contracts-Individuals	0.00	19,547.69	0.00	19,547.69
71410 - MAIP Premium SC	0.00	10.00	0.00	10.00
71415 - Contribution to Security SC	0.00	250.24	0.00	250.24
71615 - Daily Subsistence Allow-Intl	0.00	83.72	0.00	83.72
71620 - Daily Subsistence Allow-Local	0.00	287,825.33	0.00	287,825.33
71635 - Travel - Other	0.00	239.67	0.00	239.67
72399 - Other Materials and Goods	0.00	215.92	0.00	215.92
72505 - Stationery & other Office Supp	0.00	-256.53	0.00	-256.53
73105 - Rent	0.00	8,483.25	0.00	8,483.25
73110 - Custodial & Cleaning Services	0.00	-83.69	0.00	-83.69
73410 - Maint, Oper of Transport Equip	0.00	13,002.53	0.00	13,002.53
74525 - Sundry	0.00	-3,601.55	0.00	-3,601.55
74598 - Direct Project Costs - GOE	0.00	100.95	0.00	100.95
75105 - Facilities & Admin - Implement	0.00	25,187.24	0.00	25,187.24
76125 - Realized Loss	0.00	3.72	0.00	3.72
76135 - Realized Gain	0.00	-242.62	0.00	-242.62
Total for Fund 32045	0.00	339,788.92	0.00	339,788.92
Total for Activity ACTIVITY1	12,498.04	2,315,824.54	0.00	2,328,322.58

Activity : ACTIVITY2 (Mines/ERW Clearance Operations)

Fund : 26960 (CPR TTF-Conflict-Country S)

71605 - Travel Tickets-International	0.00	10,148.02	0.00	10,148.02
71610 - Travel Tickets-Local	0.00	447.42	0.00	447.42
71620 - Daily Subsistence Allow-Local	0.00	111,533.97	0.00	111,533.97
72105 - Svc Co-Construction & Engineer	0.00	20,742.57	0.00	20,742.57
72130 - Svc Co-Transportation Services	0.00	1,566.68	0.00	1,566.68
72305 - Agri & Forestry Products	0.00	15,434.43	0.00	15,434.43
72311 - Fuel, petroleum and other oils	0.00	0.00	0.00	0.00
72315 - Food & Textile Products	0.00	968.58	0.00	968.58
72320 - Wood & Paper Products	0.00	1,011.01	0.00	1,011.01
72325 - Chemical,Glass,NonMetallic Prd	0.00	441.42	0.00	441.42
72330 - Medical Products	0.00	4,301.65	0.00	4,301.65
72399 - Other Materials and Goods	0.00	1,941.96	0.00	1,941.96
72425 - Mobile Telephone Charges	0.00	641.95	0.00	641.95
72435 - E-mail-Subscription	0.00	720.00	0.00	720.00
72440 - Connectivity Charges	0.00	577.68	0.00	577.68
72505 - Stationery & other Office Supp	0.00	387.78	0.00	387.78
72705 - Hospitality-Special Events	0.00	21.13	0.00	21.13
73120 - Utilities	0.00	1,345.27	0.00	1,345.27
73125 - Common Services-Premises	0.00	701.08	0.00	701.08
73405 - Rental & Maint-Other Office Eq	0.00	608.25	0.00	608.25
73410 - Maint, Oper of Transport Equip	0.00	2,297.40	0.00	2,297.40





Combined Delivery Report by Activity

Project Id : 00072780 Support to Eliminate the Impac	Period :	Jan-Dec (2016)
Output # : 00085825 Support to Eliminate the Impac	Impl. Partner :	03474 UNDP (Direct Execution)
	Location :	YEMEN MINE ACTION PROGRAMME

	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
74110 - Audit Fees	0.00	7,700.00	0.00	7,700.00
74210 - Printing and Publications	0.00	333.16	0.00	333.16
74525 - Sundry	0.00	1,673.85	0.00	1,673.85
75105 - Facilities & Admin - Implement	0.00	13,064.33	0.00	13,064.33
75705 - Learning costs	0.00	1,106.82	0.00	1,106.82
76110 - Foreign Exch Translation Loss	0.00	283.43	0.00	283.43
76125 - Realized Loss	0.00	3,446.48	0.00	3,446.48
76135 - Realized Gain	0.00	- 1,963.09	0.00	- 1,963.09
Total for Fund 26960	0.00	201,483.23	0.00	201,483.23

Fund : 30000 (PROGRAMME COST SHARING)

62335 - Hazard Duty Station Allow-IP	0.00	3,020.20	0.00	3,020.20
63340 - Proc trips/Rest & Recup-IP Stf	0.00	7,782.00	0.00	7,782.00
63505 - Hazard Insurance	0.00	4,282.60	0.00	4,282.60
64316 - Relocation grant - assignment	0.00	3,000.00	0.00	3,000.00
71205 - Intl Consultants-Sht Term-Tech	0.00	30,000.00	0.00	30,000.00
71605 - Travel Tickets-International	0.00	5,940.00	0.00	5,940.00
71615 - Daily Subsistence Allow-Intl	0.00	32,776.00	0.00	32,776.00
71620 - Daily Subsistence Allow-Local	753.23	967,277.25	0.00	968,030.48
71635 - Travel - Other	0.00	56.79	0.00	56.79
72210 - Machinery and Equipment	0.00	721.00	0.00	721.00
72305 - Agri & Forestry Products	0.00	7,716.07	0.00	7,716.07
72311 - Fuel, petroleum and other oils	19,295.59	39,819.97	0.00	59,115.56
72315 - Food & Textile Products	0.00	4,255.76	0.00	4,255.76
72330 - Medical Products	0.00	11,077.75	0.00	11,077.75
72399 - Other Materials and Goods	720.68	1,425.15	0.00	2,145.83
72405 - Acquisition of Communic Equip	0.00	1,740.00	0.00	1,740.00
72420 - Land Telephone Charges	0.00	329.60	0.00	329.60
72425 - Mobile Telephone Charges	0.00	210.62	0.00	210.62
72440 - Connectivity Charges	0.00	105.37	0.00	105.37
72505 - Stationery & other Office Supp	0.00	4,027.49	0.00	4,027.49
73405 - Rental & Maint-Other Office Eq	0.00	50.00	0.00	50.00
73410 - Maint, Oper of Transport Equip	975.47	828.95	0.00	1,804.42
74510 - Bank Charges	0.00	40.00	0.00	40.00
74525 - Sundry	0.00	- 1,960.60	0.00	- 1,960.60
75105 - Facilities & Admin - Implement	0.00	87,987.16	0.00	87,987.16
75705 - Learning costs	557.94	9,491.91	0.00	10,049.85
76125 - Realized Loss	0.00	5.52	0.00	5.52
76135 - Realized Gain	0.00	- 81.06	0.00	- 81.06
Total for Fund 30000	22,302.91	1,221,925.50	0.00	1,244,228.41

Fund : 32045 (JPN-Partnership Devt. Pgm. PCF)

61105 - Salaries - NP Staff	0.00	29,378.92	0.00	29,378.92
62110 - Contrib Joint Staff Pension-NP	0.00	5,043.73	0.00	5,043.73
62115 - Contrib to Med,SocIns-NP Staff	0.00	783.30	0.00	783.30
62120 - Hazard Duty Station Allow-NP	0.00	1,512.15	0.00	1,512.15
62140 - Annual Leave Expense - NO	0.00	- 9,584.60	0.00	- 9,584.60
63530 - Contribution to EOS Benefits	0.00	942.13	0.00	942.13
63535 - Contribution to Security	0.00	1,570.19	0.00	1,570.19
63545 - Contribution to ICT	0.00	376.84	0.00	376.84



Combined Delivery Report by Activity

UN Development Programme
Report ID : u'glcdrb

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Run Time : 07-05-2017 12:05:00

Project Id : 00072780 Support to Eliminate the Impact of Landmines	Period : Jan - Dec (2016)	Impl. Partner : 03474 UNDP (Direct Execution)		
Output # : 00085825 Support to Eliminate the Impact of Landmines	Location : YEMEN MINE ACTION PROGRAMME			
	Govt Ex ^P	UNDP Ex ^P	UN Agencies Ex ^P	Total Ex ^P
63550 - Contributions to MAIP	0 00	62 81	0 00	62 81
63555 - Contribution to UN JFA	0 00	816 50	0 00	816 50
63560 - Contributions to Appendix D	0 00	62 81	0 00	62 81
65115 - Contributions to ASHI Reserve	0 00	2 009 89	0 00	2,009 89
65135 - Payroll Mgt Cost Recovery ATLA	0 00	134 46	0 00	134 46
75105 - Facilities & Admin - Implement	0 00	2 648 72	0 00	2,648 72
Total for Fund 32045	0.00	35,757.85	0.00	35,757.85
Total for Activity ACTIVITY2	22,302.91	1,459,166.58	0.00	1,481,469.49
Activity : ACTIVITY6 (NIM Advances)				
Fund : 30000 (PROGRAMME COST SHARING)				
72311 - Fuel, petroleum and other oils	29 307 58	0 00	0 00	29 307 58
72399 - Other Materials and Goods	1 699 34	0 00	0 00	1,699 34
73410 - Maint + Oper of Transport Equip	6 328 60	0 00	0 00	6 328 60
75105 - Facilities & Admin - Implement	0 00	2,986 84	0.00	2 986 84
Total for Fund 30000	37,335.52	2,986.84	0.00	40,322.36
Total for Activity ACTIVITY6	37,335.52	2,986.84	0.00	40,322 36
Total for Output : 00085825	72,136.47	3,869,669.26	0.00	3,941,805 73
Project Total -	72,136.47	3,869,669.26	0.00	3,941,805.73



Signed By : [Signature] Date : 13/08/2017

Signed By : _____ Date : _____

[Signature]

[Signature]

Pierre-Henri Pingeon, Partner
KPMG SA, Geneva
15 August 2017

Henri Mwaniki, Senior Manager
KPMG SA, Geneva
15 August 2017





Combined Delivery Report by Activity

Selection Criteria :

Business Unit : YEM10
Period : Jan-Dec (2016)
Selected Project Id : 00072780
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00085825

Project Id : ALL		Period : Jan-Dec (2016)		
Output # : ALL		Impl. Partner : Location :		
	Govt Exp	UNDP Exp	UN Agencies Exp	Total Exp
46401 - Rep of Yemen-Central	0.00	89.39	0.00	89.39
46402 - Rep of Yemen-UN Dev Coord	0.00	128.59	0.00	128.59
46403 - Rep of Yemen-Crisis Prev &Rcvy	72,136.47	3,811,666.81	0.00	3,883,803.28
46404 - Rep of Yemen-Dem. Governance	0.00	9,627.11	0.00	9,627.11
46405 - Rep of Yemen-Energy &Envirnmt	0.00	47,380.87	0.00	47,380.87
46406 - Rep of Yemen-HIV/AIDS	0.00	615.99	0.00	615.99
46408 - Rep of Yemen-Poverty Reduction	0.00	160.50	0.00	160.50



Combined Delivery Report by Activity

UN Development Programme
Report ID: ung/cdrb

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Funds Utilization

Selection Criteria :

Business Unit : YEM10
Period : Jan-Dec (2016)
Selected Project Id : 00072780
Selected Fund Code : ALL
Selected Dept. IDs : ALL
Selected Outputs : 00085825

Project/Award: 00072780 Support to Eliminate the Impac

Period : As Of Dec31,2016

Output #	00085825	Impl. Partner :03474 UNDP (Direct Execution)	UNDP AMOUNT
	Outstanding NEX advances		248.58
	Undepreciated Fixed Assets		0.00
	Inventory		0.00
	Prepayments		0.00
	Commitments		43,821.29



Annex 2: Audit Findings Priority Ratings

The following categories of priorities are used:

High (Critical)	Action is considered imperative to ensure that UNDP is not exposed to high risks. Failure to take action could result in major consequences and issues.
Medium (Important)	Action is considered necessary to avoid exposure to significant risks. Failure to take action could result in significant consequences.
Low	Action is considered desirable and should result in enhanced control or better value for money. Low priority recommendations, if any, are dealt with by the auditors directly with the Office management, during the exit meeting and through a separate memo subsequent to the fieldwork. Therefore, low priority recommendations are not included in the audit report.