

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UNDP COUNTRY OFFICE

IN

NIGERIA

Report No. 1518
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Report on the Audit of UNDP Nigeria Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of UNDP Nigeria (the Office) from 27 July to 10 August 2015. 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, leadership/ethics and values, risk management, planning, monitoring and reporting, financial sustainability);
- (b) United Nations system coordination (development activities, Resident Coordinator Office, role of UNDP – “One UN”, 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).

The audit covered the activities of the Office from 1 January 2014 to 31 May 2015. The Office recorded programme and management expenditures of approximately \$65 million. The last audit of the Office was conducted by OAI in 2009.

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 **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.”

Key recommendations: Total = 4, high priority = 0

The four recommendations aim to ensure the following: (a) achievement of the organization’s strategic objectives (Recommendation 1); (b) reliability and integrity of financial and operational information (Recommendation 4); and (c) effectiveness and efficiency of operations (Recommendations 2 and 3).

The audit did not result in any high (critical) priority recommendations. There are four medium (important) priority recommendations, which means, “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 actions to address the following: slow resource mobilization process; inadequate project monitoring and reporting; insufficient controls on cash transfers to responsible parties; and weak compliance with e-procurement.

Implementation status of previous OAI audit recommendations: Report No. 616, 14 July 2009.

Total recommendations: 4

Implemented: 4

Management comments and action plan

The Resident Representative accepted all of the 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. Ostveiten
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