



AUDIT

OF

UNDP AFGHANISTAN PROCUREMENT MANAGEMENT UNIT

Follow-up of OAI Report No. 1124 dated 30 July 2013

Report No. 1424
Issue Date: 8 January 2015

**Report on follow-up audit of UNDP Afghanistan Procurement Management Unit
(Previous OAI Report No. 1124, 30 July 2013)
Executive Summary**

From 16 to 25 November 2014, the Office of Audit and Investigations (OAI) of the United Nations Development Programme (UNDP) conducted an on-site follow-up audit of the Procurement Management Unit in UNDP Afghanistan (the Office). This on-site follow-up audit was undertaken, in addition to regular desk reviews, in view of the 'unsatisfactory' audit rating assigned by OAI as a result of an audit per Report No. 1124 dated 30 July 2013. The follow-up audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*.

Audit scope and approach

The follow-up audit reviewed the implementation of seven audit recommendations. Specifically, the follow-up audit determined if the recommended corrective actions were properly taken to address the issues noted in the previous audit. The follow-up audit reviewed the latest updates provided by the Office in the Comprehensive Audit and Recommendation Database System (CARDS) and other documents supporting the reported actions. OAI conducted appropriate tests of transactions and activities by the Office from 1 January 2013 to 30 September 2014 and interviewed management and staff concerned to determine whether the reported corrective actions were indeed implemented, as reported by the Office in the CARDS.

Audit results

Of the 7 audit recommendations, the Office had fully implemented 5, initiated action on 1 (in progress), and OAI withdrew 1 recommendation, resulting in an implementation rate of 83 percent¹ on 7 January 2015.

Implementation status	Number of recommendations	Recommendation Nos.
Implemented	5	1, 2, 4, 6, 7
In progress	1	5
Not implemented	0	-
Withdrawn	1	3
Total	7	7

The detailed implementation status of the seven recommendations has been updated by OAI in CARDS.

Section I summarizes the recommendation that has yet to be fully implemented (in progress). OAI encourages the Office to continue to take appropriate actions to address the remaining recommendation. OAI will continue to monitor the progress of the implementation of this recommendation as and when updates are provided by the Office in CARDS.

Section II summarizes the recommendation that has been withdrawn by OAI, as implementation is no longer feasible or warranted.

¹ Per CARDS, the implementation rate is 100 percent. This is due to the fact that an office can achieve an implementation rate of 100 percent with some recommendations still in progress. This is because the implementation rate is weighted and takes into account how fast recommendations are implemented.

Section III presents additional audit issues. While reviewing the implementation status of previous audit recommendations, OAI took note of two additional audit issues pertaining to “e-tendering” and fuel management. The one recommendation aims to ensure the compliance with legislative mandates, regulations and rules, policies and procedures (Recommendation 1).

Management comments and action plan

The Resident Representative provided the revised implementation dates for the outstanding recommendation. The Resident Representative also accepted the one new recommendation and is in the process of implementing it.



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