



INTERNAL AUDIT DIVISION

AUDIT REPORT

Supply chain management in the United Nations Mission in Liberia

The Mission made commendable efforts at establishing a supply chain map, but there was a need for further improvement in managing the supply chain

16 July 2010
Assignment No. AP2009/626/03

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: Ms. Ellen Margrethe Løj
A: Special Representative of the Secretary-General
United Nations Mission in Liberia (UNMIL)

DATE: 16 July 2010

REFERENCE: IAD: 10- 00644

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

Fatoumata

SUBJECT: **Assignment No. AP2009/626/03 - Audit of supply chain management in UNMIL**
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 recommendation 8 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, 3 and 8) in its annual report to the General Assembly and semi-annual report to the Secretary-General.

cc: Mr. Hubert Price, Director of Mission Support, UNMIL
Mr. Kofi Johnson, Chief, Integrated Support Services, UNMIL
Mr. Vincent Smith, Chief Administrative Services, UNMIL
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
Ms. Susanne Frueh, Executive Secretary, Joint Inspection Unit
Mr. Moses Bamuwanye, Chief, Oversight Support Unit, Department of Management
Mr. Seth Adza, Chief, Audit Response Team, Department of Field Support
Mr. Byung-Kun Min, Special Assistant to the USG, OIOS
Ms. Eleanor Burns, Chief, Peacekeeping Audit Services, 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).

CONTACT INFORMATION

DIRECTOR:

Fatoumata Ndiaye: Tel: +1.212.963.5648, Fax: +1.212.963.3388,
e-mail: ndiaye@un.org

DEPUTY DIRECTOR:

Gurpur Kumar: Tel: +1.212.963.5920, Fax: +1.212.963.3388,
e-mail: kumarg@un.org

CHIEF, PEACEKEEPING AUDIT SERVICE:

Eleanor T. Burns: Tel: +1.212.967.2792, Fax: +1.212.963.3388,
e-mail: burnse@un.org

EXECUTIVE SUMMARY

Audit of supply chain management in UNMIL

OIOS conducted an audit of supply chain management in the United Nations Mission in Liberia (UNMIL). Supply chain management emerged as a high risk area due to the importance of the process and its impact on the effectiveness of the Mission to deliver its programmes. The overall objective of the audit was to assess the efficiency and effectiveness of supply chain management within the Mission. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

The Mission made commendable efforts at establishing a supply chain map. However, there is a need for further improvements in managing the supply chain as follows:

- Shortage of staff with the necessary experience and training has impacted the effectiveness of the supply chain management. Twenty-two per cent of authorized posts at the professional level and above within the Integrated Support Services (ISS), which is responsible for most aspects of the supply chain, were vacant. Approximately 80 per cent of the staff in the ISS had not been adequately trained in various aspects of the supply chain.
- There were no performance indicators for core activities within the supply chain and, for some activities, the performance indicators were incomplete. There was thus the risk of delays in completing those activities, which could diminish the overall effectiveness of supply chain.
- Solicitation documents and technical evaluations were not completed within the established timelines, contributing to delays in issuing purchase orders for the relevant goods and services.
- Goods were delivered late by more than 30 days; but liquidated damages had not been applied by the Mission as per the contract terms. There was thus the risk of complacency on the part of vendors, which could further impact the effectiveness of the supply chain.
- Significant shortage of container handling equipment resulted in delays ranging from 20 to 163 days in transporting goods to warehouses for inspection. These delays impacted on the timely availability of supplies to end users.

OIOS has made a number of recommendations to address the conditions found during the audit and further improve supply chain management in the Mission.

TABLE OF CONTENTS

Chapter	Paragraphs
I. INTRODUCTION	1-4
II. AUDIT OBJECTIVES	5
III. AUDIT SCOPE AND METHODOLOGY	6-7
IV. AUDIT FINDINGS AND RECOMMENDATIONS	
A. Human Resources	8-13
B. Strategy	14-17
C. Operational	18-47
D. Invoice processing	48-53
V. ACKNOWLEDGEMENT	54
ANNEX 1 – Status of Audit Recommendations	

I. INTRODUCTION

1. The Office of Internal Oversight Services (OIOS) conducted an audit of supply chain (SC) management in UNMIL. Supply chain management has emerged as a higher risk area due to the importance of the process and its impact on the effectiveness of the Mission to deliver its programmes. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

2. The Council of Supply Chain Management Professionals, an international body, defines SC management as encompassing “the planning and management of all activities involved in sourcing and procurement, conversion, and all logistics management activities.” That includes coordinating and collaborating with partners, including suppliers, intermediaries, third parties, and customers.

3. The responsibilities for SC management in the Mission are shared by various sections and units including Procurement, Movement Control (MOVCON), Receipt and Inspection (R&I), Finance, and Integrated Support Services (ISS), which is comprised of the Joint Logistics Operation Centre (JLOC), Supply, Engineering, Transport, Aviation, and Communication & Information Technology Services. The overall responsibility lies with the Director of Mission Support (DMS).

4. Comments made by UNMIL are shown in *italics*.

II. AUDIT OBJECTIVES

5. The main objective of the audit was to assess the efficiency and effectiveness of SC management within the Mission with a focus on the timely provision of goods and services to end-users and payment to suppliers.

III. AUDIT SCOPE AND METHODOLOGY

6. The audit covered SC management as followed by the Mission, for the period from 1 July 2008 to 30 September 2009, with a focus on timelines for completion of each activity in the SC process.

7. The audit methodology comprised the review of the plan-source-deliver cycle, surveys, site visits, interviews with key staff, and examination of pertinent documents. The audit did not look into requisitioning issues as these were covered in the audit of procurement requisitioning in UNMIL (AP2009/626/02).

IV. AUDIT FINDINGS AND RECOMMENDATIONS

A. Human Resources

Inadequate staffing levels and training

8. The Department of Peacekeeping Operations Policy Directive on ISS (the Policy Directive) provides guidance on a staffing strategy for ISS and stresses the importance of having experienced staff at the management level in order to achieve better integration of limited logistics resources. In addition, the Policy Directive states that all members of the ISS team are required to be trained in various aspects of logistics support.

9. Shortage of staff with adequate experience and training has constrained the SC in the Mission. Twenty-two per cent of authorized posts at the professional level and above were vacant. In particular, sections under the ISS, which are critical to an effective and efficient supply chain, faced severe shortage of staff where the vacancy rates at the professional level and above were between 50 to 65 per cent.

10. In addition, based on a sample of key staff members involved in the supply chain activities selected from various ISS sections, 16 out of 20 (80 per cent) had not been trained in various aspects of logistics support. None of the military staff members had been provided with the requisite training.

11. Lack of staff with the necessary experience and training impedes the Mission's capacity to ensure the timely delivery of goods and services.

Recommendations 1 and 2

(1) The UNMIL Office of Mission Support should ensure that sections/units within Integrated Support Services are provided with staff with the required experience and knowledge to carry out their functions; and

(2) The UNMIL Office of Mission Support should ensure that staff involved in the supply chain management process are provided with the relevant training.

12. *The UNMIL Office of Mission Support accepted recommendation 1 and stated that the Mission continues to actively strive to improve its vacancy rates in all sections. Furthermore, all staff involved in the SC will be trained in the newly established SC process.* Recommendation 1 remains open pending receipt of evidence showing that the vacancy rates for the professional level posts of sections and units within ISS have been reduced to an acceptable level.

13. *The UNMIL Office of Mission Support accepted recommendation 2 and stated that appropriate training is consistently incorporated in UNMIL's training plan and staff involved in the SC will be provided with training in the newly established process by July 2010. Recommendation 2 remains open pending receipt of evidence that all staff members involved in the SC process have been trained in various aspects of SC management.*

B. Strategy

Performance indicators

14. Measuring the performance of activities within the SC helps in determining how well the process is managed in identifying the need for improvement. Accordingly, the DMS has put in place a performance system including performance indicators relating to various SC activities throughout the Mission and monitoring mechanisms.

15. There were no performance indicators for some major activities within the SC and, for some activities, the indicators were incomplete as detailed below:

- There were no performance indicators for core procurement activities. For example, there were no performance indicators for the conversion of requisitions into purchase orders, preparation of solicitation documents, and completion of technical evaluations.
- While the Mission aimed to obligate 65 per cent of funds in the acquisition plan by the end of December each year, the performance indicators for this target were inaccurately based on requisitions created in Mercury (the procurement system) rather than purchase orders (POs). Funds are obligated only when POs are issued. OIOS' review disclosed that only 36 per cent of funds in the acquisition plan were obligated by the end of December 2008.
- The performance indicators for the creation of requisitions based on the acquisition plan were not sufficiently detailed. As a result, the creation of requisitions could not be properly monitored and controlled.

16. Without appropriate and meaningful performance indicators, the Mission may not be able to evaluate the effectiveness of SC management.

Recommendation 3

(3) The UNMIL Office of Mission Support should establish meaningful performance indicators for all significant activities of the supply chain process to enable measurement of performance and to take remedial action.

17. *The UNMIL Office of Mission Support accepted recommendation 3 and stated that the Procurement Section's performance indicators will be changed to*

include indicators for establishing POs based on the acquisition plan. Recommendation 3 remains open pending the establishment of performance indicators for all significant activities of the SC process.

C. Operational

Delays in solicitation process

18. Procurement is an integral part of the SC process including the development of solicitation documents, which is a critical procurement activity. Paragraph 9.9.7 of the UN Procurement Manual (PM) provides the average timelines for the development of various solicitation documents.

19. The development of solicitation documents by the Procurement Section (PS) after receiving approved requisitions from self-accounting units (SAUs) took significantly more time than was necessary and this resulted in considerable delays in the SC. Eight out of 20 cases (40 per cent) tested revealed delays in developing solicitation documents ranging from 5 to 72 working days over and above the standard timeline of 1 to 40 working days.

20. The delays in developing solicitation documents were due to the lack of adequate assessment, inaccurate technical specifications, and the lack of adequate monitoring as discussed below.

- Solicitation documents with wrong technical specifications (e.g. Requisition No: 9GSS - 32) were issued leading to excessive delays (102 working days in comparison to the standard timeline of 20 to 30 working days). A substantial amount of time was required to amend the specification and re-issue the solicitation document.
- Lack of adequate monitoring contributed to the delays in developing solicitation documents. There were delays in developing solicitation documents that could not be adequately explained by the Mission. For example, Requisition No: 9TPT - 41 was approved on 12 February 2009 but the related solicitation document was issued on 22 April 2009. The process took 50 working days as against the maximum standard timeline of 30 working days for an invitation to bid.
- Lack of adequate assessment delayed the issuance of solicitation documents to prospective vendors. For instance, a Request for Quotation (RFQ) was issued for the requisition number 9ITU-24 by the buying officer before the officer realized that there was no valid systems contract. As a result, the solicitation process was restarted.

21. Delays in developing solicitation documents may result in delays in the acquisition of goods and services, which may adversely affect Mission operations.

Recommendation 4

(4) The UNMIL Office of Mission Support should institute a system to monitor timely preparation of solicitation documents within the standard timelines given in the UN Procurement Manual.

22. *The UNMIL Office of Mission Support accepted recommendation 4 and stated that an improved monitoring system for solicitations will be established. Recommendation 4 remains open pending the establishment of a system for monitoring and ensuring the timely development of solicitation documents.*

Technical evaluation

23. Technical evaluation is the step in the procurement process which as indicated earlier, is an integral part of the SC. Paragraph 11.9.7 of the PM provides guidance on technical evaluations and states that the technical evaluation team shall conduct the evaluations and prepare written reports thereof. Annex D-20 of the PM provides the standard timelines for completing technical evaluations.

24. The audit noted that technical evaluation reports were not finalised in a timely manner. In none of the 20 cases selected for testing, the relevant technical evaluation report was submitted to the PS within the established standard timelines. All 20 technical evaluation reports were provided to the PS late, but 17 (85 per cent) of the reports were significantly delayed for periods ranging from 5 to 28 working days over and above the standard timelines of 5 to 30 working days.

25. The delays in finalizing evaluation reports were attributed to a number of factors including: (a) unavailability of evaluation team members; (b) inability of PS to obtain further clarifications on product technical information from vendors in a timely manner; and (c) the failure of PS to effectively monitor the preparation of technical evaluations against established standards.

26. Late submission of finalised technical evaluation reports to the PS contributed to the delays in receiving goods to meet requirements.

Recommendation 5

(5) The UNMIL Office of Mission Support should ensure that technical evaluation reports are completed in a timely manner by monitoring the preparation of these reports against the standard timelines given in the UN Procurement Manual.

27. *The UNMIL Office of Mission Support accepted recommendation 5 and stated that all bid documents will be checked for completeness, the cover memorandums to SAUs will specify timelines by which completed evaluation reports should be submitted to PS, buyers will be made accountable for follow up*

on pending evaluations, and the status of pending evaluations will be included in regular PS reports to Senior Management. Recommendation 5 remains open pending receipt of instructions on monitoring procedures that ensure the timely preparation of technical evaluation reports.

Liquidated damages

28. The liquidated damages clause in procurement contracts including POs protects the UN in the event the vendor fails to perform or deliver goods and services on time.

29. A review of 48 POs from 1 July 2008 to 30 September 2009 revealed that the related goods of 15 POs (or 31 per cent) were delivered more than 30 days after their respective due dates. However, liquidated damages were not applied by the Mission in compliance with the POs.

30. End-users are responsible to notify the PS about delays in receipt of goods and advise on the application of the liquidated damages clause. Also, the PS routinely becomes aware of delayed deliveries based on its correspondences with vendors and MOVCON.

31. The Chief Procurement Officer (CPO) stated that UNMIL has been unable to apply liquidated damages due to the late payment of invoices by the Mission. However, OIOS notes that there is no requirement in the POs that liquidated damages may be waived if the Mission fails to process invoices promptly.

32. The consistent non-application of liquidated damages emboldens suppliers in their failure to deliver the required goods and services in a timely manner.

Recommendation 6

(6) The UNMIL Office of Mission Support should establish a mechanism for tracking late deliveries and invoke the liquidated damages clause in the relevant contracts as appropriate.

33. *The UNMIL Office of Mission Support accepted recommendation 6 and stated that the PS will track all deliveries, notify the Finance Section of any late deliveries, and where applicable, advise the Section to invoke the relevant liquidated damages clause. Recommendation 6 remains open pending receipt of evidence on the establishment of an effective and efficient mechanism for tracking late deliveries and for invoking the liquidated damages clause where applicable.*

Vendor performance evaluations

34. A vendor performance evaluation is required to establish if the vendor has fulfilled its obligations. Paragraph 15.1.12 (2) of the PM also states that the

Procurement Officer, in cooperation with the requisitioner and/or end-user, shall ensure that an adequate vendor performance evaluation is conducted.

35. A review of the files of 25 vendors revealed that adequate vendor performance evaluations had not been conducted. Twenty-four of the vendors, who did not fulfill their obligations, regarding timely delivery of goods, had been awarded contracts repeatedly. Twenty two out of the 24 vendors delivered the goods late, up to 16 months. Items delivered late or still outstanding at the time of the audit included essential goods such as generators, communication materials, security equipments and motor vehicle spare parts.

36. Failure to assess the performance of vendors and to take appropriate actions against delinquent vendors perpetuates undesirable circumstances, which may negatively impact on the SC.

Recommendation 7

(7) The UNMIL Office of Mission Support should ensure that vendor performance evaluations are conducted in line with the UN Procurement Manual.

37. *The UNMIL Office of Mission Support accepted recommendation 7 and stated that, in addition to current procedures, PS will notify SAUs and/or end-users to complete vendors' performance evaluations consistently. The original evaluation reports will be filed in the PO files and copies will be maintained in the vendors' files.* Recommendation 7 remains open pending evidence that vendor performance evaluations are performed consistently in compliance with the PM.

Movement of goods

38. Receiving and moving cargo/goods from the Seaport to the end-users is a time consuming exercise and requires considerable logistics. The MOVCON Section in the Mission is responsible for transporting and moving cargo/goods using the Mission's transport that is coordinated by the JLOC. Requests for transport of cargo are made by MOVCON to JLOC using the Cargo Movement Request (CMR) form.

39. An analysis of CMRs made by MOVCON during the period from 1 August 2008 to 30 September 2009 showed significant delays in moving cargo from the UNMIL Yard at the Seaport to the R&I Unit at the Logistics Base in Monrovia. It took approximately 20 to 163 days for the Mission to move 42 per cent of the 355 containers from the Seaport to the R&I warehouse at the Logistics Base.

40. There were also delays in returning empty non-UN owned containers to the Seaport and this resulted in unnecessary retention costs. A review of 171 containers selected from the list of 325 containers maintained by the R&I Unit disclosed delays of 5 to 55 days for the empty containers to be returned to the Seaport. As a result, the Mission paid \$57,890 in detention charges and an

unpaid invoice dated 21 October 2008 showed \$20,520 for one container (container number: PONU422103) which had been with R&I Unit since 8 October 2008. The actual purchase price of the container was only \$4,000.

41. The delays were mainly attributed to the shortage of container handling equipment. In July 2008, MOVCON requested the CPO not to order goods in 40 feet containers due to the shortage of heavy load lifting equipment to handle them. This request has not been heeded and PS continues to order goods in 40 feet containers. The Mission had only two forklifts, two top loaders, and only five trucks to haul the containers. An analysis of the garage records of forklifts and 40 feet hauler trucks in 2009 showed that, on average, each machine and truck was out of service for up to 25 and 54 days respectively. The equipment was allocated according to priority established by JLOC.

42. Delays in transporting goods to the warehouse in Monrovia and delays in R&I diminish the Mission's ability to reject nonconforming goods, process invoices in a timely manner to take advantage of discounts, adversely impacts the delivery of needed items to end-users, and has resulted in unnecessary retention costs.

Recommendations 8 and 9

The UNMIL Office of Mission Support should:

(8) Consider having adequate capacity of heavy duty load lifting equipment and trucks to expedite timely delivery of goods and to avoid detention charges; and

(9) Ensure the preparation of inspection reports is expedited by establishing clear performance targets and monitoring the achievement of such targets.

43. *The UNMIL Office of Mission Support accepted recommendation 8 and stated that the Mission has increased its capability for transporting containers by entering into a heavy lifting equipment contract with a vendor at the end of 2009. Based on the action taken by the Mission, recommendation 8 has been closed.*

44. *The UNMIL Office of Mission Support accepted recommendation 9 and stated that key performance indicators will be developed to monitor the new SC process. Recommendation 9 remains open pending receipt of performance targets for the preparation of inspection reports.*

UNMIL premises at the Seaport

45. Paragraph 4 of the Memorandum of Understanding between the Mission and the Liberian Port Authority states that the Port Authority will provide premises, free of charge, to the Mission for its sole use at the Seaport.

46. The warehouse provided to the Mission at the Seaport is shared with a private company. As a result, there were limited storage facilities for the Mission

at the Port. This sharing arrangement has resulted in increased security risk for UN staff and property. Additionally, the sole use of the facilities by UNMIL could have allowed the Mission to conduct R&I at the Port thereby avoiding the cost of transportation and retention of containers.

47. It was OIOS' opinion that UNMIL should ensure the sole use of the space allocated to the Mission at the Seaport to safeguard UN assets and improve the efficiency by speeding up the deployment of items for operations throughout the Mission. UNMIL stated that in its view this was not needed. The Office of Mission Support has constantly reminded its Security Section to take appropriate actions to secure the cargo at the Seaport. Also, with increased capability in moving cargo, the containers are being transferred to the Logistics Base faster than before as per the new SC process. This will also safeguard the containers. Based on the comments provided by the Mission, OIOS decided not to make any recommendation in this regard.

D. Invoice processing

48. The standard UN payment terms, as per paragraph 9.9.15 of the PM is to pay invoices in net 30 days in accordance with the delivery terms. Paragraph 9.9.9 (4) of the PM states that the delivery method determines when payment is due.

49. The Mission did not meet the standard UN terms. Fourteen out of 30 (47 per cent) transactions selected from the invoice processing database maintained by the Finance Section were not completed within 30 days. It took between 34 to 168 days from the date goods were actually received to the date the Mission authorized its banks to release the payments.

50. Due to the conflict between the Mission's payment procedures and the PM, the Mission did not consider payments after 30 days as necessarily being late. The Mission's POs include a clause which states that "UNMIL will make payment after: (a) receipt and acceptance of the goods ordered; and (b) correct invoice, whichever is the later. These terms are not consistent with the PM which, as indicated above, states that the delivery method determines when payment is due.

51. Late invoice payments may negatively impact on the credibility of the UN and create obstacles in ensuring an effective SC chain management.

Recommendations 10 and 11

The UNMIL Office of Mission Support should:

(10) Harmonize its purchase order with the UN Procurement Manual regarding payment terms; and

(11) Ensure that all invoices are paid within the 30 days limit in accordance with the delivery terms.

52. *The UNMIL Office of Mission Support accepted recommendation 10 and stated that the SC process has been reviewed and fine tuned with a view to expediting the whole process from the receiving of goods to the payment of invoices within 30 days. Recommendation 10 remains open pending receipt of evidence showing that the Mission's PO has been harmonized with the established PM regarding payment terms.*

53. *The UNMIL Office of Mission Support accepted recommendation 11 and stated that the SC process has been reviewed and it has been fine tuned with a view to expedite the whole process from receiving of goods to the payment within 30 days. Recommendation 11 remains open pending receipt of evidence that invoices are being paid within the 30 days.*

V. ACKNOWLEDGEMENT

54. We wish to express our appreciation to the Management and staff of UNMIL 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 UNMIL Office of Mission Support should ensure that sections/units within the Integrated Support Services are provided with staff with the required experience and knowledge to carry out their functions.	Human Resources	High	O	Receipt of evidence showing that vacancy rates at professional levels and above of the sections and units within the ISS have been reduced to an acceptable level.	July 2010
2	The UNMIL Office of Mission Support should ensure that staff involved in the supply chain management process are provided with the relevant training.	Human Resources	Moderate	O	Receipt of evidence that all staff members involved in the SC process have been trained in various aspects of SC management..	Not provided
3	The UNMIL Office of Mission Support should establish meaningful performance indicators for all significant activities of the supply chain process to enable measurement of performance and to take remedial action.	Strategy	High	O	Receipt of performance indicators for all significant activities of the SC process.	July 2010.
4	The UNMIL Office of Mission Support should institute a system to monitor timely preparation of solicitation documents within the standard timelines given in the UN Procurement Manual.	Operational	Moderate	O	Receipt of evidence on the establishment of a system for monitoring and ensuring the timely development of solicitation documents.	July 2010
5	The UNMIL Office of Mission Support should ensure that technical evaluation reports are completed in a timely manner by monitoring the preparation of these reports against the standard timelines given in the UN Procurement Manual.	Operational	Moderate	O	Receipt of instructions on or monitoring procedures that ensure the timely preparation of technical evaluation reports.	June 2010.
6	The UNMIL Office of Mission Support should establish a mechanism for tracking late deliveries and invoke liquidated damages clause in the relevant contracts as appropriate.	Financial	Moderate	O	Receipt of evidence on the establishment of an effective and efficient mechanism to track late deliveries and invoke liquidated damages clause where applicable.	June 2010.
7	The UNMIL Office of Mission Support should ensure that vendor performance evaluations are conducted in line with the UN Procurement	Operational	Moderate	O	Receipt of evidence that vendor performance evaluations are performed consistently in compliance	June 2010.

Recom. no.	Recommendation	Risk category	Risk rating	C/O ¹	Actions needed to close recommendation	Implementation date ²
	Manual.				with the PM.	
8	The UNMIL Office of Mission Support should consider having adequate capacity of heavy duty load lifting equipment and trucks to expedite timely delivery of goods and to avoid detention charges.	Operational	High	C	Action taken	Implemented.
9	The UNMIL Office of Mission Support should ensure the preparation of inspection reports is expedited by establishing clear performance targets and monitoring the achievement of such targets.	Financial	Moderate	O	Receipt of performance targets for the preparation of inspection reports.	July 2010.
10	The UNMIL Office of Mission Support should Harmonize its purchase order with the United Nations Procurement Manual regarding payment terms.	Financial	Moderate	O	Receipt of evidence to confirm that UNMIL Purchase Orders payment terms are harmonized with the UN Procurement Manual payment terms.	August 2010.
11	The UNMIL Office of Mission Support should ensure that all invoices are paid within the 30 days limit in accordance with the delivery terms.	Financial	Moderate	O	Receipt of evidence to support that UNMIL invoices are paid within the 30 days limit in accordance with the UN payment terms.	Not provided

1. C = closed, O = open

2. Date provided by UNMIL in response to recommendations.