

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



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AUDIT

OF

UN WOMEN REGIONAL OFFICE

FOR

ARAB STATES

Report No. 1307
Issue Date: 27 February 2015

Report on the audit of UN Women Regional Office for Arab States Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of the UN Women Regional Office for Arab States in Cairo, Egypt (the Office) from 20 October to 10 November 2014. 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, risk management, planning, monitoring and reporting);
- (b) programme and oversight support (development services, programme and project management, partnerships and resource mobilization, communications and advocacy, technical advisory support); and
- (c) operations (human resources, finance, procurement, information and communication technology, general administration, safety and security, UNDP support to office, asset management, leave management).

The audit covered the activities of the Office from 1 January 2013 to 30 June 2014. The Office recorded programme and management expenditures totalling \$2.9 million.

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 **partially satisfactory**, which means, "Internal controls, governance and risk management processes were generally established and functioning, but needed improvement. One or several issues were identified that may negatively affect the achievement of the objectives of the audited entity." This rating was mainly due to weaknesses noted in organizational structure, programme oversight and support, project management, and procurement, which are critical given the Office regional mandate and role to perform day-to-day programmatic oversight and technical advisory and operational support functions for the other UN Women offices in the Arab States region.

Key recommendations Total = 5, high priority = 2

The five recommendations aim to ensure the following: (a) achievement of the organization's strategic objectives (Recommendation 3); (b) effectiveness and efficiency of operations (Recommendations 1 and 2); (c) safeguarding of assets (Recommendation 4); and (d) compliance with legislative mandates, regulations and rules, policies and procedures (Recommendation 5).

For high (critical) priority recommendations, prompt action is required to ensure that UN Women is not exposed to high risks. Failure to take action could result in major negative consequences for UN Women. All high (critical) priority recommendations are presented below:

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| Corporate issue: Inefficient and ineffective Regional | Within the Arab States region, there was a lack of clarity regarding the Office's role in supporting, monitoring and exercising oversight over Country Offices mainly due to a lack of understanding of the role and mandate of the Office, |
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Office operations
(Issue 1)

inconsistent job descriptions, an insufficient number of staff to perform the various functions, and inadequate monitoring and oversight.

Recommendation 1 (Corporate): Improve the ability of Regional Offices to efficiently and effectively function by: (a) issuing a memorandum to all offices that clearly reiterates the roles/functions of Regional Offices and the minimum expectations regarding monitoring and oversight, communications and reporting between the Regional Offices and the respective field offices; and (b) reviewing and updating all job descriptions for Regional Office Directors and Country Representatives to ensure clarity and consistency regarding their roles, responsibilities and authorities.

Recommendation 2: Strengthen the Office's ability to meet its mandate by: (a) aligning the Office's human resources with activities to be performed as approved in the Annual Work Plan - this should include identifying necessary funding and providing the analysis, funding and authorization for the human resources necessary for the Office to be effective in carrying out its mandate; (b) implementing systems to permit ongoing tracking, review and reporting of the Office's progress toward implementation of its Strategic Note/Annual Work Plan; and (c) defining and communicating to all Country Offices within the Arab States region the requirements for standardized reports and communiqués on all activities within individual countries and the Office's role to validate the periodic reports.

"Corporate issue" means action is required from a headquarters' bureau.

Management comments and action plan

The Director a.i., Regional Office for Arab States, and the Director of the Programme Division accepted all of the recommendations and are in the process of implementing them. Comments and/or additional information provided by the Office and/or Programme Division have 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
Director
Office of Audit and Investigations