

UNDP BRAZIL

REPORT OF THE INDEPENDENT AUDITORS TO  
UNDP [JOF-2353/2020]

## REPORT OF THE INDEPENDENT AUDITORS TO UNDP [JOF-2353/2020]

To  
UNDP Brazil  
Brasília - DF

We have audited the Combined Delivery Report (CDR) and the Statement of Use of Funds (FUS), hereinafter referred to collectively as "Financial Information" of Project ID 00097577 of UNDP, Strengthening the Institutional Capacity of the National System of Access and Benefit Sharing in accordance with the Nagoya Protocol as established in PRODOC, expressed in US dollars for the period ended December 31, 2020.

### Opinion

In our opinion, the attached CDR and FUS fairly present, in all material respects, the \$ 391,360.30 expenses incurred directly by the UNDP Office in Brazil and charged to the project in the period ended December 31, 2020 in accordance with UNDP's accounting policies, and were: (i) in compliance with approved project budgets; (ii) for the approved purposes of the project; (iii) in accordance with the relevant UNDP regulations and rules, policies and procedures; and (iv) supported by duly approved vouchers and other supporting documents.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the auditor's responsibilities for the audit of the CDR and FUS section of our report. We are independent of UNDP in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with this code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of matter

#### Basis of preparation and Restriction of use

We draw attention to the fact that the attached CDR and FUS of the UNDP Project ID 00097577, Fortalecimento da Capacidade Institucional do Sistema Nacional de Acesso e Repartição de Benefícios is presented in accordance with UNDP accounting policies. This Financial information has been prepared for purposes of providing information to United Nations Development Programme (UNDP) and Inter-American Development Bank (IDB). The financial information may, therefore, not be suitable for another purpose. This report is intended solely for UNDP and IDB and should not be used for any other parties. Our opinion is not modified in respect of this matter.

Not applicable of Statement of Fixed Assets, Statement of Cash and Statement of Cumulative Investments

In accordance with UNDP's policies and procedures, some statements described in UNDP's policies related to fixed assets and cash, called Fixed Assets Statement (SFA), Cash Statement (SOC) and Cumulative Investment Statement (SCI) are not applicable due to certain conditions observed.



At the local level, UNDP Brazil does not work with bank accounts specific to the project, nor does it have fixed assets in the UNDP Project ID 00097577, Fortalecimento da Capacidade Institucional do Sistema Nacional de Acesso e Repartição de Benefícios in accordance with the Nagoya Protocol. Accordingly, no SFA, SOC and SCI were available for our audit procedures for the period ended December 31, 2020. Our opinion does not contain any changes related to this matter.

### Management responsibilities

Management is responsible for the preparation of the CDR and the FUS of the project in accordance with UNDP accounting policies, and for such internal control as management determines is necessary to enable the preparation of a CDR and FUS that are free from material misstatement, whether due to fraud or error.

### Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the CDR and the FUS are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these documents.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the CDR and FUS, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Brasília-DF, March 31, 2021.



BDO RCS Auditores Independentes SS  
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