AUDIT

OF

UNDP AFGHANISTAN

GRANTS FROM THE GLOBAL FUND

Report No. 1898

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United Nations Development Programme  
Office of Audit and Investigations

Report on the Audit of UNDP Afghanistan  
Grants from the Global Fund  
Executive Summary

The UNDP Office of Audit and Investigations (OAI), from 5 to 15 November 2017, conducted an audit of four grants from the Global Fund [Output Nos. 94758 [HSS], 94759 [TB], 96733 [Malaria] and 100800 [HIV]] managed by UNDP Afghanistan (the Office) as the Principal Recipient. 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, staffing, capacity development and exit strategy);

(b) programme management (project approval and implementation, monitoring and evaluation, grant closure);

(c) Sub-recipient management (selection, assessment and contracting, funding, reporting, oversight and monitoring);

(d) procurement (qualification and forecasting, procurement of health products, quality assurance of health products, individual contractors, procurement of other goods and services), supply management (inventory, warehousing and distribution), and asset management; and

(e) financial management (revenue and accounts receivable, expenses, reporting to the Global Fund).

The audit covered the Global Fund-related activities of the Office from 1 January 2016 to 31 October 2017. The Office recorded Global Fund-related expenses of approximately $29 million. This was the first audit of the Office’s Global Fund-related activities.

The audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing.

Overall audit rating

OAI assessed the Office’s management of the Global Fund grants as satisfactory, which means “The assessed governance arrangements, risk management practices and controls were adequately established and functioning well. Issues identified by the audit, if any, are unlikely to affect the achievement of the objectives of the audited entity/area.”

The audit did not result in any recommendations.
Management comments and action plan

Low risk issues (not included in this report) have been discussed directly with management and actions have been initiated to address them.

Helge S. Ostveiten
Director
Office of Audit and Investigations