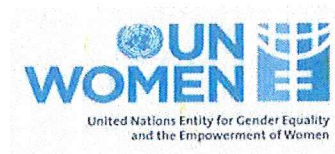


**United Nations Entity for Gender Equality and
the Empowerment of Women**
Independent Evaluation and Audit Services
Internal Audit Service



AUDIT

OF

UN WOMEN COUNTRY OFFICE

IN

MOZAMBIQUE

Report No. IEAS/IAS/CO/2018/006

Issue Date: 15 February 2019

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Report on the Audit of UN Women Country Office in Mozambique

Executive Summary

The UN Women Internal Audit Service (IAS) of the Independent Evaluation and Audit Services (IEAS) conducted an audit of the UN Women Country Office in Mozambique (the Country Office) from November 2018 to December 2018, with a field visit to the Country Office from 20 to 30 November 2018. 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, business continuity, monitoring and reporting).
- (b) Programme activities (programme and project management, gender mainstreaming in development, partnerships and resource mobilization).
- (c) Operations (human resources, finance, procurement, information and communication technology, general administration, and safety and security).

The audit covered Country Office activities from 1 January 2017 to 30 November 2018. The Country Office recorded approximately US\$ 2.63 million of total expenditure in 2017, and US\$ 3.02 million in 2018. This was the first internal audit of the Country Office since its establishment. A Country Portfolio Evaluation was conducted for the period 2012–2015, with a quality rating of Good.

IAS followed the *International Standards for the Professional Practice of Internal Auditing* in conducting this audit.

Overall audit rating

IAS assessed the Country Office as **partially satisfactory (some improvement needed)**, meaning “*the assessed governance arrangements, risk management practices and control processes were generally established and functioning but need some improvement. Issues identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area*”.

This rating was mainly due to improvements needed in:

- Governance and Strategic Management: i) optimizing current capacity and organizational structure; and ii) improving risk management.
- Programme Management: i) improving UN coordination in gender mainstreaming; ii) allocating sufficient resources to advocacy and communication; iii) strengthening management of project delivery delays, tracking, monitoring and reporting.
- Operations: i) strengthening oversight of the procurement and HR processes to ensure compliance with policies and procedures, and ii) enhancing security management.

Good practices

Good practices were noted in the following areas:

- (a) Advocacy: The launch of the “16 Days of Activism against Gender-Based Violence” campaign was led by the President of Mozambique and attended by all cabinet members, as well as representatives from UN entities and donors. This was a good example of UN Women’s advocacy and coordination work in the country.
- (b) Operations: The Country Office made good use of Long-Term Agreements in 2018, when available, in order to streamline the procurement process.

Key recommendations: Total = 9, 2 high priority, 7 medium priority

IAS made two high (critical) priority recommendations, meaning *“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.”* These recommendations are presented below:

There is a need to
enhance risk
management
(Issue 2)

The Country Office did not have a well-defined and mature risk management system in place. Not all risks at the project or Country Office level were identified and managed in a timely manner.

Recommendation: The Representative to embed risk management culture into daily work. Country Office management should identify and manage risks in a timely manner, or escalate them if outside of the office’s control (Recommendation 2).

The Country Office
would benefit from a
specific strategy to
cement its leadership
role for co-ordination of
GEWE mainstreaming
(Issue 3)

Coordination of gender mainstreaming in the country was taking place, but had not been formalized in a strategy. External stakeholders mentioned the need for increased coordination efforts by UN Women in the country as one area for improvement.

Recommendation: The Representative to develop a strategy for leading coordination of GEWE mainstreaming, which is built on joint programming options, specific coordination outcomes, as well as specific resource mobilization activities (Recommendation 3).

In addition, seven medium (important) priority recommendations were raised, meaning *“action is required to ensure that UN Women is not exposed to risks. Failure to take action could result in negative consequences for UN Women.”* These recommendations include actions to improve oversight of the procurement process; streamline and refine the human resources process; conduct timely UNDSS assessments; and encourage staff to use SharePoint to store final official documents.

IAS categorized the audit recommendations according to the internal control objectives stated in the UN Women Internal Control Framework:

| Internal Control Objectives | Recommendation No. | Priority Rating |
|---|--------------------|---|
| Operational (strategic and operating objectives, effectiveness and efficiency, safeguarding of resources) | 1, 2, 3, 4, 5 | No. 2 and 3 – High No. 1, 4 and 5 – Medium |
| Financial (safety and maintenance of records and preparation of reliable financial and operational information) | 9 | Medium |
| Compliance (regulations and rules, policies and procedures) | 6, 7, 8 | Medium |

Management comments and action plan

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

Medium priority recommendations that the Country Office implemented and could be tested during the audit as adequately implemented and sustainable are not reported. Low priority issues are also not included in this report but have been discussed directly with management and actions have been initiated to address them.



Lisa Sutton
Director

Independent Evaluation and Audit Services