



**AUDIT**

**OF**

**UNDP COUNTRY OFFICE**

**IN**

**URUGUAY**

**Report No. 2713**  
**Issue Date: 14 August 2024**

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## Report on the Audit of UNDP in Uruguay Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of UNDP in Uruguay (the Office) from 27 May to 7 June 2024. 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)

The audit covered the activities of the Office from 1 January 2023 to 31 March 2024. The Office recorded programme and management expenses of approximately \$36.7 million. The last audit of the Office was conducted by OAI in 2020.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing* of The Institute of Internal Auditors (The IIA).

### Overall audit rating

OAI issued an audit rating for the Office of **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.” This rating was issued mainly because no recommendations were rated high (critical) priority.

### Good practices

#### *Innovative resource mobilization for development financing*

As part of the sustainable finance agenda, the Office promoted and actively supported financial instruments, such as the sustainable bonds programme, including establishing a Social Bond Framework in the Country.

#### *Efficient management of payments to national consultants*

To effectively process payments to individual consultants, the Office developed a Payment Process Request via the Quantum bulk payments functionality in coordination with the Country. The tool gathers the necessary data for processing payments efficiently while at the same time minimizing errors and enhancing accountability.

**Key recommendations:** Total = **3**, high priority = **0**

The audit did not result in any high (critical) priority recommendations. There are three medium (important) priority recommendations, 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.”

The three recommendations aim to ensure the following: (a) achievement of the organization’s strategic objectives (Recommendation 1); (b) effectiveness and efficiency of operations (Recommendation 2); and (c) safeguarding of assets (Recommendation 3).

**Implementation status of previous OAI audit recommendations:** Report No. 2182, 15 May 2020.  
Total recommendations: 2




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Implemented: 2

**Management comments and action plan**

The Resident Representative accepted all three recommendations and is in the process of implementing them. 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.

	<b>Sean DeBlieck</b> 2024.08.14 16:30:00 -04'00'
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