



AUDIT

OF

UNDP COUNTRY OFFICE

IN

TANZANIA

Report No. 991

Issue Date: 20 December 2012

Report on the audit of UNDP Tanzania Executive Summary

From 4 to 19 July 2012, the Office of Audit and Investigations (OAI) of the United Nations Development Programme (UNDP) conducted an audit of UNDP Country Office in Tanzania (the Office). The audit covered the activities of the Office during the period from 1 January 2011 to 30 April 2012. In view of the joint audit of 'Delivering as One' that was conducted in February 2012, the audit did not cover the areas relating to United Nations system coordination. During the period reviewed, the Office recorded programme and management expenditures totaling \$35 million. The last audit of the Office was conducted by OAI in 2008.

The audit was conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing*. These Standards require that OAI plans and performs the audit to obtain reasonable assurance on the adequacy and effectiveness of the governance, risk management, and control processes. The audit includes reviewing and analysing, on a test basis, information that provides the basis for our conclusions.

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." Ratings per audit area and sub-areas are summarized below.


Audit Areas	Not Assessed/ Not Applicable	Unsatisfactory	Partially Satisfactory	Satisfactory
1. Governance and strategic management				
2. United Nations system coordination				
2.1 Development activities	Not assessed			
2.2 Resident Coordinator Office	Not assessed			
2.3 Role of UNDP – "One UN"	Not assessed			
2.4 Harmonized Approach to Cash Transfers	Not assessed			
3. Programme activities				
3.1 Programme management	Satisfactory			
3.2 Partnerships and resource mobilization	Satisfactory			
3.3 Project management	Satisfactory			
4. Operations				
4.1 Human resources	Satisfactory			
4.2 Finance	Partially Satisfactory			
4.3 Procurement	Partially Satisfactory			
4.4 Information and communication technology	Satisfactory			
4.5 Asset management & general administration	Partially Satisfactory			
4.6 Safety and Security	Satisfactory			

Key issues and recommendations

There were five recommendations, all ranked medium (important) priority, meaning "Action is required to ensure that UNDP is not exposed to significant risks. Failure to take action could result in negative consequences for UNDP." Medium (important) priority recommendations include actions to address delays in project formulation and implementation, leave records not administered through Atlas and weaknesses in procurement processes, contract management and fuel management.

Management's comments

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

A handwritten signature in black ink, reading 'Egbert Kaltenbach', is enclosed in a rectangular box. Below the signature, the name and title are printed in a sans-serif font.

Egbert C. Kaltenbach
Director
Office of Audit and Investigations