



AUDIT

OF

UNDP COUNTRY OFFICE

IN

THAILAND

Report No. 2412
Issue Date: 8 October 2021

Report on the Audit of UNDP Thailand Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of UNDP Thailand (the Office) from 9 to 30 August 2021. 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
- (b) Development activities
- (c) Operations – procurement, finance, human resources, administrative services, information communication and technology (ICT)

OAI designed two performance audit questions to guide the review of the following areas:

- (a) Finance
 - i. Were payments to vendors processed in a timely manner?
- (b) Human resources
 - i. Were recruitments completed in a timely manner?

The audit covered the activities of the Office from 1 January 2020 to 31 July 2021. The Office recorded programme and management expenses of approximately \$14.6 million. The last audit of the Office was conducted by OAI in 2017.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*. Due to the COVID-19 pandemic, the audit was conducted remotely. Scope limitations due to the nature of the remote audit related to the following activities

- (a) A review of original supporting documentation could not be carried out, and therefore the audit team relied on scanned copies of documents provided by the Office for all audit areas reviewed.
- (b) Meetings with Office staff and personnel were carried out virtually, which limited the audit team's understanding of the Office's working environment.
- (c) Project visits (location, site visits, meeting with counterparts/beneficiaries) were not conducted.
- (d) A physical verification of assets was not performed.
- (e) Safe contents and petty cash were not verified.
- (f) The information communication and technology area was not reviewed on-site.

Overall audit rating

OAI assessed the Office's performance as **fully 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."

Good practice

The Office had instituted regular monthly integrated programme meetings bringing together Office staff, project personnel, implementing partners and management to discuss project progress and challenges faced in implementing project activities. These meetings enabled the identification of solutions to issues

affecting project progress. The meetings supported the Office in achieving its programme delivery target in 2020, during the COVID-19 pandemic.

Key recommendation: Total = **1**, high priority = **0**


The audit did not result in any high (critical) priority recommendations. There is one medium (important) priority recommendation, which means “Action is required to ensure that UNDP is not exposed to risks. Failure to take action could result in negative consequences for UNDP.” This recommendation includes actions to review the institutional set-up for operational support services.

The recommendation aims to ensure effectiveness and efficiency of operations.

Management comments and action plan

The Resident Representative accepted the recommendation and is in the process of implementing it. Comments and/or additional information provided have been incorporated in the report, where appropriate.

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



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