

UNITED NATIONS DEVELOPMENT PROGRAMME
Office of Audit and Investigations



*Empowered lives.
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AUDIT

OF

UN WOMEN COUNTRY OFFICE

IN

AFGHANISTAN

Report No. 1439
Issue Date: 9 December 2015

Report on the Audit of UN Women Country Office in Afghanistan Executive Summary

The UNDP Office of Audit and Investigations (OAI) conducted an audit of the UN Women Country Office in Afghanistan (the Office) from 31 August to 17 September 2015. 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 and delegations of authority, leadership/ethics and values, risk management, planning, monitoring and reporting);
- (b) gender coordination (gender mainstreaming in development programming);
- (c) programme activities (programme and project management, partnerships and resource mobilization); and
- (d) operations (human resources, finance, procurement, information and communication technology, general administration, safety and security, UNDP support to office).

The audit covered the activities of the Office from 1 January 2014 to 30 June 2015. The Office recorded programme and management expenditures of approximately \$11.2 million in 2014 and \$4.3 million for the first six months of 2015. The last audit of the Office was conducted by OAI in 2012.

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 **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."

Good practice

The Office has designed, documented and implemented a comprehensive annual work planning process, which serves as an efficient management tool that assigns proper costing to all details of the Development Results Framework, including the operational and staffing resources required for the year.

Key recommendations: Total = 6, high priority = 1

The six recommendations aim to ensure the following: (a) achievement of the organization's strategic objectives (Recommendation 1, high priority, and Recommendation 2, medium priority); (b) effectiveness and efficiency of operations (Recommendation 5, medium priority); and (c) compliance with legislative mandates, regulations and rules, policies and procedures (Recommendations 3, 4 and 6, medium priority).

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.

The high (critical) priority recommendation is presented below:

Unrealistic programme targets and low programme delivery (Issue 1)

As at 31 August 2015, the Office had only delivered 20 percent of its planned \$19.9 million programme. Several factors, which were partly beyond the control of the Office, contributed to the low delivery, including changes in government counterparts, the security situation in the Country and the inadequate capacity of implementing partners. Considering the operating environment, the audit conclusion was that the Office had developed overly ambitious programme targets, which would not be achievable within the operating context.

Recommendation: The Office should identify and implement measures to maximize its total programme delivery by: (a) redefining its programme planning to ensure that all targets are formulated using the key principles of Results Based Management that requires, among others things, the careful formulation of specific, measurable, attainable, realistic and timely (SMART) results within the planned period; (b) reviewing the programme delivery of each project on a quarterly basis to identify and document reasons for low performance and implement mitigating actions on a timely basis; and (c) developing and implementing a process that requires budget revisions and rephasals to be undertaken only after analysis of the project performance, the root causes for non-delivery, and a comprehensive analysis of the reasons for the budget revision.

Implementation status of previous OAI audit recommendations: Report No. 982 dated 11 April 2013.

Total recommendations: 9

Implemented: 9

Management comments and action plan

The Country Representative accepted all of the recommendations and is in the process of implementing them. Comments and/or additional information provided had 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. Osttveiten
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