



INTERNAL AUDIT DIVISION

AUDIT REPORT

Logistic operations in UNAMID

Logistical support in the Mission was hampered by the challenging environment in which UNAMID operates, as well as the lack of effective mechanisms to manage its logistical support

28 May 2010

Assignment No. AP2009/634/08

United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

OFFICE OF INTERNAL OVERSIGHT SERVICES · BUREAU DES SERVICES DE CONTRÔLE INTERNE
INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE

TO: Ibrahim Gambari, Joint Special Representative
A: African Union-United Nations Hybrid Operation
in Darfur

DATE: 28 May 2010

REFERENCE: IAD: 10- **00431**

FROM: Fatoumata Ndiaye, Director
DE: Internal Audit Division, OIOS

Fatoumata

SUBJECT: **Assignment No. AP2009/634/08 – Audit of logistic operations in UNAMID**
OBJET:

1. I am pleased to present the report on the above-mentioned audit.
2. Based on your comments, we are pleased to inform you that we will close recommendations 3, 5, 8 and 20 in the OIOS recommendations database as indicated in Annex 1. In order for us to close the remaining recommendations, we request that you provide us with the additional information as discussed in the text of the report and also summarized in Annex 1.
3. Please note that OIOS will report on the progress made to implement its recommendations, particularly those designated as high risk (i.e., recommendations 1, 2, 7, 15, 19, 22 and 23) in its annual report to the General Assembly and semi-annual report to the Secretary-General.

cc: Mr. Henry Anyidoho, Principal Deputy Joint Special Representative, UNAMID
Mr. Mohamed Yonis, Deputy Joint Special Representative for Operations and Management, UNAMID
Mr. Wolfgang Weiszegger, Acting Director of Mission Support, UNAMID
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
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Ms. Eleanor Burns, Chief, Peacekeeping Audit Service, OIOS

INTERNAL AUDIT DIVISION

FUNCTION

“The Office shall, in accordance with the relevant provisions of the Financial Regulations and Rules of the United Nations examine, review and appraise the use of financial resources of the United Nations in order to guarantee the implementation of programmes and legislative mandates, ascertain compliance of programme managers with the financial and administrative regulations and rules, as well as with the approved recommendations of external oversight bodies, undertake management audits, reviews and surveys to improve the structure of the Organization and its responsiveness to the requirements of programmes and legislative mandates, and monitor the effectiveness of the systems of internal control of the Organization” (General Assembly Resolution 48/218 B).

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EXECUTIVE SUMMARY

Audit of logistic operations in UNAMID

OIOS conducted an audit of logistic operations in the African Union-United Nations Hybrid Operation in Darfur (UNAMID). The overall objective of the audit was to determine if the Mission's logistics activities are conducted effectively and efficiently in accordance with relevant rules and procedures. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

The Office of Mission Support was providing logistical support to all mission components under challenging circumstances. OIOS identified the following areas which need to be addressed to improve the delivery of logistical support:

- The logistic network in the Mission was disconnected due to inadequate management and coordination of logistic activities, limited mission capacity, lack of sufficient and adequate logistics enablers, poor logistic planning, host government restrictions, supply chain bottlenecks and a lack of clarity in mission support priorities. As a result, the UN incurred losses of over \$1.5 million for demurrage and detention charges.
- The Mission's lacked proper warehousing facilities for storage and receipt of materials and equipment, including sensitive items resulting in significant damages from the weather and losses of about \$3.4 million from a fire.

OIOS made a number of recommendations to address the weaknesses identified by the audit.

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I. INTRODUCTION

1. The Office of Internal Oversight Services (OIOS) conducted an audit of logistic operations in African Union-United Nations Hybrid Operations in Darfur (UNAMID). The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.
2. The security environment in Darfur poses significant challenges to the effective delivery of logistical support. To achieve its mandated tasks within this difficult operating environment, UNAMID utilizes the following logistic resources: UN-owned assets and services, military enabling assets and commercial contractors' assets and services.
3. The Mission established an Integrated Support Services (ISS) within the Mission Support Division. The ISS is headed by a Chief of Integrated Support Services (CISS). The CISS controls all logistic resources in the Mission and is responsible for providing logistic support to all mission components according to priorities laid down by senior mission management. The CISS is assisted by a Deputy Chief of Integrated Support Services (DCISS) who is a military officer.
4. The Joint Logistics Operations Centre (JLOC) within ISS is responsible for the coordination of logistic support within the Mission. This coordination involves the day-to-day receipt, analysis and prioritization of requests for logistics support from the Mission elements. JLOC liaises with Movement Control (MOVCON) on movement control matters.
5. Comments made by UNAMID are shown in *italics*.

II. AUDIT OBJECTIVES

6. The main objectives of the audit were to determine if the Mission's logistics activities are conducted effectively and efficiently in accordance with relevant standard operating procedures (SOPs), guidelines, administrative instructions and applicable regulations and rules.

III. AUDIT SCOPE AND METHODOLOGY

7. The audit covered the period from 1 January 2008 to 28 February 2010 and included the procedures which are summarized below:
 - An analysis of the organizational structure (including the areas of responsibilities) within JLOC and MOVCON as it relates to the planning and delivery of logistic support for the Mission;
 - A review of logistical plans put in place by the Mission, their implementation guidelines as well as regulations and rules including SOPs;
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- A review of major Mission activities, including interviews and site visits to certain sampled activity areas; and
 - A review of records containing information on the state of logistic support to the Mission.

IV. AUDIT FINDINGS AND RECOMMENDATIONS

A. Management and Coordination of Logistic Operations

Lack of an up-to-date Mission Support Plan

8. The Mission was operating without an up-to-date mission support plan (MSP). The current MSP was developed almost two years ago at the inception of the Mission. Many aspects of the plan were outdated due to change in circumstances and deployment plans. The Mission was not in a position to efficiently allocate its limited resources without an up-to-date MSP that clearly establishes priorities for support activities. At the time of the audit, logistic officers from the JLOC were assigned to develop a revised MSP.

Recommendation 1

(1) The UNAMID Office of Mission Support should update the Mission Support Plan that clearly establishes mission support priorities.

9. *The UNAMID Management accepted recommendation 1 and stated that the draft Mission Support Plan was completed and it is currently under review. Recommendation 1 remains open pending the issuance of an updated Mission Support Plan that clearly establishes mission support priorities.*

Inadequate management of Log Base and Logistic Hubs

10. The Mission has established a Log Base in Nyala and logistic hubs along the main supply route (i.e., Port Sudan, Khartoum, El Obeid and Entebbe). The Log Base is headed by a Chief, and the logistic hubs are headed by administrative officers who act as Deputy Chief of the Log Base and reports to the Chief of the Log Base. OIOS found the logistic network in UNAMID to be disconnected as follows:

a. It was initially intended to make the Log Base as the central point of distribution serving the sectors (West, South, and North) as its first line clients while the team sites would be the secondary clients of the Log Base. At the time of the audit, the Log Base fully supported Sector South. Most shipments belonging to the other sectors were delivered directly to these locations bypassing the Log Base.

b. The Log Base and logistic hubs have been involved in battles over turfs with other sections such as JLOC, MOVCON and Supply. Responsibilities were not clearly delineated. OIOS also noted some confusion in the role of the JLOC at the logistic hubs.

11. The above conditions indicated the lack of clarity in the Mission regarding supply chain management, an essential component of effective logistic support. There was also ambiguity about reporting lines of staff members located at the logistic base/hubs. Additionally, staff members deployed at the logistic hubs did not possess the necessary technical skills and were working without the adequate level of supervision. These situations resulted in inconsistencies in information sharing between the different sections represented at the logistic base/hubs and difficulties in tracking the movements of Contingent Owned Equipment (COE) and UN Owned Equipment (UNOE).

12. During the conduct of the audit, the Office of Mission Support issued guidelines on the functioning and reporting line of staff members working in the logistic base/hubs.

Recommendations 2 to 4

The Office of Mission Support should:

(2) Clarify the supply chain concept in UNAMID's operation and establish a well connected logistic network;

(3) Take immediate action in support of the Chief of the Log Base and administrative Officers and provide them with the resources needed to properly manage their respective logistic base/hubs; and

(4) Take urgent actions to deploy qualified logistic personnel at the logistic base/hubs and ensure that they receive the proper supervision.

13. *The UNAMID Management accepted recommendation 2 and stated that a draft SOP has been submitted to the senior Mission management proposing a supply chain concept and a supply route. Recommendation 2 remains open pending the issuance of the SOP clarifying the supply chain concept in UNAMID and the establishment of a well connected logistic network.*

14. *The UNAMID Management accepted recommendation 3 and stated that an Administrative Instruction (AI) on the reporting lines for the logistic bases and Mission HQ has been published. The AI clarifies the reporting lines and gives the Chief of the Log base and administrative officers the authority to manage their respective logistic base/hubs. Based on the action taken, recommendation 3 has been closed.*

15. *The UNAMID Management accepted recommendation 4 and stated that a staffing review has been done in the log base/hubs and additional posts for the*

Log Base have been included in the 2011 proposed budget. Recommendation 4 remains open pending the deployment of qualified logistic personnel at the logistic base/hubs.

B. Movement of goods from ports of entry to Darfur

Delays in clearing mission shipments from customs authorities

16. The Customs Clearance Unit (CCU) is responsible for maintaining all shipping documents such as bill of lading, Ministry of Foreign Affairs (MOFA) - Form 1, packing list, invoices, etc. These documents are forwarded to other parties such as freight forwarding agents and mission logistic personnel located at the ports of entry.

17. The Mission did not have an adequate system of managing shipping documents, resulting in the lost of documents. For example, fourteen containers of tents belonging to two formed police units have spent almost a year in Port Sudan before being shipped to Darfur because of missing shipping documents. At the time of the audit, the Mission was not able to clear from customs approximately 500 containers and equipment in Port Sudan mainly due to missing shipping documents. Freight forwarding agents are not able to clear the shipments from customs without the shipping documents.

18. Incomplete documentation provided to freight forwarding agents has contributed to the financial loss incurred by the Mission totaling over \$1.5 million from demurrage charges. Delays in customs clearance have also negatively impacted the activities and mandate implementation of the Mission. Military contingents deployed in the Mission area were not operational for a long period of time while waiting for their equipment to arrive at the deployed location in Darfur. Additionally, the mission components rely on goods ordered from foreign suppliers to sustain its support function.

Recommendations 5 to 6

The UNAMID Office of Mission Support should:

(5) Ensure that shipping documents are provided timely to freight forwarding agents to avoid delaying customs clearance and inspection of the mission shipments by customs authorities; and

(6) Develop a document repository system to maintain electronically all shipping documents and ensure that access is given to logistic personnel located at the ports of entry.

19. *The UNAMID Management accepted recommendation 5 and stated that adequate systems including archiving have been designed to manage shipping documents. The misplacement of shipping documents has reduced considerably. Shipping documents are now provided in a timely manner to freight forwarding*

agents in Port Sudan. Based on the action taken, recommendation 5 has been closed.

20. *The UNAMID Management accepted recommendation 6 and stated that the Record Management & Archive Unit in collaboration with Communication Information Technology Section (CITS) has identified a single product solution for records and document management. Recommendation 6 remains open pending the acquisition of a document repository system to maintain electronically all shipping documents and ensure that access is given to logistic personnel located at the ports of entry.*

Restrictions imposed by the Government of Sudan (GoS) on the movement of goods

21. The Mission was facing difficulties in obtaining customs clearance for telecommunication equipment and dangerous goods such as ammunitions. The telecommunication equipments are kept in different locations throughout the port premises while the dangerous goods are kept in the Mission's container yard in Port Sudan. At the time of the audit, a total of six containers consisting of telecommunication equipment and 32 dangerous goods containers were kept in Port Sudan pending inspection and clearance from the Government authorities. These containers have been awaiting clearance for the past six months. Without these telecommunication equipments, mission components are not able to function optimally to support deployments of contingent units.

Recommendation 7

(7) The UNAMID Office of Mission Support should actively engage the Government of Sudan to ensure that it complies with its Status of Force Agreement obligations by facilitating the clearance of telecommunication equipment and dangerous goods belonging to the Mission.

22. *The UNAMID Management accepted recommendation 7 and stated that the Mission has continuously engaged the National Telecommunications Corporation on this issue which has resulted in tremendous progress in clearing the backlog of UNAMID ICT equipment arriving at the ports of entry in Sudan. Recommendation 7 remains open pending the receipt of evidence showing the modalities in place for robust cooperation with the GoS for the clearance of telecommunication and dangerous goods belonging to the Mission.*

Inadequate internal controls over the preparation of diplomatic clearance forms

23. The CCU coordinates closely with the Procurement Section in receiving all shipping documents for incoming shipments and obtaining diplomatic clearance by preparing and submitting the necessary paperwork i.e., Form 1 (F1) to the MOFA. OIOS noted that internal controls over the preparation of the F1 are inadequate. As a result, discrepancies between the information in the F1 and the actual shipment received at the port of entry resulted in unnecessary delays in customs clearance. The Mission also incurred financial losses from detention

charges totaling up to \$1 million due to missing diplomatic clearances as vessels carrying COE arrived in Port Sudan.

Recommendation 8

(8) The UNAMID Office of Mission Support should improve internal controls over the preparation, review and submission of diplomatic clearance forms.

24. *The UNAMID Management accepted recommendation 8 and stated that the Mission has implemented a system to improve internal controls over the preparation, review and submission of diplomatic clearance forms. For instance, the F1 forms are now reviewed and verified by supervisors before submitting to the MOFA. Based on the action taken, recommendation 8 has been closed.*

Inadequate controls over the movement of goods under the door-to-door delivery (DDU) arrangement

25. Under the DDU arrangement, COE and UNOE are transported to Darfur from Port Sudan without any coordination from logistic personnel in Port Sudan or Darfur. The Mission did not have a monitoring mechanism, forcing contractors to report on the status of shipments that are being transported to Darfur. Contractors who transport the shipments to Darfur did not provide advance information about the shipments and delivery schedules or possible delays. Shipments are often delivered to the Mission super camps without advising logistic personnel. This situation has severely affected the Mission's ability to adequately plan for future activities.

26. The Mission incurred a financial loss totaling \$762,000 related to a single transaction resulting from demurrage and storage charges. This financial loss could have been avoided if the shipment was to be delivered to Port Sudan instead of Nyala in Darfur. With the establishment of a third-party logistics contract in June 2009, Mission logistic personnel and the third-party contractor should be in a position to arrange for inland movement of goods from the ports of entry (e.g., Port Sudan) to Darfur.

Recommendations 9 to 10

The UNAMID Office of Mission Support should:

(9) Take control over the door-to-door delivery arrangement for orders initiated by UNHQ and develop a status reporting mechanism in coordination with third-party contractors to ensure that the Mission receives up-to-date information on the movement of its goods; and

(10) Discontinue the door-to-door delivery arrangement for orders initiated by the Mission and require vendors or manufacturers to deliver the goods at the ports of entry.

Inland movement of goods from the ports of entry to Darfur should be the responsibility of Mission logistic personnel in cooperation with the third-party logistics contractor.

27. *The UNAMID Management accepted recommendation 9 and stated that the Mission's third-party contractor has developed a web-based tracking system. This system may not be useful for the orders initiated by UNHQ where different contractors can be used to deliver goods to the Mission. Recommendation 9 remain open pending the receipt of documentation evidencing that the Mission has full control over the door-to-door delivery arrangement for orders initiated by UNHQ.*

28. *The UNAMID Management accepted recommendation 10 and stated that the Procurement Section is to ensure that the appropriate INCOTERMS regarding delivery to port of entry are specified in the bidding documents issued to vendors. Recommendation 10 remains open pending the receipt of documentation confirming that the appropriate INCOTERMS regarding delivery to port of entry are specified in the bidding documents issued to vendors.*

Inadequate controls over the receiving of COE and UNOE

29. Internal controls over the receiving of UNOE and COE at mission super camps were inadequate. Logistic staff members were acknowledging the receipt of the COE and UNOE without the packing list and also without a visual inspection of the shipments to determine the condition of the goods received.

30. Due to inadequate internal controls over the receiving process, the Mission was not in a position to know when items are missing while in transit. Additionally, many containers were being delivered to the Mission super camps with broken seals.

Recommendation 11

(11) The UNAMID Office of Mission Support should establish adequate internal controls over the receiving of contingent and UN owned equipment at UNAMID super camps.

31. *The UNAMID management accepted recommendation 11 and stated that the procedure to receive equipments in the different super camps has been drafted and distributed to all units. The implementation is pending the recruitment of personnel to conduct the required tasks. Recommendation 11 remains open pending the receipt of documentation evidencing the establishment of adequate internal controls over the receiving of contingent and UN owned equipment at UNAMID super camps.*

Inadequate monitoring of third-party logistics contract by the Mission

32. Under the terms of the contract, the logistics contractor is responsible for all aspects of the Mission cargo movement/shipments using multimodal

transportation. The contractor is also responsible for the custom clearance, receipt, storage and handling the Mission's shipments at the seaports, airfields and land points within the country. The contract specifies key performance indicators to be met by the contractor throughout the contract term. This includes timely customs clearance, error free invoicing, response time on request for emergencies, and delivery of goods in a timely manner. The contract also provides for performance credits to be deducted from the contractor's invoice for non-compliance. These key performance indicators should be measured and assessed at least monthly.

33. The Mission did not monitor the key performance indicators to be met by the contractor. The performance indicators and monitoring requirements resulted from negotiations between the Mission and the contractor. MOVCON management informed OIOS that the Section did not possess the required tools and expertise to monitor these key performance indicators. OIOS noted that the first quarterly performance report prepared by the Contract Management Unit was solely based on interviews. There was no data available to support the conclusions made with regard to compliance with the key performance indicators.

34. The Mission may not take advantage of the performance credits provided for in the contract due to inadequate monitoring of the contractor's performance. In addition, poor performance by the contractor may result in delays in customs clearance, inability to track shipments, additional demurrage or detention charges, loss or damage to cargo while in transit and delays in the delivery of shipments to the final destination.

Recommendation 12

(12) The UNAMID Office of Mission Support should strengthen monitoring controls over the logistic services provided by the third-party logistics contractor and acquire the required tools and expertise to monitor the key performance indicators provided for in the contract.

35. *The UNAMID Management accepted recommendation 12 and stated that MOVCON has allocated resources to collect, analyze and manage performance data to enable a reliable performance assessment.* Recommendation 12 remains open pending verification that UNAMID has the required tools and expertise to monitor the key performance indicators provided for in the contract.

Inadequate processing of incoming/outgoing shipments of personal effects

36. The method adopted by the Mission to process incoming/outgoing shipments of personal effects is very inefficient and cumbersome. According to the freight forwarding contract, all personal effects to be delivered to Darfur must first transit through Khartoum. This situation has resulted in duplication of efforts by staff members and logistic personnel based in Darfur and Khartoum. There is also a risk that personal effects of staff members may be lost while transiting through Khartoum resulting in unnecessary burden to the Mission.

37. It is the Mission's responsibility to ensure that all incoming/outgoing shipments of personal effects are processed through the contracted freight forwarding company and the local customs authorities. This task involves receiving all shipments of personal effects from staff members, processing and clearing the shipments in close coordination with the designated freight forwarding/clearing agent contracted to assist and in clearing and delivering all personal effects.

Recommendation 13

(13) The UNAMID Office of Mission Support should coordinate with DFS to ensure that global freight forwarding companies send all incoming/outgoing personal effects directly to their final destination to and from Darfur.

38. *The UNAMID Management accepted recommendation 13 and stated that consultations have been made with DFS in an effort to resolve this matter and ensure that global freight forwarding companies send all incoming outgoing personal effects directly to their final destination to and from Darfur.* Recommendation 13 remains open pending the receipt of documentation evidencing that freight forwarding companies send all incoming/outgoing personal effects directly to their final destination to and from Darfur.

Inadequate facility at the Khartoum airport to secure personal effects

39. All shipments of UNOE, COE and personal effects transiting through Khartoum are kept in a rub hall at the airport premise. Even though the facility is guarded by UN security guards 24/7hr, the risk of loss for these items is very high. OIOS found that the rub hall was in bad condition and had multiple visible cracks and the items kept under the rub hall were not arranged in an organized manner. As a result, sensitive items such as cameras, air conditioners and even dangerous goods which are stored in the rub hall could be missing. According to logistic personnel, items can be kept for many weeks in the rub hall due to operational constraints before they are shipped to their final destination.

Recommendation 14

(14) The UNAMID Office of Mission Support should acquire a permanent facility in order to keep in an organized and secured manner contingent/UN owned equipment and personal effects transiting through Khartoum.

40. *The UNAMID Management accepted recommendation 14 but stated that the rub hall in the UN terminal where the UNOE and COE are stored briefly during transit is well secured and items are labeled properly for easier identification.* Recommendation 14 remains open pending verification that an improved facility has been acquired to keep in an organized and secured manner contingent/UN owned equipment and personal effects transiting through Khartoum.

C. Provision of logistic support to Mission components

Lack of adequate warehousing facilities

41. Mission facilities throughout Sudan, including the Mission Headquarters in El Fasher, sector offices and logistic base/hubs lacked proper warehousing facilities for storage and reception of raw materials and equipment, including sensitive items resulting in damages from the weather. At the time of our audit, the Mission used shipping containers and tents to store its materials, equipment and supplies. Over 1,000 containers filled with materials and equipment at the super camps were pending receipt and inspection and shipment to their final location throughout Darfur. The contents of these containers were not readily known to logistic and asset management personnel due to poor recordkeeping and inadequate management of containers.

42. The Property Management Unit was not fully operational; therefore no single entity within the Mission had full control over the materials and equipment which are kept in containers. In this regard, materials such as cements which were left unprotected within the Mission facilities were lost after the rain.

43. This situation has delayed payments to vendors. The use of containers and tents for warehousing also endangers the health and safety of staff and the security of goods through excessive heat, and/or structural problems like leaks. A fire that occurred on 19 April 2009 in the Mission Compound in El Fasher resulted in the loss of UN property worth US \$3.44 million. The items destroyed were mostly kept in rub halls, containers and pre-fabricated offices. The construction of hard-wall warehouses may have prevented the loss of UN property.

Recommendations 15 to 18

The UNAMID Office of Mission Support should:

(15) Take urgent action to establish proper warehousing facilities to adequately store raw materials and equipment;

(16) Develop a container tracking system to allow logistic personnel to quickly identify the location and contents of containers;

(17) Establish a well functioning Property Management Unit which can exercise control and ownership over the Mission's raw materials and equipment; and

(18) Expedite the delivery of cargo from the Nyala Logistic Base to the different sectors.

44. *The UNAMID Management accepted recommendation 15 and stated that the Nyala Log Base facility with proper warehouses for each self-accounting unit is currently being constructed. Recommendation 15 remains open pending the*

establishment of proper warehousing facilities to adequately store raw materials and equipment.

45. *The UNAMID Management accepted recommendation 16 and stated that the Mission is studying the possibility of identifying a satellite container tracking programme. Recommendation 16 remains open pending the development of a container tracking system to allow logistic personnel to quickly identify the location and contents of containers.*

46. *The UNAMID Management accepted recommendation 17 and stated that the newly established Property Management Section is establishing a mechanism to take control and ownership over Mission's raw material and equipment. Recommendation 17 remains open pending the establishment of a well functioning Property Management Section which can exercise control and ownership over the Mission's raw materials and equipment.*

47. *The UNAMID Management accepted recommendation 18 and stated that the backlog of cargo in the Nyala Log Base is being addressed; the operation has become regular but it is relatively slow due to the limited resources and the road conditions. Recommendation 18 remains open pending the delivery of cargo from the Nyala Log Base to the different sectors.*

Lack of sufficient and adequate transport assets

48. The Mission did not have a sufficient number of military logistic units with adequate transport equipment. At the time of the audit, there were only four military logistic units, which were deployed in the Mission. A unit was not able to provide adequate logistic support to the Mission because it did not have the required equipment.

49. OIOS also found that the Mission lacked a sufficient number of transport assets, especially helicopters and lighter aircrafts, for the support of the sectors. There were only 2 IL-76 cargo aircraft and 2 MI-26 helicopters dedicated to mission logistic activities. At the time of the audit, one of the MI-26 helicopters was not operational due to mechanical problems.

50. There was also an insufficient number of material handling equipments (MHEs) in the Mission. Accordingly, the Mission could not remove containers misplaced along the roads in the El Fasher super camp to allow the contractor to begin work on a road construction project. There were only two UNOE heavy duty fork-lifts at the Mission HQ. One of them was temporarily sent to a team site to support a construction project and the other one was not operational due to mechanical problems.

51. The lack of adequate logistic support has impacted on the timely delivery of UNOE and COE to different sectors. The Mission is experiencing a huge backlog in moving goods from its logistic base in Nyala to the different sectors throughout Darfur.

Recommendation 19

(19) The UNAMID Office of Mission Support should take urgent action to increase the capacity of the Mission to provide logistic support by: (a) maximizing the military and civilian approach to all facets of logistic activities and effectively utilize military logistic capacity as much as possible; and (b) acquiring the necessary transport assets and material handling equipment required to effectively operate in the Darfur environment.

52. *The UNAMID Management accepted recommendation 19 and stated that the Mission has established a mechanism to integrate available UNOE & COE resources to maximize utilization of available capacity. Some transport assets and material handling equipment have been procured and others are still under procurement. Recommendation 19 remains open pending the acquisition of the necessary transport assets and material handling equipment required to effectively operate in the Darfur environment.*

Additional support provided to troop and police contributing countries (T/PCCs)

53. There are occasions where T/PCCs request for logistic support in addition to the provisions of support covered in the respective MOU. Under current procedures, these requests are submitted by the respective T/PCC to the Sector JLOC for review and approval. The head of JLOC in the sector is responsible for approving requests on a case by case basis. OIOS suggested that procedures for such requests be formalized in a SOP, as there may be instances that reimbursement under the terms of the Memorandum of Understanding (MOU) may be affected. The Mission informed OIOS that the procedures and terms and reimbursements to T/PCCs are clearly outlined in the COE Manual and MOUs. There have been no cases of double payments, i.e., providing additional support while a T/PCC is reimbursed at the same time. Also, in general, in cases of shortfall, there is no recommendation to HQ for reimbursement.

Logistic issues at the Mission and Sector Headquarters

54. OIOS noted frustration and stress among the staff members in the Mission due to lack of office accommodation, ablutions, equipment or supplies such as printers, photocopiers, vehicles for movements, office desks and chairs, computer network access and phone. These logistic failures resulted from limited mission capacity, poor logistic planning, supply chain bottlenecks, and a lack of clarity in mission priorities. In addition to stressful environment factors, these logistic failures prevent staff members from doing their work properly, affecting moral and wellbeing. The Mission has a responsibility to provide staff members with adequate facilities and resources to perform their daily functions.

Recommendation 20

(20) The UNAMID Office of Mission Support should immediately take action to address logistical problems such as office accommodation, vehicles for movements, communication devices and office supplies that prevent staff members from being fully operational.

55. *The UNAMID Management accepted recommendation 20 and stated that there are now sufficient offices and equipment in the Mission. Based on the assurances provided by management, recommendation 20 has been closed.*

Logistic issues at the team sites

56. The Mission was not able to address, in an efficient manner, the logistic issues experienced at its 33 team sites due to poor organizational structure and a lack of qualified personnel. At most team sites, military contingents and other mission components are accommodated in the same camp. While military contingents are supposed to be self-sustained, the other mission components rely on mission support for their logistic requirements.

57. Mission support personnel such as camp managers, electricians, plumbers and other logistic personnel were not fully deployed at the team sites. Logistic personnel informed OIOS that at 12 of the team sites, CITS staff members are responsible for performing camp management services. The lack of skilled personnel to maintain mission support assets such as generators, sewage systems, and water treatment plants may create environmental health hazards and/or health problems to UNAMID personnel.

58. Under the current arrangement, mission support resources such as cleaning supplies, tires, communication and IT equipment which are sent to the team sites for mission support activities were not properly accounted for.

Recommendation 21

(21) The UNAMID Office of Mission Support should expedite the recruitment of personnel at the team sites to provide camp management services and to properly account for mission support assets and other resources available at the team sites.

59. *The UNAMID Management accepted recommendation 21 and stated that the recruitment of logistic assistants is ongoing to complement camp managers already recruited and deployed to team sites. Recommendation 21 remains open pending the recruitment of personnel at the team sites to provide camp management services and to properly account for mission support assets and other resources available at the team sites.*

D. Other issues identified during the audit

Lack of permanent accommodation for military and police contingents

60. Military contingents were not provided with hard-wall accommodation within six months after their arrival in compliance with the Memorandum of Understanding (MOU). Based on data obtained from Mission personnel, OIOS determined that 70 per cent of the military and police units that deployed over six months ago were still living in tents. Most of these units have been in the Mission area since the inception of the Mission almost two years ago.

61. Living conditions under a tent for military personnel is very difficult, especially in Darfur due to the high temperature and sandstorms. According to military personnel, the tents are usually overcrowded and most of them did not have air-conditioning. Staff officers who were deployed to the contingent locations as observers are also subjected to the same living conditions. The UN incurred financial losses totaling approximately \$9.6 million as of November 30, 2009 from additional payment made to T/PCCs for non-compliance with the MOU for the provision of permanent accommodation.

62. Due to the difficult operating environment in Darfur, demands for mission support services are enormous. But, the operational capacity of the Mission has remained very limited as more troops are deploying in the mission area. Furthermore, a lack of clarity in mission support priorities has inhibited the implementation of important engineering tasks.

Recommendation 22

(22) The UNAMID Office of Mission Support should expedite, as a matter of priority, the construction of permanent accommodation at contingent locations to provide better living conditions for uniformed personnel.

63. *The UNAMID Management accepted recommendation 22 and stated that tenders for the construction of better living conditions for uniformed personnel are currently out to bidders and purchase orders are expected to be issued before 30 June 2010.* Recommendation 22 remains open pending the construction of permanent accommodation at contingent locations to provide better living conditions for uniformed personnel.

Delays in the acquisition of land

64. The GoS has not been very proactive in assisting the Mission in the timely acquisition of land for its operation as required under the Status of Force Agreement (SOFA) related to the operation of UNAMID. For instance, all land applications in Sector West have been pending for weeks awaiting signature by the Urban Planning Ministry. Even though the issue has been raised to the attention of Mission senior management many weeks ago, the land applications remained in pending status without any explanation. Under the SOFA, the Mission will have access to free government provided facilities and open land.

65. Delays in the acquisition of land have hampered the mission deployment plan to the sectors and its operational efficiency, especially when taking into consideration the limitations in movement during the rainy season.

Recommendation 23

(23) The UNAMID Office of Mission Support should: (1) actively engage the Government of Sudan to obtain the approval of pending land applications in Sector West; and (2) take the necessary actions to minimize delays in future land acquisitions.

66. *The UNAMID Management accepted recommendation 23 and stated that the issue has been raised to the forum of the tripartite mechanism which is a meeting between the UN, African Union and the GoS. Long pending approvals were recently accorded for land in Foro Baranga, Mournai and masteri in Sector West. Recommendation 23 remains open pending the approval of all land applications in Sector West.*

V. ACKNOWLEDGEMENT

67. We wish to express our appreciation to the Management and staff of UNAMID for the assistance and cooperation extended to the auditors during this assignment.

STATUS OF AUDIT RECOMMENDATIONS

| Recom. no. | Recommendation | Risk category | Risk rating | C/O ¹ | Actions needed to close recommendation | Implementation date ² |
|------------|--|-----------------------|-------------|------------------|--|----------------------------------|
| 1 | The UNAMID Office of Mission Support should update the mission support plan that clearly establishes mission support priorities. | Governance | High | O | The issuance of an updated Mission Support Plan that clearly establishes mission support priorities. | June 2010 |
| 2 | The UNAMID Office of Mission Support should clarify the supply chain concept in UNAMID operation and establish a well connected logistic network. | Operational | High | O | The issuance of the SOP clarifying the supply chain concept in UNAMID and the establishment of a well connected logistic network. | May 2010 |
| 3 | The UNAMID Office of Mission Support should take immediate action in support of the Chief of the Log Base and administrative officers and provide them with the resources needed to properly manage their respective logistic base/hubs. | Operational | Medium | C | Action taken. | Implemented |
| 4 | The UNAMID Office of Mission Support should take urgent actions to deploy qualified logistic personnel at the logistic base/hubs and ensure that they receive the proper supervision. | Operational | Medium | O | Deployment of qualified logistic personnel at the logistic base/hubs. | July 2010 |
| 5 | The UNAMID Office of Mission Support should ensure that shipping documents are provided timely to freight forwarding agents to avoid delaying customs clearance and inspection of the mission shipments by customs authorities. | Operational | Medium | C | Action taken. | Implemented |
| 6 | The UNAMID Office of Mission Support should develop a document repository system to maintain electronically all shipping documents and ensure that access is given to logistic personnel located at the ports of entry. | Information Resources | Medium | O | Acquisition of a document repository system to maintain electronically all shipping documents and ensure that access is given to logistic personnel located at the ports of entry. | December 2010 |
| 7 | The UNAMID Office of Mission Support | Governance | High | O | Receipt of evidence showing the modalities | April 2010 |

| Recom. no. | Recommendation | Risk category | Risk rating | C/O ¹ | Actions needed to close recommendation | Implementation date ² |
|------------|--|---------------|-------------|------------------|--|----------------------------------|
| | should actively engage the Government of Sudan to ensure that it complies with its Status of Force Agreement obligations by facilitating the clearance of telecommunication equipment and dangerous goods belonging to the Mission. | | | | in place for robust cooperation with the GoS for the clearance of telecommunication and dangerous goods belonging to the Mission. | |
| 8 | The UNAMID Office of Mission Support should improve internal controls over the preparation, review and submission of diplomatic clearance forms. | Compliance | Medium | C | Action taken. | Implemented. |
| 9 | The UNAMID Office of Mission Support should take control over the door-to-door delivery arrangement for orders initiated by UNHQ and develop a status reporting mechanism in coordination with third-party contractors to ensure that the Mission receives up-to-date information on the movement of its goods. | Operational | Medium | O | The receipt of documentation evidencing that the Mission has full control over the door-to-door delivery arrangement for orders initiated by UNHQ. | April 2010 |
| 10 | The UNAMID Office of Mission Support should discontinue the door-to-door delivery arrangement for orders initiated by the Mission and require vendors or manufacturers to deliver the goods at the ports of entry. Inland movement of goods from the ports of entry to Darfur should be the responsibility of Mission logistic personnel in cooperation with the third-party logistics contractor. | Operational | Medium | O | The receipt of documentation confirming that the appropriate INCOTERMS regarding delivery to port of entry are specified in the bidding documents issued to vendors. | June 2011 |
| 11 | The UNAMID Office of Mission Support should establish adequate internal controls over the receiving of contingent and UN owned equipment at UNAMID super camps. | Operational | Medium | O | The receipt of documentation evidencing the establishment of adequate internal controls over the receiving of contingent and UN owned equipment at UNAMID super camps. | June 2010 |
| 12 | The UNAMID Office of Mission Support should strengthen monitoring controls over the logistic services provided by the third-party logistics contractor and acquire the | Operational | Medium | O | The acquisition of the required tools and expertise to monitor the key performance indicators provided for in the contract. | June 2010 |

| Recom. no. | Recommendation | Risk category | Risk rating | C/O ¹ | Actions needed to close recommendation | Implementation date ² |
|------------|--|---------------|-------------|------------------|---|----------------------------------|
| | required tools and expertise to monitor the key performance indicators provided for in the contract. | | | | | |
| 13 | The UNAMID Office of Mission Support should coordinate with DFS to ensure that global freight forwarding companies send all incoming/outgoing personal effects directly to their final destination to and from Darfur. | Operational | Medium | O | Receipt of documentation evidencing that freight forwarding companies send all incoming/outgoing personal effects directly to their final destination to and from Darfur. | April 2010 |
| 14 | The UNAMID Office of Mission Support should acquire a permanent facility in order to keep in an organized and secured manner contingent/UN owned equipment and personal effects transiting through Khartoum. | Operational | Medium | O | Verification that an improved facility has been acquired to keep in an organized and secured manner contingent/UN owned equipment and personal effects transiting through Khartoum. | July 2010 |
| 15 | The UNAMID Office of Mission Support should take urgent action to establish proper warehousing facilities to adequately store raw materials and equipment. | Operational | High | O | Establishment of proper warehousing facilities to adequately store raw materials and equipment. | April 2010 |
| 16 | The UNAMID Office of Mission Support should develop a container tracking system to allow logistic personnel to quickly identify the location and contents of containers. | Operational | Medium | O | Development of a container tracking system to allow logistic personnel to quickly identify the location and contents of containers. | June 2010 |
| 17 | The UNAMID Office of Mission Support should establish a well functioning Property Management Unit which can exercise control and ownership over the Mission's raw materials and equipment. | Operational | Medium | O | Establishment of a well functioning Property Management Unit which can exercise control and ownership over the Mission's raw materials and equipment. | June 2010 |
| 18 | The UNAMID Office of Mission Support should expedite the delivery of cargo from the Nyala Logistic Base to the different sectors. | Operational | Medium | O | The delivery of cargo from the Nyala Log Base to the different sectors. | June 2010 |
| 19 | The UNAMID Office of Mission Support should take urgent action to increase the capacity of the Mission to provide logistic support by: (a) maximizing the military and | Operational | High | O | Acquisition of the necessary transport assets and material handling equipment required to effectively operate in the Darfur environment. | August 2010 |

| Recom. no. | Recommendation | Risk category | Risk rating | C/O ¹ | Actions needed to close recommendation | Implementation date ² |
|------------|--|-----------------|-------------|------------------|--|----------------------------------|
| | civilian approach to all facets of logistic activities and effectively utilize military logistic capacity as much as possible; and (b) acquiring the necessary transport assets and material handling equipment required to effectively operate in the Darfur environment. | | | | | |
| 20 | The UNAMID Office of Mission Support should immediately take action to address logistical problems such as office accommodation, vehicles for movements, communication devices and office supplies that prevent staff members from being fully operational. | Operational | Medium | C | Action taken. | Implemented |
| 21 | The UNAMID Office of Mission Support should expedite the recruitment of personnel at the team sites to provide camp management services and to properly account for mission support assets and other resources available at the team sites. | Human Resources | Medium | O | The recruitment of personnel at the team sites to provide camp management services and to properly account for mission support assets and other resources available at the team sites. | October 2010 |
| 22 | The UNAMID Office of Mission Support should expedite, as a matter of priority, the construction of permanent accommodation at contingent locations to provide better living conditions for uniformed personnel. | Compliance | High | O | The construction of permanent accommodation at contingent locations to provide better living conditions for uniformed personnel. | June 2011 |
| 23 | The UNAMID Office of Mission Support should (1) actively engage the Government of Sudan to obtain the approval of pending land applications in Sector West; and (2) take the necessary actions to minimize delays in future land acquisitions. | Operational | High | O | The approval of all land applications in Sector West. | On-going |

1. C = closed, O = open

2. Date provided by UNAMID in response to recommendations.

ANNEX 2

*Use this page if the orientation of Annex 2 is portrait. If the orientation is landscape, insert a section break at the end of Annex 1 and continue on the new page. (On the **Insert** menu, point to **Break**, select **Next page** under **Section break types**.) Leave the page blank if not required; do not delete it.*