

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP COUNTRY OFFICE

IN

ANGOLA

Report No. 1244

Issue Date: 14 March 2014

Report on the audit of UNDP Angola Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of UNDP Angola (the Office) from 6 to 20 November 2013. The audit aimed to assess the adequacy and effectiveness of the governance, risk management and control processes relating to:

- (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, 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, Global Environment Facility).

The audit covered the activities of the Office from 1 January 2012 to 31 July 2013. The Office recorded programme and management expenditures totalling \$21 million. The last audit of the Office was conducted by OAI in 2010.

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**, which means “Internal controls, governance and risk management processes were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited entity.” This rating was mainly due to low programme delivery, inadequate programme and project oversight, incorrect recording of funds advanced to implementing partners, as well as lack of procurement planning.

Key recommendation: Total = 6, high priority = 0

The audit did not result in any high (critical) priority recommendations. There are six medium (important) priority recommendations, “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 enhancing the planning processes for programme resources, improving programme and project oversight mechanisms, recording as advances the funds provided to implementing partners, and strengthening procurement planning.

Implementation status of previous OAI audit recommendations: Report No. 751, 15 December 2010.

Total recommendations: 11
Implementation status: 100%

Management comments and action plan

The Resident Representative accepted all the recommendations in the areas of programme management, project management, finance, and procurement, 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 impact (not included in this report) have been discussed directly with management and actions have been initiated to address them.



Helge S. Ostveiten
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