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**OFFICE OF INTERNAL OVERSIGHT SERVICES
PROCUREMENT TASK FORCE**

*This Report is protected under paragraph 18 of
ST/SGB/273 of 7 September 1994*

**REPORT ON PROCUREMENT
OPERATIONS AT THE**

**FINDINGS OF FRAUD, CONFLICT OF INTEREST,
MISCONDUCT, AND MISMANAGEMENT**

Report no. PTF-R008/08

**Procurement Task Force case no. 019/08
Investigations Division case nos. 0633/08, 0479/07, 0480/07, 0686/05**

REDACTED

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19 December 2008

REPORT ON ██████████ PROCUREMENT AND ██████████
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I. INTRODUCTION

1. The Procurement Task Force (the “Task Force”) is a temporary investigative unit within the Office of Internal Oversight Services (“OIOS”), which focuses upon cases of procurement fraud, corruption, and violations of United Nations rules, regulations, and procedures. The remit of the Task Force is to investigate all procurement cases, including all matters that are within the jurisdiction of OIOS and involve procurement bidding exercises, contracts, procurement staff, and vendors doing business with the United Nations. All procurement-related cases referred to OIOS from January 2006 to present are referred to the Task Force. The Task Force expires on 31 December 2008 as the General Assembly did not renew its mandate or funding. The Task Force has faced continuing opposition from one Member State which has retaliated against it after it had recommended disciplinary action against a national who is a citizen of that Member State.

2. Under its Terms of Reference, the Task Force operates as part of OIOS, and reports directly to the Under-Secretary-General for OIOS through the Chairman of the Task Force. The Task Force’s investigations have focused upon a number of procurement cases, including cases involving companies doing business with the Organization. Some of these matters are particularly complex and span significant periods of time.

3. Investigations have been hampered and significantly slowed by the lack of cooperation of some parties, including vendors external to the Organization, certain counsel for staff and vendors, and staff members themselves. The extremely poor record keeping practices of some offices, including the Procurement Unit at the ██████████ ██████████, have also hampered investigations and hindered the ability to make certain findings.

4. Between 2002 and 2007, the Investigations Division of OIOS received a number of allegations regarding various procurement irregularities at the ██████████ which were referred to the Task Force for investigation in 2006 and 2007. OIOS opened a total of eight cases covering these allegations.

5. While investigating these matters, the Task Force uncovered evidence of additional instances of wrongdoing beyond what was originally alleged in the cases referred. It became clear in the course of the Task Force’s investigation that the cases transferred from the Investigations Division did not address and did not encompass a number of serious issues and allegations and that significant cases involving fraud were left unaddressed. The Task Force therefore expanded its investigation to cover all related cases and matters.

6. This Report addresses ██████████-related procurement matters including allegations of fraud, procurement violations, favouritism in the bidding process, and conflict of interest. This Report focuses on the conduct of ██████████ ██████████ and ██████████ ██████████.

REPORT ON [REDACTED] PROCUREMENT AND [REDACTED]
STRICTLY CONFIDENTIAL**II. ALLEGATIONS**

7. The cases referred to the Task Force primarily involved [REDACTED]. It was alleged, *inter alia*, that these staff members manipulated several bidding processes to favour certain companies.

8. In the course of its investigation of the cases referred by the Investigations Division, the Task Force identified additional matters concerning [REDACTED] that warranted examination. Specifically, with regard to [REDACTED] the Task Force uncovered indications that he had submitted fraudulent documents to the Organization when claiming dependency benefits and that he was engaged in unauthorized outside employment and occupation.

9. With regard to [REDACTED], the Task Force identified evidence of a conflict of interest, favouritism, outside occupation and employment, and association with the management of private companies. The cases and allegations became exposed only as a result of the Task Force's investigative efforts.

10. Accordingly, the Task Force's investigation primarily focused on the following allegations:

(i) whether [REDACTED], or any other [REDACTED] staff member engaged in corrupt conduct, violated any financial, procurement, or staff rules and regulations of the Organization with regard to any procurement exercises at the [REDACTED];

(ii) whether [REDACTED] were involved in unauthorized outside occupation and employment whilst employed by the Organization;

(iii) whether [REDACTED] submitted false birth certificates for [REDACTED] and made fraudulent representations to the United Nations for dependency entitlements, including travel and education grants;

(iv) whether [REDACTED] improperly favoured any vendors during the procurement exercises; and

(v) whether [REDACTED] engaged in a conflict of interest by entering into private business projects with [REDACTED] vendors that received [REDACTED] contracts supervised by him.

III. APPLICABLE UNITED NATIONS REGULATIONS, RULES, AND ADMINISTRATIVE ISSUANCES

11. The following provisions of the **Staff Regulations of the United Nations** ("the Staff Regulations") are relevant:

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(i) **Regulation 1.2(b):** “Staff members shall uphold the highest standards of efficiency, competence and integrity. The concept of integrity includes, but is not limited to, probity, impartiality, fairness, honesty and truthfulness in all matters affecting their work and status.”

(ii) **Regulation 1.2(e):** “By accepting appointment, staff members pledge themselves to discharge their functions and regulate their conduct with the interests of the Organization only in view. Loyalty to the aims, principles and purposes of the United Nations, as set forth in its Charter, is a fundamental obligation of all staff members by virtue of their status as international civil servants.”

(iii) **Regulation 1.2(f):** “[Staff members] shall conduct themselves at all times in a manner befitting their status as international civil servants and shall not engage in any activity that is incompatible with the proper discharge of their duties with the United Nations.”

(iv) **Regulation 1.2(g):** “Staff members shall not use their office or knowledge gained from their official functions for private gain, financial or otherwise, or for the private gain of any third party, including family, friends and those they favour.”

(v) **Regulation 1.2(i):** “Staff members shall exercise the utmost discretion with regard to all matters of official business. They shall not communicate to any Government, entity, person or any other source any information known to them by reason of their official position that they know or ought to have known has not been made public.”

(vi) **Regulation 1.2(l):** “No staff member shall accept any honour, decoration, favour, gift or remuneration from any non-governmental source without first obtaining the authority of the Secretary-General.”

(vii) **Regulation 1.2(m):** “Staff members shall not be actively associated with the management of, or hold a financial interest in, any profit-making, business or other concern, if it were possible for the staff member or the profit-making, business or other concern to benefit from such association or financial interest by reason of his or her position with the United Nations.”

(viii) **Regulation 1.2(o):** “Staff members shall not engage in any outside occupation or employment, whether remunerated or not, without the approval of the Secretary-General.”

(ix) **Regulation 1.2(p):** “The Secretary-General may authorize staff members to engage in an outside occupation or employment, whether remunerated or not, if:

- (i) The outside occupation or employment does not conflict with the staff member’s official functions or the status of an international civil servant;
- (ii) The outside occupation or employment is not against the interest of the United Nations; and

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(iii) The outside occupation or employment is permitted by local law at the duty stations or where the occupation or employment occurs.”

(x) **Regulation 1.2(q):** “Staff members shall use the property and assets of the Organization only for official purposes and shall exercise reasonable care when utilizing such property and assets.”

(xi) **Regulation 3.4(a):** “[Staff members] shall be entitled to receive dependency allowances for a dependent child, for a disabled child and for a secondary dependant at rates approved by the General Assembly as follows: i) [t]he staff member shall receive an allowance for each dependent child.”

(xii) **Regulation 3.4(e):** “Claims for dependency allowances shall be submitted in writing and supported by evidence satisfactory to the Secretary-General. A separate claim for dependency allowances shall be made each year.”

12. The following provisions of the **Staff Rules of the United Nations** are relevant:

(i) **Staff Rule 101.2(k):** “Acceptance by staff members of any honour, decoration, favour, gift or remuneration from non-governmental sources requires the prior approval of the Secretary-General. Approval shall be granted only in exceptional cases and where such acceptance is not incompatible with the interests of the Organization and with the staff member's status as an international civil servant.”

(ii) **Staff Rule 112.3:** “Any staff member may be required to reimburse the United Nations either partially or in full for any financial loss suffered by the United Nations as a result of the staff member’s negligence or of his or her having violated any regulation, rule or administrative instruction.”

13. The following provisions of the 2003 edition of the **Financial Regulations and Rules of the United Nations** are relevant:

(i) **Rule 101.2:** “All United Nations staff are obligated to comply with the Financial Regulations and Rules and with administrative instructions issued in connection with those Regulations and Rules. Any staff member who contravenes the Financial Regulations and Rules or corresponding administrative instructions may be held personally accountable and financially liable for his or her actions.”

(ii) **Regulation 5.12:** “The following general principles shall be given due consideration when exercising the procurement functions of the United Nations:

- (a) Best value for money;
- (b) Fairness, integrity and transparency;
- (c) Effective international competition;
- (d) The interest of the United Nations.”

14. The following provisions of ST/AI/2000/13 are relevant:

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(i) **Section 3.1:** “Under staff regulation 1.2(o), a staff member shall not engage in any outside occupation or employment, whether remunerated or not, without the approval of the Secretary-General. For the purposes of the present instruction, the expression ‘occupation’ shall include the exercise of a profession, whether as an employee or an independent contractor.”

(ii) **Section 3.2:** “In accordance with staff regulation 1.2(p), approval of an outside occupation or employment shall be subject to all the following requirements:

(a) The outside occupation or employment does not conflict with the staff member’s official functions or the status of an international civil servant. In determining whether this requirement is met, special attention shall be paid to the need to ensure that the outside occupation or employment would not in any way interfere with the staff member’s ability to perform all his or her official duties, or call into question the impartiality and independence of the staff member as an international civil servant;

(b) The outside occupation or employment is not against the interest of the United Nations. In determining whether this requirement is met, special attention shall be paid to the need to ensure that the occupation or employment does not reflect adversely upon the United Nations, and is compatible with its activities and goals;

(c) The outside occupation or employment is permitted by local law at the duty station or where the occupation or employment occurs. No approval shall be granted when the status of the staff member, such as the G-4 visa in the United States, prohibits the holder from accepting employment or earning money from an occupation outside the Organization.”

15. The following provisions of the **United Nations Procurement Manual** are relevant:

(i) **Section 1.1(9):** “All staff members of the UN are required to comply with the provisions of this Manual. This includes Procurement Officers as well as staff members of the Requisitioning Offices, at [United Nations Headquarters] departments, [Offices away from Headquarters] and Missions.”

(ii) **Section 4.1.5(3):** “The UN procurement process, which includes the generation of specifications and scope of work, certification of funds, identification of potential Vendors, evaluation of Submissions received, receipt and inspection and payment, is intended to allow Vendors to compete for UN business on a fair basis. Staff associated with the procurement function, therefore, are responsible for protecting the integrity of the procurement process and maintaining fairness in the UN’s treatment of all Vendors.”

(iii) **Section 4.2.1(4):** “Advance disclosure is a primary guiding principle for any real or perceived conflict of interest.”

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(iv) **Section 7.8(1):** “As a general rule, requisitioners or substantive offices shall not recommend Vendors. Such practice undermines the principles of segregation of responsibilities between requisitioning and procurement entities. Requisitioners may advise potential vendors to seek registration information from [the United Nations Procurement Division].”

(v) **Section 11.1(1):** “The purpose of the source selection process is to identify the Vendor(s) to whom the contract(s) is to be awarded, i.e. the process from the receipt of Solicitation Submission, through the evaluation of such submission to the decision to award the contract. Vendors are qualified and evaluated as to their ‘Responsiveness’ In order to ensure that the procurement process is fair, objective and transparent, the source selection process shall also give due consideration to a balancing of the following general principles set forth in Financial Regulation 5.12:

- a) Best value for money;
- b) Fairness, integrity and transparency;
- c) Effective international competition; and
- d) The interest of the United Nations.”

16. The Procurement Manual requires that the procurement process is conducted in a manner above reproach, with complete impartiality, transparency, and with no preferential treatment. Staff members are required to protect the integrity of the process and maintain fairness in the treatment of all vendors.

17. Section 10 of the Procurement Manual addresses the specific requirements that apply to the treatment of submissions. Section 11 of the Procurement Manual sets out the rules to be followed during the evaluation of the proposals after their submission by vendors. Section 11 underscores the need for the evaluation to be “fair, objective and transparent.”

18. Specifically, the Procurement Manual details the rules to be followed concerning discussion with vendors following the submission of proposals in response to a Request for Proposal. Any discussions are to take into consideration the principle of equality and fair treatment of the prospective vendors. The purpose of such discussions should be to clarify the requirements in the solicitation documents and the content of the submission, rather than to add or delete requirements in the solicitation documents. The procurement officer assigned to the case and a representative from the requisitioning office shall normally represent the United Nations in the discussions and the procurement officer shall lead the discussion; the discussion should preferably be conducted within UN premises; and all discussions should be summarised in a written record.

19. The Procurement Manual also allows for clarifications and additional material to be sought from vendors concerning their submissions. It is required that clarifications are requested by the case procurement officer and made in writing. This section, however, makes clear that any clarification sought shall be limited to an actual material issue, and not be utilized to modify a submission itself.

IV. RELEVANT CONCEPTS OF CRIMINAL LAW

20. The following well-established common law concepts are applicable to this Report:

(i) **Conspiracy:** Conspiracy is an agreement to do an unlawful act. It is a mutual understanding, either spoken or unspoken, between two or more people to cooperate with each other to accomplish an unlawful act. In this case, it is the agreement to engage in a scheme to improperly obtain sums of money under contracts with the United Nations not properly due and owing to them;

(ii) **Fraud:** Commonly, fraud is defined as an unlawful scheme to obtain money or property by means of false or fraudulent pretences, representations, or promises. A scheme to defraud is any plan, device, or course of action to obtain money or property by means of false or fraudulent pretences, representations or promises reasonably calculated to deceive persons of average prudence; and

(iii) **Aiding and Abetting an Offense:** Under the concept of aiding and abetting, the offense is committed by another. In order to aid and abet a crime, it is necessary that individuals involved associate themselves in some way with the crime, and that they participate in the crime by doing some act to help make the crime succeed. Individuals who aid and abet another in committing a criminal offense are equally as culpable as if they committed the offense themselves.

(iv) **Corruption:** Corruption is an act done with intent to give some advantage inconsistent with official duty and the rights of others. It includes bribery, but is a more comprehensive concept.

V. METHODOLOGY

21. As part of its investigation, the Task Force collected relevant documentation, electronic records, and interviewed relevant witnesses. The materials collected and examined by the Task Force included, *inter alia*, procurement files, requisitions, bids, technical evaluation reports, presentations to the Local Committee on Contracts (“LCC”) and the Headquarters Committee on Contracts (“HCC”), certificates of acceptance of works, payment instructions, related correspondence of the purchase orders and contracts involved, as well as other relevant records.

22. The Task Force made significant efforts to locate and obtain all relevant files. However, the investigators faced a number of challenges including the fact that many procurement files were found not only to be incomplete but also incomprehensible. In many cases documents were not found in files, rather loose papers and miscellaneous documents were required to be gathered elsewhere and provided to the Task Force. In these instances, often critical documents were absent, including the contracts themselves, as well as technical and financial evaluations. Further challenges included the absence of vendor registration files of companies which bid or received contracts at the ██████████. OIOS finds this circumstance absolutely unacceptable.

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23. Furthermore, some of the allegations dated back to [REDACTED] which posed serious difficulties in finding documents and witnesses able to fully recall the details of the events under investigation.

24. Investigators traveled to [REDACTED] to collect relevant documents and conduct interviews with relevant companies and United Nations staff members. Over thirty-five interviews were conducted. A written record of conversation was prepared after each interview. Consistent with the procedures of the Task Force, staff members were then invited to review the records of conversation for accuracy and to sign them. In addition, investigators provided all interviewees with the opportunity to present any further evidence or explanations.

25. It is important to emphasize that the Task Force has limited coercive powers, and is unable to compel the production of financial records, especially from entities and individuals external to the Organization. Therefore, cooperation from third parties is, in most instances, voluntary and the Task Force depends upon the cooperation of an individual or a company when seeking assistance. This lack of coercive powers, particularly in relation to companies allegedly associated with the staff members in question, has been one of the most significant obstacles to the investigation.

VI. BACKGROUND

A. [REDACTED]

26. The [REDACTED] was established by the [REDACTED] of the United Nations in [REDACTED] as one of the Organization's [REDACTED]. [REDACTED] mandate is to promote regional economic and social development, foster intra-regional integration, and promote international cooperation.

27. The [REDACTED] is composed of several divisions, including the [REDACTED]. [REDACTED] is part of [REDACTED].

28. At the time of the events discussed in this Report, [REDACTED] a national of the [REDACTED], served as the [REDACTED] and [REDACTED], a national of [REDACTED], served as the [REDACTED].

B. [REDACTED]

29. [REDACTED] is a privately held [REDACTED] firm based and incorporated in [REDACTED]. [REDACTED] has a grade 1 [REDACTED] license and has been operating for approximately forty-five years. A Grade 1 [REDACTED] license is the highest grade level (on a scale from 1 to 10) and signifies that a contractor is allowed to tender for all project issued by the [REDACTED] government.

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30. [REDACTED] started performing works for [REDACTED] in the early [REDACTED] when it was involved in the [REDACTED]. Since [REDACTED], [REDACTED] has been bidding for and performing contracts at [REDACTED].

C.

31. [REDACTED] is a privately held company which was established in [REDACTED]. [REDACTED] has a grade 1 [REDACTED] license and is incorporated in [REDACTED].

32. [REDACTED] the [REDACTED] at the [REDACTED] complex and has been bidding for and performing under [REDACTED] contracts since [REDACTED].

D.

33. [REDACTED] is a privately held firm based and incorporated in [REDACTED].

34. [REDACTED] had submitted bids for contracts at [REDACTED] approximately since [REDACTED], but has never been awarded a contract, nor has [REDACTED] been employed as a subcontractor in any project performed at the [REDACTED].

E.

35. [REDACTED] is a privately held firm which provides [REDACTED] [REDACTED]s and has been operating in [REDACTED] since [REDACTED]. [REDACTED] has received at least seven [REDACTED] contracts since [REDACTED] totaling, in the aggregate, in excess of US\$800,000.

F.

36. [REDACTED] joined the [REDACTED] in [REDACTED] as the [REDACTED] at the [REDACTED] level. Thereafter, he served on a series of contracts with the [REDACTED] until [REDACTED], when he received a fixed-term appointment as the [REDACTED]. In [REDACTED] [REDACTED] was promoted to the [REDACTED] level.

G.

37. [REDACTED] joined the United Nations in [REDACTED] as an [REDACTED]. In [REDACTED], [REDACTED] received a permanent appointment as a [REDACTED].

38. Between [REDACTED] and [REDACTED] served on a series of contracts with several United Nations offices, including the [REDACTED]; the [REDACTED]; the [REDACTED]; the [REDACTED];

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[REDACTED] and the [REDACTED].
39. In [REDACTED], [REDACTED] again returned to the United Nations [REDACTED], and then went [REDACTED] on [REDACTED] as a [REDACTED]. He served as the [REDACTED] from [REDACTED] to [REDACTED], when he [REDACTED] the Organization. [REDACTED] currently lives in [REDACTED].

VII. [REDACTED]

A. FRAUDULENT CLAIMS OF DEPENDENCY ENTITLEMENTS

40. Pursuant to Staff Regulation 3.4, staff members are entitled to receive dependency allowances for each dependent child. The definition of dependent child for the purpose of the Staff Regulations and Staff Rules 103.24 is “[a] staff member’s natural or legally adopted child” or “a staff member’s stepchild, if residing with the staff member.” During his period of service with the United Nations between [REDACTED] and [REDACTED] [REDACTED] claimed dependency entitlements for his [REDACTED], [REDACTED], and [REDACTED] children—[REDACTED].

41. This section of the Report addresses the evidence identified during the investigation showing that the dependency claims made by [REDACTED] in respect of [REDACTED], between [REDACTED] and [REDACTED], and [REDACTED], between [REDACTED] and [REDACTED], were knowingly fraudulent as these individuals were not his children. This Report does not address dependency claims made on behalf of [REDACTED], or on behalf of [REDACTED], which appear to be legitimate.

1. [REDACTED] false representations concerning his dependants

42. Throughout his affiliation with the United Nations, [REDACTED] represented [REDACTED] as his dependants. The figure below shows [REDACTED] signature on a [REDACTED] declaration claiming dependency benefits and certifying that the information and supporting evidence he provided was true.



Figure: [REDACTED] Status Report and Request for Payment of Dependency Benefits [REDACTED]

43. In [REDACTED] [REDACTED] completed a questionnaire on dependency benefits, confirming no changes in his dependency information and identifying [REDACTED] [REDACTED] as his dependent children. [REDACTED] similarly claimed travel and excess baggage allowances, installation grants and daily subsistence allowance in respect of [REDACTED]. He further claimed health and dental insurance contributions from [REDACTED].

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the United Nations for ██████████ between ██████████. In his application for after service health insurance and pension fund declaration of premiums, ██████████ indicated ██████████ of insurance participation in respect of ██████████ and ██████████ in relation to ██████████.

44. Despite extensive efforts to collect records quantifying the amount of benefit funds provided to ██████████ on behalf of ██████████, a definitive figure could not be established. Key records were determined to be missing, and files lacked relevant details, such as payments dates and amounts. Further, the documents contained inconsistent and contradictory figures. The Task Force estimates, based on all available information, that hundreds of thousands of dollars were improperly paid to ██████████. This figure is comprised of amounts paid for ██████████ for the period of ██████████, and for ██████████ for the period between ██████████.

2. Evidence that ██████████ and ██████████ are not ██████████ children or true dependants

45. The investigation has revealed that ██████████ and ██████████ are not ██████████, natural children, nor are they his dependants for the purposes of Staff Rule 103.24 (i.e., his natural or legally adopted children, or, if residing with the staff member, his stepchildren). This is confirmed by the records as well as communications between ██████████ representing ██████████ and ██████████, ██████████, in ██████████.

46. Specifically, in an email exchange in ██████████, ██████████ alleged to his ██████████, "Without my knowledge, you falsified the birth certificates of ██████████. . . . ██████████ are my blood relatives and I have been supporting them all these years, including payment for all their education and living expenses. As they are now adults, the truth about them must now be known to them and documents of their true identity are with me."

REDACTED

Figure: ██████████ email to ██████████ (sent between ██████████)

47. ██████████ responded: "I have not falsified any documents on the children. Everything was your idea, and have you forgotten that you signed their birth certificates and all other documents? . . . Besides, the UN will not be happy to hear of anything like this, they will get all the money back that were spent on education, travel, etc."

REDACTED

Figure: ██████████ email to ██████████ (██████████)

48. In an email dated ██████████ from ██████████' attorney to the lawyer for ██████████ in connection with the ██████████, "My client will be constrained

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to state in the Answer, unless otherwise amended that [REDACTED] are not the legitimate children of the Plaintiff and the Defendant. They are the children of [REDACTED].”

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

49. In a subsequent email of [REDACTED], [REDACTED] attorney presented a counter-proposal to the [REDACTED] which stated, “Custody, Parenting-Time and Child Support should be deleted. If the Plaintiff would like to maintain these provisions, the same should be amended/revised considering that the parties have legitimate or adopted children of their own and that both [REDACTED] are of age.”

REDACTED

Figure: “Comment/Counter-Proposal” (attached to [REDACTED] email to [REDACTED], dated [REDACTED])

50. The birth registry certificate for [REDACTED] names [REDACTED] as the father and was issued upon the request of [REDACTED]. [REDACTED] mother is named as [REDACTED]. It is contrary to [REDACTED] admission that [REDACTED] true parents were [REDACTED].

51. No copy of the birth certificate for [REDACTED] could be found in the Organization’s files, albeit one must have been submitted by him in order to receive dependency entitlements on [REDACTED]’s behalf. However, the email exchanges above demonstrate that the birth registration documents for [REDACTED], submitted to the United Nations by [REDACTED], were intentionally falsified.

52. In the absence of cooperation or information from [REDACTED] it is impossible for the Task Force to identify who falsified the birth certificates. It is, however, certain that [REDACTED] knowingly presented to the United Nations the birth certificates for [REDACTED] which he knew to be false in order to obtain a financial reward, namely dependency benefits to which he was not entitled.

53. Dependency allowance benefits to [REDACTED] for [REDACTED] became effective on [REDACTED] (the date disclosed in the birth certificate registration document). The confirmation personnel action signed by [REDACTED] and dated [REDACTED] indicates that [REDACTED]’ official duty station was the United Nations [REDACTED]. [REDACTED] was employed with [REDACTED] as [REDACTED]. Notably, in his personal history profile [REDACTED] listed, amongst others, that one of his duties in this position was to carry out “continuous review and monitoring of the financial procedures in order to ensure soundness in financial controls and to prevent fraud or any financial impropriety.”

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54. The first recorded claim made in respect of [REDACTED] was on [REDACTED] when [REDACTED] requested airplane tickets and shipment for the travel of his dependants [REDACTED] and “[REDACTED] who was born in [REDACTED] during our home leave.” At this time [REDACTED] was employed as a [REDACTED] at the [REDACTED] in [REDACTED]. He described his duties in his personal history profile to include: “Coordinated and directed the disbursement services, including payroll, staff claims and benefits and payments to vendors, consultants, governments, NGOs and other UN agencies; Ensured the full implementation and consistent application of the Financial Regulations and Rules, Staff Rules and Regulations, accounting and personnel policies and procedures and administrative instructions related to accounting operation, payments and staff claims.”

55. Whilst [REDACTED], [REDACTED] applied for a United Nations Family Certificate and Laissez-Passez in [REDACTED], naming [REDACTED], and [REDACTED] as his dependants. At the bottom of this application, [REDACTED] certified that these statements made were true.

56. The Task Force obtained evidence demonstrating that, although [REDACTED] admitted in [REDACTED] to feeling “tired and burnt out” and ready to retire, he wanted to stay with the United Nations to enjoy the financial benefits provided in the form of dependency payments. In an email dated [REDACTED], [REDACTED] stated, “[M]y problem is the college education of [REDACTED], which is costing me around \$85,000 a year; more than half of this is being paid by the UN. I still need three years to fully enjoy this benefit from the UN.”

57. A document certified on [REDACTED] entitled “Permission to Travel of a Minor” submitted to the United Nations and signed by [REDACTED] perpetuated the fraud. The document, certified by a Notary Public commences with a declaration, namely “[REDACTED], father of [REDACTED].” The document disclosed details of [REDACTED] passport, in particular that he was born on [REDACTED] in [REDACTED], the [REDACTED]—the same place of birth as recorded in [REDACTED] passport.

3. Financial loss to the Organization

58. Having identified this fraud perpetrated on the United Nations by [REDACTED] throughout his career at the United Nations, the Task Force attempted to calculate the total financial loss to the Organization. Despite the best efforts of the Task Force—assisted by the [REDACTED]—only partial records dating back to the year [REDACTED] could be located.

59. [REDACTED], [REDACTED], wrote to the Task Force explaining, “It has been noted that the information required relates to a period of [REDACTED] ([REDACTED]). The task of tracing, analyzing records and summarizing payments made to [REDACTED] over a period of [REDACTED] is fraught with immense problems including non-availability of records for a period when there were several different accounting systems used including manual systems. Furthermore such records have not been systematically archived. . . . I regret therefore

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that no further records and aggregate sum of payments made to [REDACTED] and his [REDACTED] dependants can be provided.”

60. From the available records, between the year [REDACTED] the total education grant advanced to [REDACTED] by the United Nations for [REDACTED] amounted to US\$147,599. The education grant claims made by [REDACTED] during the same time period for these two children totaled US\$57,037. At the time of his [REDACTED], [REDACTED] was receiving an annual dependency allowance of US\$1,936 and both [REDACTED] and [REDACTED] were registered as his dependants.

61. The chart below demonstrates the significant discrepancy in the amounts of education grant awards paid to [REDACTED] and the claims submitted by him to the United Nations. (It should be noted that the chart is based on the limited information and records provided by the [REDACTED].) If education awards are calculated on the basis of the staff member's previous years' claim, it is difficult to explain why [REDACTED] received the sums he did for [REDACTED].

REDACTED

62. The records provided by the [REDACTED] with regard to the amounts automatically recovered from [REDACTED] constituting the difference between the grant advances and the actual claims were incomplete. Therefore, the Task Force was unable to calculate what might have been recovered from [REDACTED], as well as the final amount that he fraudulently obtained from the United Nations.

63. The financial loss to the United Nations as a result of [REDACTED]'s fraudulent scheme is the total equivalent to every disbursement (education, rent, travel, daily subsistence allowance and all other associated dependency benefits) he received in respect of [REDACTED] over the period of twenty-one years ([REDACTED]) and every disbursement received in respect of [REDACTED] over the period of nineteen years ([REDACTED]), minus any monies that were recovered by the [REDACTED] from [REDACTED] salary as part of the Organization's regular procedures.

64. Despite extensive efforts by investigators to collect relevant records, the Task Force is unable to establish a definitive figure of the amounts paid to [REDACTED] for [REDACTED]. As set forth above, the Task Force estimates these amounts to be in the hundreds of thousands of dollars.

B. UNAUTHORIZED OUTSIDE EMPLOYMENT AND OCCUPATION AND MANAGEMENT OF PRIVATE COMPANIES

65. This section addresses [REDACTED] unauthorized outside employment and occupation management of private companies at the time he was employed by the [REDACTED] as a [REDACTED] as well as the [REDACTED]. [REDACTED] official duties at the [REDACTED] included administering and managing all activities of [REDACTED], which included all procurement and contracting activities of the [REDACTED].

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as well as inventory, pouch and mailing services, shipping and clearing, transportation and cafeteria operations, and visa and protocol operations.

66. As a United Nations staff member, [REDACTED] was obliged to comply with the staff rules and regulations of the Organization, including Staff Regulations 1.2(m) and 1.2(o), which generally restrict staff members' outside employment and occupation, as well as active association with the management of profit-making ventures.

67. As demonstrated below, [REDACTED] deliberately violated the Organization's regulations by engaging in several private business enterprises while employed by the Organization and using his official United Nations email address and contact information to conduct these private business activities. Notably, [REDACTED]' outside occupation or employment was not permitted by local law which prohibits internationally recruited employees of the [REDACTED] from accepting employment or earning money from an occupation outside the Organization. Further, the Report details a significant effort by [REDACTED] to defraud the Organization and fraudulently obtain a significant amount of funds through corrupt claims for dependency benefits to which he was not entitled.

1. [REDACTED] and [REDACTED]

[REDACTED] Between as early as [REDACTED], at the time of his employment with the [REDACTED] [REDACTED] co-owned, managed, and traded on behalf of a company, [REDACTED] in partnership with [REDACTED]

69. Emails between [REDACTED] demonstrate that [REDACTED] was managing [REDACTED] negotiated discounts on the importation of goods, and arranged for international shipments.

70. For instance, in a [REDACTED], sent by [REDACTED] from his office computer to [REDACTED], [REDACTED] acknowledged the receipt of a pro-forma invoice addressed to [REDACTED] in [REDACTED]. The pro-forma invoice was provided by a company called [REDACTED], which was based in [REDACTED]. The invoice detailed an order made by [REDACTED] for gas and electric grill ovens and water heaters in the total sum of US\$12,065, to be shipped from [REDACTED]. Between [REDACTED], [REDACTED] requested [REDACTED] to change the name of his company [REDACTED] on the invoice to [REDACTED]. The address and contact details for the company remained the same. This revised invoice, dated [REDACTED], detailed an order made by [REDACTED] in the sum of US\$14,935, to be shipped to [REDACTED]

71. Further, on [REDACTED], [REDACTED] gave [REDACTED] the details of the [REDACTED] shipping line in [REDACTED] and a further email between the parties confirmed that the goods had been loaded into the container and sent to the port. Attached to this email chain was another invoice, from a company named [REDACTED] dated [REDACTED] and

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addressed to [REDACTED] but with different telephone and fax numbers.

72. These emails show that [REDACTED] managed the business activities of [REDACTED]. Further, [REDACTED] used his [REDACTED] email account to carry out his business activities with regard to this company. The Task Force was unable to obtain additional information concerning this company, in large part to [REDACTED]'s failure to cooperate with the investigation.

2. [REDACTED]

73. The Task Force established that, between as early as [REDACTED] and as late as [REDACTED] at the time [REDACTED] was employed at the [REDACTED] as [REDACTED], he co-owned and traded on behalf [REDACTED]. The evidence gathered by the Task Force, set out below, demonstrates that [REDACTED] acted in partnership with [REDACTED] in the business venture [REDACTED].

74. Although the Task Force was unable to identify the exact date of [REDACTED] incorporation, the evidence obtained by the Task Force shows that [REDACTED] and his partners were already trading and planning international business trips by late summer [REDACTED].

75. The earliest available record obtained by the Task Force identifying [REDACTED] by name is an email dated [REDACTED]. The email contains a document sent by [REDACTED] to his business partners with an official letterhead for [REDACTED] for their approval. The address for the company was in [REDACTED].

76. Emails between [REDACTED] dating back to [REDACTED] discussed trade in a number of products, including bottle coolers, plastic and glass bottles, mobile ice plants, plastic crates, and three-wheeled motorized scooters or rickshaws (known as "tuktuk" or "bajaj"). Further, [REDACTED] was considering the possibility of finding more partners to invest in a factory to produce glass bottles and a workshop for the scooters.

77. An email sent by [REDACTED] from his [REDACTED] email account on [REDACTED] confirms that the business continued to trade in [REDACTED]. As shown in the figure below, [REDACTED] expressed his intention to market more aggressively.

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

78. In [REDACTED], [REDACTED] held the largest share in [REDACTED], namely forty percent, with the remainder divided equally between his two partners, [REDACTED] and [REDACTED].

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79. In [REDACTED], [REDACTED] sent an email from his [REDACTED] email account to [REDACTED] about shipments of the motorized scooters, the business accounts, and profit margins being usurped by financing fees. [REDACTED] mentioned visiting the office a number of times, the partners' decision to open a separate bank account for [REDACTED] and his preference for sales to be conducted from their shop in [REDACTED]. [REDACTED] wrote, "Who is actually benefiting on this bajaj [i.e., motorized scooter] business? Definitely not you and I, the owners of [REDACTED]"

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

80. In [REDACTED], [REDACTED] exchanged emails discussing deferring the importation of the motorized scooters or possibly closing the office. [REDACTED] wrote, "I am happy you informed [REDACTED] not to order another shipment, close the office, no more expenses for fuel, telephone, rent and staff."

81. The Task Force identified numerous [REDACTED] company records—including detailed accounting ledgers—among [REDACTED]' files. Among these records was the [REDACTED]'s Income Statement, providing the company's gross profits for [REDACTED] as US\$34,366 and for [REDACTED] as US\$176,983.

82. The records obtained by the Task Force show that [REDACTED] was still trading in [REDACTED], during [REDACTED]' employment with the Organization. The Task Force identified an email from [REDACTED] to a business associate, stating that his business partner, [REDACTED], would be traveling to [REDACTED] the following week "for procurement of items for sale" whilst he, [REDACTED], remained behind "to take care of business." [REDACTED] also made reference to other business opportunities, a clearing agency to handle shipments between [REDACTED] and [REDACTED], and stiff competition from other plastic companies. [REDACTED] explained in this email that he was still a partner in the "bajaj" business and that he held the largest sharehold. As shown in the figure below, the email provided [REDACTED]' official United Nations address and contact information.

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

83. Although the Task Force was unable to solicit any cooperation or explanations from [REDACTED], the evidence identified above demonstrates that, whilst employed by the United Nations, [REDACTED] co-owned and traded on behalf of [REDACTED], contrary to the rules and regulations of the Organization which explicitly prohibit such conduct.

3. [REDACTED]

84. Between as early as [REDACTED] and as late as [REDACTED], [REDACTED] obtained a brokerage license for another of his companies, [REDACTED], and

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set up an auction house in [REDACTED]. He acquired a 5,000 square meter lot for this purpose.

[REDACTED]

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

85. In [REDACTED], [REDACTED] informed another associate, [REDACTED], about his acquisition of a 2,100 square meter plot of land in [REDACTED]. He explained in this email that he was working on the building plan for the construction of a commercial centre.

4. Transport Business

86. Evidence was also identified indicating that, as early as [REDACTED]—at the time of his employment with the [REDACTED]—[REDACTED] was involved in the transport business.

[REDACTED]

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

87. Although the evidence identified by the Task Force strongly suggests that [REDACTED] was involved in the transport business, the Task Force was unable to identify the names of the transport business or companies owned by or associated with [REDACTED]. The Task Force's lack of information in this regard was, in part, due to the lack of cooperation from [REDACTED].

5. [REDACTED] Business

88. As part of its investigation, the Task Force also reviewed an allegation that [REDACTED] favoured a bidder for the [REDACTED] contract. Investigators spoke to [REDACTED] about the bidding process of both [REDACTED] contracts. As part of the procurement exercises for the [REDACTED], [REDACTED] had researched the available [REDACTED] from the [REDACTED]. [REDACTED] told investigators that [REDACTED] negotiated with a company, [REDACTED], to step in and provide [REDACTED] as a "force majeure." The [REDACTED]—who held the service contract—had refused to participate in the bid due to proposed rent increases and the procurement was delayed by [REDACTED]'s insistence on professional level (P-level) staff conducting the evaluation.

89. The Task Force also interviewed [REDACTED] with regard to the procurement exercises for [REDACTED]. [REDACTED] was not aware of any interests [REDACTED] may have had in United Nations vendors. According to [REDACTED] at one stage [REDACTED] had asked him to include a new vendor ([REDACTED]) after the deadline for proposals had passed. However, [REDACTED] refused and [REDACTED] did not press the matter. [REDACTED] did not know of the company [REDACTED] but

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remembered that soon he joined the [REDACTED], justification was being sought for the award of a contract to [REDACTED]

90. The Task Force was unable to conclusively determine whether [REDACTED] improperly influenced or attempted to improperly influence any [REDACTED] procurement exercises, which was caused, in large measure because of the lack of cooperation from [REDACTED].

C. UNAUTHORIZED DISCLOSURE OF CONFIDENTIAL UNITED NATIONS INFORMATION

91. The Task Force identified evidence showing that, on at least one occasion, [REDACTED] disclosed confidential United Nations records to persons outside of the Organization. On [REDACTED], [REDACTED] forwarded an official email concerning [REDACTED] projects to an email address [REDACTED]. [REDACTED] requested that his email be forwarded on to [REDACTED]. This email address belongs to [REDACTED]—not a United Nations staff member. The email revealed confidential discussions about payment to a UN vendor, details of the contract, anticipated costs and amendments to the design of [REDACTED] together with the confidential intentions of the [REDACTED]. Enclosed as part of the email was a request for an Expression of Interest for the [REDACTED] and an Expression of Interest Response Form. This communication by [REDACTED] related to a separate procurement exercise.

D. VISA APPLICATIONS

92. As [REDACTED] was responsible for administering and managing all activities of the [REDACTED], including visa and protocol operations.

93. Between [REDACTED], [REDACTED] sought preferential treatment and favours from the United States Consulate in [REDACTED]. [REDACTED] contact at the United States Embassy was [REDACTED], who [REDACTED] referred to as [REDACTED] or [REDACTED]. The Task Force found that [REDACTED] interacted with [REDACTED] in official United Nations business and personally in respect of visa applications for members of [REDACTED] family, friends and business partners.

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

94. The email above shows the personal relationship between [REDACTED] and [REDACTED] and the email exchange below demonstrates that [REDACTED] was the consular responsible for the issue of visas for official travel by United Nations staff members.

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REDACTED

Figure: Email exchange between [REDACTED] and [REDACTED] ([REDACTED])

95. An email dated [REDACTED] reveals that [REDACTED] had arranged a visa appointment with [REDACTED] for [REDACTED] his business partner in [REDACTED]

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

96. In [REDACTED], [REDACTED] sent an email to [REDACTED] regarding “our friend” not being comfortable with issuing a visa to an individual who is not named in the email. [REDACTED] wrote, “He is not very comfortable in giving them the visa as it will involve some money making activity. He told me that in cases like that, there are some procedural requirements through the labor office. If they do not have the appropriate visa, the organizers and them might get into trouble.”

97. An email written by [REDACTED] in [REDACTED] suggested that the applicant should live with him in [REDACTED] for at least a month to get to know [REDACTED]

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

98. On [REDACTED], [REDACTED] asked [REDACTED] to assist in the visa application process for [REDACTED], the [REDACTED] of his business partner in [REDACTED] and the company [REDACTED]. [REDACTED] wrote, “[REDACTED] asked me to inform you that his [REDACTED] is going to be interviewed tomorrow for the DV (a US Diversity Visa). He said that all the papers are in order but he would appreciate very much if you could look at them.”

99. [REDACTED] replied on the same day, “I won’t look at them unless there is a problem. There is no reason for me to intervene in what should be a routine case. And if there is a problem there would be nothing I could do anyway other than clear up a misunderstanding regarding the regulations. You either qualify for the DV or you don’t. It’s not discretionary on our part.”

100. At [REDACTED], [REDACTED] made a further request explaining to [REDACTED] that [REDACTED] had been interviewed for the DV two weeks previously, asked to provide further documentation and told to return in one month. [REDACTED] asked [REDACTED] to help “get an earlier appointment.”

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REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

101. By [REDACTED], that same day, [REDACTED] appears to have arranged for his staff to review the [REDACTED] file:

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

102. In [REDACTED] relatives of [REDACTED] [REDACTED], wrote to [REDACTED] about helping her with her visa. The author of the email stated, "[REDACTED] can either go back to her country of residency: either [REDACTED] or [REDACTED] . . . and wait for her US Visa approval to return to the U.S. I feel that [REDACTED] going to [REDACTED] will be faster because of the help that you can extend to her by asking assistance from your U.S. Embassy friends in [REDACTED]."

103. [REDACTED] was able to secure a visa for his [REDACTED] [REDACTED], to enter [REDACTED] in [REDACTED]. This email also referred to a visa sought for her friend, which was not yet available, and [REDACTED] advised [REDACTED] to travel ahead of her friend.

104. In [REDACTED], [REDACTED] made an "abrupt request" for [REDACTED] to "assist, [his] [REDACTED], get a tourist visa." [REDACTED] replied informing [REDACTED] that "[u]nfortunately, [REDACTED] would not qualify for a visa as a young single [REDACTED] whose ties to the [REDACTED] are suspect. If I were to issue a visa this would put me in a very bad position of trying to respond to allegations of favouritism etc. The other [REDACTED] who received visas were professionals with prior travel abroad." [REDACTED] apologized, saying, "Thanks for your understanding and give my regards to [REDACTED]. I think she is a fine young lady and I wish her well."

105. [REDACTED] persisted and responded to this with details of his [REDACTED] overseas trips but [REDACTED] declined to help saying her application would raise "too many red flags in my office." He explained that such an application would not be granted in [REDACTED] and the issuance would be reported immediately. He informed [REDACTED] that his current office environment would make a positive adjudication in [REDACTED] case unlikely and that he would explain off-line.

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

106. On [REDACTED], [REDACTED] wrote an email to [REDACTED], warning her that [REDACTED], my friend in US embassy is leaving mid-July, instead of end July. If you need the visa from here, you should be here before he leaves [REDACTED]. Also if you

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come this time, you won't be able to come in December since education grant travel is only once a year."

107. During the period ██████████ (when ██████████), both ██████████ and ██████████ attended school in the United States of America. Numerous travel claims submitted by ██████████ for home leave, educational travel and relocation grants show these two children traveled to and from the United States on a number of occasions. The document entitled "Permission to Travel of a Minor," granting permission for ██████████ to travel to the United States of America, confirms that ██████████ appeared before a Notary Public on ██████████ and acknowledged under oath, his signature and his statements in the document which included the statement that he was ██████████ father. If the documents submitted by ██████████ and relied upon in support of their immigration visas, record him as their natural father, he either intentionally falsified official immigration documents or relied upon false birth certificates in order to obtain their US immigration visas.

108. In ██████████, ██████████ wrote in an email to ██████████ that he had helped ██████████, ██████████, obtain a visa. He had had a relationship with ██████████ for about eight months and he hoped she was doing well in the United States.

109. Although no evidence of any financial reward to or received by ██████████ for his facilitation of visa applications was identified, ██████████ knowingly used his official position and professional United Nations contacts to seek favours and preferential treatment for his ██████████ and other unidentified individuals seeking visas to the United States.

VIII. ██████████

110. As part of its investigation of ██████████-related procurement matters, the Task Force focused, *inter alia*, on the conduct of ██████████. Section VIII.A below describes Task Force's findings with regard to ██████████'s unauthorized outside employment and occupation, as well as close association with certain profit-making ventures. Section VIII.B below addresses the conflict of interest suffered by ██████████ as a result of the private business relationship he established with two ██████████ vendors, ██████████ and ██████████, at the time they performed work under ██████████ contracts for which ██████████ was the requisitioner. The investigation has revealed that ██████████ received a discount on a private contract with a vendor who, *at the very time that the personal discounts were provided*, sought United Nations contracts in ██████████ requisitioned by ██████████ office. ██████████ was responsible for the evaluations of the proposals submitted by the participating vendors and signed off on technical evaluation reports which were relied upon by the Procurement Unit in the selection of the contractor for the award.

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STRICTLY CONFIDENTIAL**A. [REDACTED] ASSOCIATION WITH CERTAIN COMPANIES**

111. During the course of its investigation, the Task Force identified evidence that, between [REDACTED] and [REDACTED], [REDACTED] co-managed the activities of [REDACTED], an [REDACTED]-based private company. Further, between [REDACTED] and [REDACTED], [REDACTED] actively participated in the business activities of [REDACTED], also an [REDACTED]-based private enterprise registered in his [REDACTED] name. As discussed below, [REDACTED] pursued his private business interests during his employment with the United Nations, and often during considerable time periods within official UN working hours.

1. [REDACTED]

112. [REDACTED] was an [REDACTED]-registered trading company specializing in various commodities. The company was registered in [REDACTED] under the names of [REDACTED], [REDACTED], and [REDACTED]. [REDACTED] was also recorded as the company's General Manager. [REDACTED] stated that he inherited the business after his [REDACTED].

113. [REDACTED] had a broad range of business activities, including real estate and rental services.

REDACTED

Figure: [REDACTED] Memorandum of Association ([REDACTED]) (translated from [REDACTED])

114. Based on the records provided by [REDACTED], [REDACTED] total annual sales of this company amounted to [REDACTED] in [REDACTED] (approximately US\$8,240) and 29,030 [REDACTED] in [REDACTED] (approximately US\$3,437).

115. Although the records show that the company was formally registered in his [REDACTED] name, the investigation has established that, as early as [REDACTED], [REDACTED] was directly managing the activities of the company. The Task Force identified numerous emails between [REDACTED] from and to [REDACTED] with regard to [REDACTED] (some of these emails are discussed below). These emails show that [REDACTED] had full decision-making authority with regard to the recruitment of employees, employment and other business-related costs and expenditures, and determining [REDACTED] business activities.

116. The evidence identified by the Task Force demonstrates that, as early as [REDACTED], [REDACTED] was engaged in an effort to hire a [REDACTED] national with international business background to assist him in the running and managing of [REDACTED] from [REDACTED]. [REDACTED] was actively seeking opportunities to sell [REDACTED] goods in [REDACTED] and was looking for someone with business experience to

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assist him in the enterprise, as he lacked this expertise. As shown in the figures below, [REDACTED] anticipated paying his employee a salary and a set commission on future business profits.

[REDACTED]

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

[REDACTED]

Figure: [REDACTED] email to [REDACTED] ([REDACTED]) (translated from [REDACTED])

117. [REDACTED] agreed to employ [REDACTED], a [REDACTED] citizen, as his business associate to help him develop business trade with [REDACTED]. In his email to [REDACTED], dated [REDACTED], [REDACTED] discussed two available options to secure an [REDACTED] work permit for [REDACTED] so that he could move to [REDACTED] and assist with [REDACTED] business activities:

[REDACTED]

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

[REDACTED]

Figure: [REDACTED] email to [REDACTED] ([REDACTED]) (translated from [REDACTED])

118. Two weeks after the [REDACTED] message shown above, [REDACTED] wrote: "I have decided that there is nothing wrong if I took the easiest route – a tourist visa that can be extended here for up to six months." [REDACTED] then asked for copies of [REDACTED] passport to be sent to him so that he could secure [REDACTED] tourist visa for six months. In his [REDACTED] email (shown below), [REDACTED] stated that [REDACTED] first contract would be with him and not with [REDACTED] and that he would pay [REDACTED] a salary of US\$700 per month and a twenty percent commission on future business profits. He further stated that he would give [REDACTED] a car with a driver during work hours and requested that [REDACTED] get in touch with some companies in [REDACTED] and bring some product samples to [REDACTED]. The figure below contains an [REDACTED] translation of [REDACTED] email (the original email is shown in Annex A to this Report).

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REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED]) (translated from [REDACTED])

119. On [REDACTED], [REDACTED] moved to [REDACTED] to work for [REDACTED] in his trade business. [REDACTED] apartment and office space were in the [REDACTED] embassy compound, where [REDACTED] resided (and continues to reside) with his [REDACTED]. The Task Force obtained evidence showing that [REDACTED] submitted his expense report for [REDACTED] [REDACTED] (including his salary) directly to [REDACTED]

120. Both [REDACTED] and [REDACTED] were involved with [REDACTED] business activities and [REDACTED] sent communications on behalf of [REDACTED] while at work and during working hours. On [REDACTED]—shortly after [REDACTED] arrival to [REDACTED]—[REDACTED] sent numerous messages from his UN email account with attachments discussing different business opportunities, including the production of various items and products.

121. For instance, one of the emails sent on [REDACTED] from [REDACTED] United Nations email account to [REDACTED] included a letter addressed to [REDACTED].”

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED]) (containing attachment entitled [REDACTED])

122. The attached letter (shown below), contained a proposal to [REDACTED] of [REDACTED] to set up a new waffle production in [REDACTED] with [REDACTED] providing land, space, labor force, and marketing. Notably, the contact information in the letter attached to the [REDACTED] email shown above included [REDACTED] name and his United Nations office facsimile number and email.

REDACTED

Figure: [REDACTED] letter to [REDACTED] ([REDACTED]) (attached to the [REDACTED] email sent to [REDACTED]) (with [REDACTED])

123. On [REDACTED], another email was sent from [REDACTED] email account, signed by “[REDACTED],” addressed to [REDACTED]. The communication concerned products that [REDACTED], as [REDACTED], would have dealt with as part of his official duties. Specifically, the message discussed the unit prices of [REDACTED], as well as the right for an exclusive representation of [REDACTED]

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businesses in [REDACTED]. As shown in the figures below, [REDACTED] provided his office facsimile number.

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED]) (translated from [REDACTED])

124. On [REDACTED], an email was sent from [REDACTED] official [REDACTED] email address to [REDACTED] at [REDACTED], requesting that [REDACTED] company issue a letter granting [REDACTED] exclusive rights to trade in their products in [REDACTED]. The email provided [REDACTED] United Nations office contact information and requested that the letter be addressed to "[REDACTED]"

125. Three days later, on [REDACTED], an email was sent from [REDACTED] email account to [REDACTED], offering [REDACTED] assistance with preparation and submission of tenders for a local factory.

126. On [REDACTED] an email was sent from [REDACTED] email address to [REDACTED], offering [REDACTED] assistance with submitting joint bids for various tenders and discussing [REDACTED] contacts in [REDACTED]

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED]) (translated from [REDACTED])

127. Investigators obtained copies of communications showing that [REDACTED] remained involved in [REDACTED] activities at least until late [REDACTED]. For example, on [REDACTED] [REDACTED] received an email from "[REDACTED]" The email contained a copy of another email communication from "[REDACTED]" at [REDACTED] discussing various projects, including purchases of equipment for production of [REDACTED] and other items. On [REDACTED] [REDACTED] received another email from "[REDACTED]" at [REDACTED], attaching an Excel file entitled "Borrowed Money Ledger."

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Notably, the email address [REDACTED] appears on [REDACTED] official letterhead, which indicates that [REDACTED] and [REDACTED] were, in fact, associated with each other. [REDACTED] involvement with [REDACTED] is discussed in Section VIII.A.2 of this Report.

128. On [REDACTED], [REDACTED] sent an email from his [REDACTED] email account, stating, "This afternoon I have a meeting . . . to tell me what we are doing with [REDACTED] and with the purchase of 'land'."

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED] (translated from [REDACTED])

129. Investigators asked [REDACTED] about the nature of his association with [REDACTED]. [REDACTED] denied that he was involved in any outside occupation or employment while serving as a United Nations staff member and his participation in [REDACTED] business activities was only to help his [REDACTED] and his [REDACTED] succeed in their business endeavors. [REDACTED] asserted that he had no involvement in [REDACTED] business activities and was not paid any monies or any other compensation in connection with its activities.

130. [REDACTED] stated that his [REDACTED] owned ninety-five percent of [REDACTED] and the remaining five percent belonged to [REDACTED]. [REDACTED] explained that, because his [REDACTED] was [REDACTED], all properties were registered in his [REDACTED] name. [REDACTED] asserted that he inherited fifty percent of the company after his [REDACTED]. According to [REDACTED], he started the process of closing the company right after [REDACTED] and the company has been liquidated. [REDACTED] offered that [REDACTED] was not a successful venture.

131. [REDACTED] admitted sending emails in connection with [REDACTED] during [REDACTED] office hours and expressed regret over sending them from his official United Nations email account. However, he asserted that his involvement was limited to sending emails on behalf of [REDACTED] and [REDACTED].

132. Although the Task Force was unable to ascertain whether [REDACTED] received any remuneration in connection with [REDACTED], it is clear that [REDACTED] involvement amounted to outside occupation and employment. [REDACTED] directly participated in and managed the activities of [REDACTED], a private business enterprise, carried out certain company-related tasks, and exercised control over the company, while employed by the United Nations, and often during working hours (although this is not a dispositive factor in the analysis). Specifically, [REDACTED] hired a new business associate, [REDACTED], negotiated the terms of his contract, identified lines of business for [REDACTED], and conducted negotiations with other companies with regard to purchase of various products and commercial representation. Further, [REDACTED] carried out his private business activities during his official United Nations office hours and using United Nations ICT resources.

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133. There is no evidence that [REDACTED] requested or received any authorization from the Secretary-General to engage in any outside occupation or employment. This was confirmed by [REDACTED] who conducted a review of [REDACTED] personnel file, as did the Task Force. It should be noted that [REDACTED] is an internationally recruited staff member with a resident identification issued by the [REDACTED] [REDACTED] valid for the duration of his employment with the United Nations and restricted to his employment with the United Nations only.

134. Further, [REDACTED] actively associated himself with the management of [REDACTED]. At the same time, [REDACTED] was the [REDACTED] and [REDACTED] business interests and activities closely related to [REDACTED] official responsibilities and covered, in part, [REDACTED]. Numerous emails related to [REDACTED] and sent by [REDACTED] show that [REDACTED] advanced his private business interests using his position with the United Nations and through the Organization's ICT resources. Therefore, the Task Force finds that [REDACTED] conduct was in violation of Staff Regulations 1.2(g), 1.2(m), 1.2(o), and 1.2(q).

2. [REDACTED]

135. [REDACTED] is an [REDACTED]-based manufacturing company producing [REDACTED] products, including concrete tiles. According to [REDACTED], the company was registered on [REDACTED] in the name of his [REDACTED]. [REDACTED], [REDACTED], lived in [REDACTED] and other [REDACTED] countries for more than fourteen years. In the early [REDACTED], he was involved in the [REDACTED], working for [REDACTED], an [REDACTED] company.

136. According to [REDACTED], between [REDACTED] and [REDACTED] moved back to [REDACTED] to establish [REDACTED]. In [REDACTED] he was granted a foreign investor permit for "manufacturing of articles of cement, concrete and plasters." In [REDACTED], [REDACTED] left the business and moved to [REDACTED] to work for [REDACTED], a subsidiary of [REDACTED] company. According to [REDACTED], [REDACTED] is still operational.

137. Based on the records provided to the Task Force by [REDACTED], [REDACTED] revenue in 2008 was 683,666 [REDACTED] (approximately US\$70,841) and its net income was 31,161 [REDACTED] (approximately US\$3,229). Although [REDACTED] did not generate any net income between [REDACTED] its revenues amounted to 307,533 [REDACTED] (US\$36,808) in [REDACTED], 497,551 [REDACTED] (US\$57,320) in [REDACTED], 437,830 [REDACTED] (US\$51,844) in [REDACTED], and at least 189,366 [REDACTED] (US\$21,224) in [REDACTED]. Based on the records obtained by the Task Force, [REDACTED] had fifteen employees in [REDACTED].

138. As discussed below, evidence was identified demonstrating that between as early as [REDACTED] and as late as [REDACTED], [REDACTED] participated in [REDACTED] activities.

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139. On [REDACTED], [REDACTED] sent an email to [REDACTED], Export Manager of [REDACTED], discussing business opportunities. The letter contained one attachment (discussed below).

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

140. The document attached to the email above was a letter, addressed to [REDACTED] and signed "[REDACTED]" requesting [REDACTED] to provide contact details for suppliers of various concrete pigments. The letter described [REDACTED] as manufacturer of concrete paving tiles, curbs, fence posts, and fence panels. Although the letter was signed "[REDACTED]," the contact details in the letter included [REDACTED] email account and office fax number:

REDACTED

Figure: [REDACTED] letter to [REDACTED] ([REDACTED])

141. [REDACTED] replied on the same day, stating that he would get back with product and price information. [REDACTED] reply was sent to [REDACTED] email address at the [REDACTED]

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

142. On [REDACTED], [REDACTED] sent an email to [REDACTED], a [REDACTED] chemical company, inquiring about pigments for concrete. On [REDACTED], [REDACTED] replied to [REDACTED], addressed to "[REDACTED]," stating that her company was the authorized dealer for pigment colors in [REDACTED] for [REDACTED] and that she needed more details about what pigment colors and types he wanted to buy.

REDACTED

Figure: [REDACTED] to [REDACTED] ([REDACTED])

143. In his interview with the Task Force and subsequent communications, [REDACTED] asserted that [REDACTED] belongs to his [REDACTED], and stated that [REDACTED] had asked him to send these emails on his behalf. [REDACTED] explained that [REDACTED] would sometimes provide him with draft emails and ask him to send them to other companies.

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144. [REDACTED] further stated that [REDACTED] is still a registered business in [REDACTED], and since his [REDACTED] departed to [REDACTED] in [REDACTED] the company is managed by an [REDACTED] national.

145. The Task Force was unable to ascertain the exact identity of the past and current owners of [REDACTED]. However, Task Force investigators identified an email from [REDACTED] to his [REDACTED], [REDACTED], dated [REDACTED], attaching several [REDACTED] accounting records (including records dated after [REDACTED]).

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

146. Attached to the email above were [REDACTED] expense reports for [REDACTED] summaries of purchase invoices, and receipts for the period of [REDACTED].

147. Also recovered during the investigation was a copy of a letter from [REDACTED] to the taxation department of [REDACTED] dated [REDACTED]. The letter provided [REDACTED] as [REDACTED] contact email address.

148. During the interview with the Task Force, [REDACTED] denied creating these documents and stated that they were located on his computer because his [REDACTED] asked him to send them by email to his [REDACTED]. [REDACTED] also stated that it could have been his [REDACTED] who used his computer to send the documents to his [REDACTED]. However, [REDACTED] acknowledged to the Task Force that he mixed official working hours with personal businesses and that he should not have used United Nations ICT resources to conduct his private business activities.

149. The Task Force finds that, between [REDACTED] and [REDACTED] actively associated himself with the management of [REDACTED] and it was possible for [REDACTED] to benefit from his association by reason of his position with the United Nations, in violation of Staff Regulations 1.2(g), 1.2(m), and 1.2(q). During this time, [REDACTED] was the [REDACTED] and [REDACTED] was actively engaged in [REDACTED]-related business.

B. [REDACTED] AND [REDACTED] VENDORS

150. The [REDACTED] is a [REDACTED] in [REDACTED] owned by [REDACTED]. It was [REDACTED] by [REDACTED], with some work for the project performed by [REDACTED]. Both companies at the time were United Nations vendors and contractors. The [REDACTED] formally in the name of [REDACTED]. However, the building was managed by [REDACTED], who also paid approximately US\$280,000 for the [REDACTED] of the [REDACTED]. Further, [REDACTED] selected [REDACTED] and [REDACTED] to perform the [REDACTED] on the building. These two vendors have

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significant ties to [REDACTED] and have performed extensive work on behalf of the United Nations in [REDACTED].

151. Significantly, at the time [REDACTED] were working on the [REDACTED] of the [REDACTED], these contractors were also performing [REDACTED] contracts at the [REDACTED] office supervised their contracts, and served as the requisitioner. This Section of the Report describes the conflict of interest suffered by [REDACTED] and the appearance of favouritism and impropriety that resulted from [REDACTED] private business with [REDACTED] at the time he requisitioned these companies' services and supervised their work under valuable [REDACTED] contracts. Discounts provided by [REDACTED] to [REDACTED] at the time [REDACTED] was bidding on United Nations contracts, is evidence of corrupt activity.

1. Contract with [REDACTED]

152. The [REDACTED] of the [REDACTED] began in [REDACTED] and was concluded in [REDACTED] with some additional work executed in the following months. [REDACTED] chose [REDACTED] as his [REDACTED] contractor. Prior to engaging the services of [REDACTED], [REDACTED] conducted his own "bidding exercise" and reviewed four submissions, including submissions from three [REDACTED] contractors, one of which was from [REDACTED]. [REDACTED] was the person who evaluated the submissions.

153. The contract was ultimately signed between [REDACTED] and [REDACTED] on [REDACTED] and stipulated a total of 600,000 [REDACTED] (approximately US\$71,790) to be paid to [REDACTED]. [REDACTED] the [REDACTED] for the [REDACTED].

154. Three requests for bank transfers to [REDACTED]—the [REDACTED] [REDACTED], the [REDACTED]—were made from [REDACTED] personal bank accounts, totaling US\$102,000. The first request, for US\$10,000, was dated [REDACTED] the second request, for US\$72,000, was dated [REDACTED]; and the third request, for US\$20,000, was dated [REDACTED].

155. [REDACTED] request for a bank transfer to [REDACTED] is set forth below.

REDACTED

Figure: [REDACTED] request for a bank transfer to [REDACTED] ([REDACTED])

156. [REDACTED] could not recall the specific amounts of the transfers he received from [REDACTED], but confirmed to the Task Force that these transfers were the means were in relation to the [REDACTED].

157. [REDACTED] admitted that he, as the [REDACTED], was the requisitioner for several [REDACTED] contracts [REDACTED] received from the [REDACTED] before, during, and after the [REDACTED] of the [REDACTED]. He also confirmed that [REDACTED] built the

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[REDACTED] and he paid [REDACTED] approximately US\$100,000 for the [REDACTED] work. [REDACTED] provided receipt vouchers in his name for 140,000 and 60,000 [REDACTED], dated [REDACTED], respectively, and one receipt voucher in the name of "[REDACTED]," his [REDACTED] for 350,064 [REDACTED] dated [REDACTED].

158. Set forth below is a copy of a receipt voucher for 140,000 [REDACTED] (approximately US\$16,171) paid by [REDACTED] to [REDACTED] as an advanced payment for the [REDACTED] of the [REDACTED].

REDACTED

Figure: [REDACTED] receipt voucher [REDACTED] ([REDACTED])

159. According to [REDACTED], the company provided a discount of between three to five percent to [REDACTED] and this discount was "normal practice" in the [REDACTED] business in [REDACTED] and asserted it was not given to [REDACTED] as preferential treatment. The pure circumstance of this transaction, however, demonstrates an impermissible arrangement, and certainly the appearance of favouritism and corruption.

160. [REDACTED] declined to provide any records for payments received in connection with the [REDACTED] or to disclose to the Task Force the total amount of the contract or the exact amount of the discount, stating that the contract was signed between [REDACTED] and [REDACTED] rather than [REDACTED].

161. However, through its investigative efforts, the Task Force recovered an Excel document entitled "Bill of Quantity for [REDACTED] [REDACTED]". The Bill of Quantity shows a discount of 6.5 percent applied to the amounts to be paid to [REDACTED] for the [REDACTED]. According to the Bill of Quantity, the amount to be paid to [REDACTED] was 2,160,103 [REDACTED] (approximately US\$249,377). This amount reflects a 6.5 percent discount applied to the original amount [REDACTED] was supposed to pay to [REDACTED], far in excess of the amount [REDACTED] asserted that it had provided. [REDACTED] statement to the Task Force that the discount was between three and five percent when in fact it was 6.5 percent, diminishes the credibility of the company and its officials. Further, the fact of the more significant discount, coupled with the false statement and the timing when the discount was made, provides evidence of a *quid pro quo* arrangement.

162. The Bill of Quantity contains line items entitled "Payments made to [REDACTED]" for the [REDACTED]. These line items add up to a total amount of US\$145,035, with an outstanding balance of US\$97,171.

163. The forensic analysis of the Bill of Quantity shows that the file was created on [REDACTED] and last modified on [REDACTED]. Thus, it is a contemporaneous record created and maintained by [REDACTED] reflecting the financial transactions at the time they took place. Notably, the information in the Bill of Quantity concerning payments to

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██████████ matches the information concerning these transactions that the Task Force obtained from other records and sources.

164. When interviewed by the Task Force on ██████████, ██████████ stated that he did not remember whether he had received any discounts from ██████████ in connection with the ██████████. However, on ██████████, in response to a written request made by the Task Force on ██████████, ██████████ acknowledged that he negotiated and received a 6.5 percent discount from ██████████. He also provided, as an attachment to his ██████████ email, a bill of quantities with his hand written notes reflecting the discount he received from ██████████

REDACTED

Figure: ██████████ Bill of Quantities (undated)

165. Significantly, *at the same time* ██████████ was working on the ██████████ (between ██████████), the company received two ██████████ contracts with a combined value of US\$136,565. As the ██████████ was the requisitioner for each of these contracts. This circumstance is highly problematic, and demonstrates at least the appearance of favouritism. This circumstance also fully undermines the credibility of these procurements and impedes the impartiality ██████████ was obligated to maintain on behalf of the United Nations.

166. One of these contracts—for ██████████—was valued at US\$18,348. This contract was awarded in ██████████ to ██████████ without conducting a competitive bidding process after ██████████, ██████████ requested a waiver of the procurement rules. ██████████ agreed to ██████████ request “due to the urgency of the project” and recommended the award of the contract to ██████████.

167. The second contract, ██████████, had a total value of US\$118,217. ██████████ signed off on the technical evaluation report which recommended the awarding of the contract to ██████████. The technical evaluation was conducted by two ██████████ staff members, both of whom reported directly to ██████████, and one staff member from the ██████████. The figure below shows a copy of ██████████ memorandum to ██████████.

REDACTED

Figure: ██████████ memorandum to ██████████ (██████████)

168. ██████████ office, ██████████, was responsible for providing provisional and final acceptance certificates, and for recommending the release of the retained performance bond (ten percent of the contract value). With regard to the contract discussed in the

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figure above, [REDACTED] office issued requests to [REDACTED], throughout the contract execution period, for “appropriate action” to approve and issue payments to [REDACTED].

2. Contract with [REDACTED]

169. Between [REDACTED], [REDACTED] performed the [REDACTED] on the [REDACTED], which included [REDACTED]. The figure below shows an email sent on [REDACTED] by [REDACTED] to [REDACTED] detailing work performed by [REDACTED]:

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

170. The Task Force identified a US\$4,800 bank transfer request, dated [REDACTED], from [REDACTED] personal bank account to [REDACTED]. Set forth below is a copy of this request.

REDACTED

Figure: [REDACTED] bank transfer request to [REDACTED] ([REDACTED])

[REDACTED] confirmed that he received this transfer as a payment for the work his company performed on the [REDACTED], and that [REDACTED]. On [REDACTED] [REDACTED] was requested to provide payment records relating to the [REDACTED], and in response, he provided a copy of an “Advice of Debit” of JPMorganChase dated [REDACTED], which reflect a transfer of US\$4,800 to [REDACTED], which is set forth below.

REDACTED

Figure: JPMorganChase advice of debit ([REDACTED])

171. At the same time [REDACTED] was working on [REDACTED], the company obtained valuable [REDACTED] contracts. [REDACTED] was the requisitioner and supervisor for these contracts. The Task Force found emails between [REDACTED] dealing simultaneously with official work [REDACTED] was performing for the [REDACTED] and private work for [REDACTED]. For example, the figure below contains an email from [REDACTED], dated [REDACTED].

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REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

172. When confronted with this email, [REDACTED] admitted that [REDACTED] was working both on the [REDACTED] and for the [REDACTED] at the same time. [REDACTED] further admitted that his dual role and resulting email communications created a conflict of interest on his part and that he was spending United Nations time dealing with his private business. The fact that [REDACTED] was the [REDACTED] [REDACTED] of this procurement, and at the same time, was engaged in a private venture with it, is highly improper and impermissible. This relationship taints the integrity of the procurement process.

173. Between [REDACTED], at the time [REDACTED] was performing work for [REDACTED], it received four [REDACTED] contracts with a total value of over US\$54,000, all of which were awarded over an eleven day period. [REDACTED] personal relationship with [REDACTED] at the time undermines the integrity and transparency of the procurement process.

174. On [REDACTED], [REDACTED] was awarded a contract [REDACTED] [REDACTED], for a total value of US\$14,598. Only [REDACTED] submitted bids for this contract. No evaluation committee evaluated these bids. The technical evaluation report consisted only of a one-page memorandum signed by [REDACTED] stating that both contractors could perform the required works, and therefore [REDACTED] should proceed with the lowest offer.

175. On [REDACTED], [REDACTED] was awarded a contract [REDACTED] [REDACTED], with a total value of US\$21,354. [REDACTED] signed off on the technical evaluation report which recommended a number of contractors for this contract, including [REDACTED]. The technical evaluation committee was composed of just two [REDACTED] staff members, namely [REDACTED] and [REDACTED], both of whom reported directly to [REDACTED]. Set forth below is copy of the technical evaluation report signed by [REDACTED].

REDACTED

Figure: [REDACTED] memorandum to [REDACTED] ([REDACTED])

176. On [REDACTED], [REDACTED] was awarded a contract [REDACTED] [REDACTED] with a total value of US\$5,529. [REDACTED] was the only company to submit a bid for this contract and once again no technical evaluation committee was formed to consider the bid. The technical evaluation report consisted only of a one-page memorandum signed by [REDACTED] and recommending the award of this contract to [REDACTED]. Set forth below is a copy of the one-page technical evaluation report signed by [REDACTED].

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REDACTED

Figure: [REDACTED] memorandum to [REDACTED] ([REDACTED])

177. On [REDACTED], [REDACTED] was awarded a contract [REDACTED] with a total value of US\$13,075. [REDACTED] also signed off on the technical evaluation report which recommended awarding this contract to [REDACTED] among other contractors. The technical evaluation committee for these contracts was yet again composed of only two [REDACTED] staff, [REDACTED], both of whom reported directly to [REDACTED].

178. For all contracts related to [REDACTED] [REDACTED] was the requisitioner and responsible for appointing the technical evaluation committees, or agreed upon their composition.

179. [REDACTED] met with team leaders of the evaluation committees before the evaluations began. In these meetings, [REDACTED] would provide input regarding the grades to be awarded in the technical evaluation. [REDACTED] input was vital in the evaluation process, even though the technical committee itself graded the bidders.

180. Further, [REDACTED] reviewed the technical evaluation committee's proposals and endorsed their evaluation reports by signing off a memorandum which was then sent to the [REDACTED] with the recommended contractor or contractors. Thereafter, the [REDACTED] conducted the financial evaluation of the contractors which had been recommended by [REDACTED].

181. In the same way as [REDACTED] was responsible for making requests to [REDACTED] in relation to payments for [REDACTED] detailed above, throughout the execution of these contracts he certified the work [REDACTED] performed at the [REDACTED] as completed, prior to requesting [REDACTED] for appropriate action to effect payment. [REDACTED] office, [REDACTED], had to receive and certify that the work [REDACTED] performed at the [REDACTED] was completed prior to requesting [REDACTED] for appropriate action to effect payment.

182. Evidence was identified that [REDACTED] had asked [REDACTED] to make efforts to expedite [REDACTED] payments. [REDACTED] followed upon [REDACTED] request, by promptly responding with the payment date. Set forth below is a copy of [REDACTED] email to [REDACTED], dated [REDACTED].

REDACTED

Figure: [REDACTED] email to [REDACTED] ([REDACTED])

3. [REDACTED] explanations concerning [REDACTED]

183. During the [REDACTED] interview with the Task Force, [REDACTED] was asked why he had placed himself in a position of conflict of interest by contracting with United

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Nations vendors for his personal [REDACTED] project, whilst he was simultaneously the requisitioner and supervisor of [REDACTED] contracts the same vendors were performing for the [REDACTED]. [REDACTED] said that he knew that something was wrong. He further admitted that the dual relationship with these vendors was improper.

184. [REDACTED] told investigators that he had contacted the Ethics Office for advice. In his response to the Task Force's Voluntary Information Disclosure Request, [REDACTED] provided a copy of an email dated [REDACTED] that he sent to the United Nations Ethics Office. It was the only document that [REDACTED] was able to provide in support of his submission that he disclosed the conflict of interest pertaining to [REDACTED] and [REDACTED].

185. The Task Force has considered [REDACTED] email dated [REDACTED], as well as his Financial Disclosure Statements for [REDACTED], and finds that [REDACTED], in fact, failed to disclose this conflict of interest, and, furthermore, has provided the Ethics Office with inaccurate and misleading information. [REDACTED] submissions to the Ethics Office, including his [REDACTED] email, are discussed in Section VIII.C below.

186. [REDACTED] asserted in his written response to the Notice of Findings Letter that he and his office did not approve technical evaluation reports. According to [REDACTED], he only reviewed the evaluation reports performed by the technical evaluation committee "in terms of number and qualifications of the team members, the extend [sic] to which the committee adheres to pre-established evaluation criteria and the form of presentation."

187. This assertion is inconsistent with the records obtained, as well as with [REDACTED] own statement during his [REDACTED] interview. In his interview, [REDACTED] stated that he appointed the technical evaluation committee, reviewed the draft evaluation reports, and signed them if he agreed with the committee proposals. [REDACTED] explained that it was his signature on the technical evaluation memoranda that were sent to the Procurement Unit and his role was to oversee the entire technical evaluation process.

188. Accordingly, [REDACTED] involvement in the technical evaluations was not limited solely to checking qualifications of the team members, and determining whether they followed pre-established procedures and adhered to the correct form of presentation of the report. He directly and substantively participated in the technical evaluation process and outcome. Technical evaluation is a vital stage of the procurement process as only companies which qualify in the technical evaluation can be considered by the [REDACTED] for the award of the contract. The technical evaluation committee's recommendations are therefore crucial in the procurement process and it is in this stage that [REDACTED] had both the opportunity and the capacity to favour [REDACTED]

REPORT ON [REDACTED] PROCUREMENT AND [REDACTED]
STRICTLY CONFIDENTIAL**4. Findings**

189. The wealth of evidence discussed above demonstrates that that [REDACTED] suffered from a conflict of interest and acted in violation of the Organization's financial and procurement regulations and procedures when he engaged in personal business activities with United Nations vendors [REDACTED] at the time these companies were bidding for [REDACTED] contracts and working for [REDACTED] projects at the [REDACTED]. [REDACTED] was the requisitioner for these contracts and, as the [REDACTED], signed off on the technical evaluation committee reports recommending the award of contracts to these companies. The fact that [REDACTED] received a financial benefit from [REDACTED] not only constitutes evidence of corruption, but undermines the integrity of the process.

190. [REDACTED] conducted a private bidding competition and solicited submissions from four vendors, including [REDACTED], for the [REDACTED]. [REDACTED] conducted the "exercise" himself. The fact remains that in or around [REDACTED], [REDACTED] selected [REDACTED], who provided him with a discount of 6.5 percent on the price of the [REDACTED] work. Between [REDACTED], whilst [REDACTED] was working on [REDACTED], the company was awarded two contracts with a combined value of US\$136,565. [REDACTED] was the requisitioner for each of these contracts. He also signed the technical evaluation reports recommending the award of contracts to [REDACTED] and was responsible for supervising the company's work. Upon completion of work, [REDACTED] was responsible for submitting requests to [REDACTED] to proceed with the "appropriate action" to provide payments to [REDACTED].

191. In connection with the contract awards, [REDACTED] appointed the members of the committee and reviewed the committee's evaluations. [REDACTED] practice was to meet with the technical evaluation committee and provide "vital" input about the bidders and the grading to be given for the technical evaluation. Thus, [REDACTED] certainly had the ability to influence the outcome of the bidding process.

192. [REDACTED] also negotiated and received a discount of 6.5 percent from [REDACTED] as discussed above. Significantly, the work for which he received this discount was ongoing during the time in which he had both the opportunity and capacity to favour or benefit [REDACTED]. This circumstance creates the appearance of a *quid pro quo* arrangement for the UN contracts.

193. [REDACTED] conflict of interest with [REDACTED] presented itself in an even more troubling context in [REDACTED] when [REDACTED] requested the procurement of the [REDACTED] contract (valued at US\$18,348), and seconded a request to waive the procurement rules for this project. At [REDACTED] direct recommendation, [REDACTED] was awarded the contract, for which no technical evaluation was conducted, despite the fact that [REDACTED] was simultaneously employed by [REDACTED] in his personal capacity, and thus in a position to favour the company in the bidding process.

194. Further, [REDACTED] engaged in personal business with the company [REDACTED] between [REDACTED], at the time this company was receiving and performing [REDACTED] contracts. [REDACTED] hired [REDACTED] to perform [REDACTED].

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██████████ In this relatively short timeframe of five months, ██████████ succeeded in securing four ██████████ contracts with the ██████████, totaling US\$54,556. As the ██████████ was the requisitioning officer for each of these four contracts and recommending the contract awards.

195. With regard to some of the procurement exercises involving ██████████ also failed to organize a formal technical evaluation process. In those instances, ██████████ signed off on purported technical evaluations committee reports (although no proper technical evaluations were, in fact, carried out). ██████████ was in a position to favour ██████████ in the technical evaluation stage of the procurement process, and in several other phases during the execution of the contract.

196. ██████████ conflict of interest, resulting from his private business projects with United Nations vendors, created the perception that the evaluation process may have been conducted improperly and corruptly, and that ██████████ were awarded contracts because of their personal dealings with ██████████.

197. As the requisitioning officer for ██████████ contracts for the ██████████ should have avoided engaging in private business projects with ██████████ vendors. Further, ██████████ as a United Nations staff member, was in no position to accept a discount from ██████████ in relation to his private business project. In fact, by accepting the discount, he acted in violation of Section 4 of the 2004 Procurement Manual and Staff Regulation 1.2(1), which provides that “[n]o staff member shall accept any honour, decoration, favour, gift or remuneration from any non-governmental source without first obtaining the authority of the Secretary-General.”

198. ██████████ had an overarching duty to ensure that he acted—and was seen to act—with the interest of the Organization only in mind. Acting in the best interests of the United Nations, including in financial and procurement matters, is one of the most important and long-standing principles expressed in the Organization’s rules and regulations—including those applicable at the time of the events discussed in this Report.

199. Further, according to Section 1.1(9) of the 2004 Procurement Manual, ██████████ was required to comply with its provisions, including, *inter alia*, Section 11.1(2), which requires that, “in order to meet public scrutiny,” the source selection process shall be objective to ensure “that the UN is perceived as fair and reasonable in taking objective decisions regarding procurement.” This principle of objectivity and fairness is further emphasized in the Financial Regulations and Rules of the United Nations, specifically, in Financial Regulation 5.12, which listed “[f]airness, integrity and transparency,” as well as “the interest of the United Nations” among the core procurement principles.

200. The evidence identified by the Task Force shows that ██████████ suffered from a conflict of interest as a result of his relationship with ██████████. ██████████ was engaged in personal business with these companies at the time they were awarded multiple contracts with the ██████████ and participated in procurement exercises for projects requisitioned and supervised by ██████████. ██████████ was in a position to influence the outcome of the technical evaluation process and on more than one occasion engaged

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in behaviour that, at the very least, appeared to inappropriately favour each of these companies. On at least two occasions, [REDACTED] personally evaluated proposals of these vendors, and in all cases, he signed off on the technical evaluation reports recommending these UN vendors for the award of valuable United Nations contracts. Furthermore, the fact that [REDACTED] did not disclose to the Organization that he received a personal discount from an [REDACTED] vendor, whose work he supervised, compromised the integrity of the procurement. As a result, [REDACTED] conduct demonstrates that an actual conflict of interest existed in violation of the Financial Regulations and Rules of the Organization and the Procurement Manual. [REDACTED] false statements about the nature and extent of the discount provided, is evidence of consciousness of guilt.

C. [REDACTED] DISCLOSURES TO THE UNITED NATIONS

201. As discussed in Section VIII.B above, [REDACTED] represented to investigators that he had disclosed to the [REDACTED] any potential conflict of interest he might have had in relation to the United Nations. [REDACTED] was able to produce only one document in support of his claim, namely his [REDACTED] email to the [REDACTED], seeking advice concerning a “real or perceived conflict of interest” in relation to consultancy services for the [REDACTED].” In his email [REDACTED] stated, “One of the above mentioned companies [i.e., vendors bidding for [REDACTED] consultancy services contract] has been entrusted and hired by me some 3 years ago to [REDACTED].”

REDACTED

Figure: [REDACTED] email to United Nations [REDACTED] ([REDACTED])

202. It appears that [REDACTED] email did not relate to [REDACTED] and [REDACTED] and was in reference to another company, [REDACTED]. Notably, [REDACTED] did not provide any company names in his email. The Task Force’s records confirm that [REDACTED] was contracted by [REDACTED] to [REDACTED].

203. Further, although this email was sent more than *two years* after [REDACTED] began using the services of [REDACTED] and [REDACTED] for the [REDACTED], he failed to mention either of these companies. He also failed to mention that both [REDACTED] and [REDACTED] had been in receipt of United Nations contracts for at least two years since the conflict of interest arose with regard to them during [REDACTED]. [REDACTED] also failed to provide notice that [REDACTED] gave him a *discount of 6.5 percent* in relation to the work the company performed [REDACTED].

204. In order to verify the nature and scope of [REDACTED] disclosures to the United Nations, the Task Force requested copies of [REDACTED] financial disclosure statements made to the [REDACTED]. The financial disclosure forms afford staff members the opportunity to disclose any potential or real conflict of interest for consideration by the [REDACTED]. On [REDACTED], the Task Force requested [REDACTED]

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[REDACTED] to provide copies of his financial disclosure forms submitted to the [REDACTED] or [REDACTED] between [REDACTED]. The Task Force also requested a letter authorizing it to obtain copies of his financial disclosure forms directly from the [REDACTED] of [REDACTED].

205. On [REDACTED], [REDACTED] provided the Task Force with a copy of one financial disclosure form ([REDACTED]) and the requested written consent for the Task Force to obtain copies of his financial disclosure forms from the [REDACTED] or [REDACTED]. On [REDACTED], in response to a request from the Task Force, [REDACTED] provided copies of [REDACTED] financial disclosure forms for [REDACTED].

206. In response to the question "Are you, or have you ever been involved in any other activity that could have an impact on your objectivity or independence in the performance of your duties for the United Nations, or otherwise affect the image or reputation of the Organization?" [REDACTED] replied in the negative in his [REDACTED] submissions.

207. The figure below contains an excerpt of [REDACTED] financial disclosure form received by the Task Force.

REDACTED

Figure: [REDACTED] Financial Disclosure Form ([REDACTED]) (covering reporting year [REDACTED])

208. Set forth below is an excerpt of [REDACTED] financial disclosure form received by the Task Force.

REDACTED

Figure: [REDACTED] Financial Disclosure Statement (covering reporting year [REDACTED])

209. The figure below shows an excerpt from [REDACTED] financial disclosure form.

REDACTED

Figure: [REDACTED] Financial Disclosure Statement (covering reporting year [REDACTED])

210. [REDACTED] similarly failed to disclose the nature of his involvement in the companies [REDACTED] and [REDACTED], the names of which do not appear on any of the financial disclosure forms submitted to the [REDACTED].

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211. In his disclosure form for [REDACTED] answered "yes" to the question "Do you have any leadership or policy making role in any non-United Nations entity (including membership on corporate boards)?" In the form, [REDACTED] stated, "As a father of my children who have inherited a small commercial company (not active at the moment) owned previously by my [REDACTED]." This explanation makes no reference to the name of the company, although it appears that [REDACTED] is referring to [REDACTED], which he told the Task Force is his [REDACTED] company. This explanation also suggests that [REDACTED] had inherited no share in the company himself. This is in direct contrast to the response made by [REDACTED] to the Task Force's Voluntary Information Disclosure Request, dated [REDACTED], which indicates that he inherited fifty percent of his [REDACTED] properties and liabilities. The [REDACTED] and [REDACTED] submissions to the [REDACTED] make no reference to any commercial companies inherited by his children.

212. Therefore, [REDACTED] made false and misleading representations and material omissions in his financial disclosure statements in [REDACTED], and [REDACTED]. [REDACTED] never informed the United Nations of his conflict of interest with United Nations vendors [REDACTED] and [REDACTED] over the [REDACTED] of his private building nor properly disclosed his association with [REDACTED] and [REDACTED].

IX. [REDACTED] PROJECT

213. As part of its investigation, the Task Force reviewed allegations concerning procurement exercise for [REDACTED] project, which included [REDACTED], and the [REDACTED] granted by the [REDACTED] where the [REDACTED] was to be [REDACTED]. This project is referred to in this Report as the [REDACTED].

214. It was alleged with regard to the [REDACTED] project that the procurement case was "irregularly processed" and one of the bidding vendors—[REDACTED]—was favoured by the [REDACTED]. This case was initiated by the OIOS Investigations Division in [REDACTED] and later referred to the Task Force.

215. The procurement of a contractor for this project began on [REDACTED]. Subsequently, three Requests for Proposals ("RFP") have been cancelled, the case has been presented to the [REDACTED] three times, and considered by the [REDACTED] at least six times. A fourth RFP has been initiated and responses to the Expression of Interest were evaluated in [REDACTED]. The procurement process for this project has been heavily criticized by both the LCC and HCC.

216. Tasked to investigate whether there had been favouritism and corruption in the [REDACTED] procurement, the Task Force's review of the process was frustrated by the absence of key files and records. No files for the first RFP could be located by the [REDACTED] and many files remain "missing" for the second and third RFPs.

REPORT ON [REDACTED] PROCUREMENT AND [REDACTED]
STRICTLY CONFIDENTIAL**A. ABSENCE OF PROPER RECORDS**

217. The Task Force has made numerous requests to the [REDACTED] for relevant procurement files and has physically reviewed hundreds of documents concerning the [REDACTED] project both during its trips to [REDACTED] and in [REDACTED]. However, despite significant efforts, investigators were unable to obtain many key records.

218. After several months of communications with the [REDACTED], a final request for the relevant procurement files relating to the [REDACTED] project was sent on [REDACTED] to [REDACTED] of the [REDACTED]. In response, the Task Force received complete documentation for only eight of the twenty-three items requested, incomplete records for four items, and no documentation at all concerning the remaining eleven. The failure by the [REDACTED] to locate these records hindered the investigation and made the review of this particularly lengthy and complicated procurement process very difficult. This is an absolutely unacceptable circumstance.

219. [REDACTED] of [REDACTED], explained that some of the requested files could not be found and that "these documents have been misplaced/misfiled as the system for maintaining records was not as efficient as it should have been. This combined with a lack of storage space may have lead to the current situation. In addition, the movement of staff from the [REDACTED] has also contributed to the current situation." [REDACTED] said he had taken stock and introduced a document management system to ensure the situation did not reoccur. On [REDACTED], in response to an email from the Task Force, [REDACTED] provided further explanations concerning the missing and incomplete documents (see Annex D).

220. The Task Force was unable to obtain any relevant records from the [REDACTED] with regard to the first RFP, issued in January or February [REDACTED]. Although investigators obtained technical evaluation reports for the [REDACTED] project from the [REDACTED] at the [REDACTED], the Task Force was unable to fully examine the procurement exercise for the first RFP due to the absence of other important records.

221. The Task Force was unable to obtain full and accurate files for the second RFP for the [REDACTED] project. The [REDACTED] could not locate responses to the Expression of Interest, technical and financial evaluation records, and proposals submitted by the two qualifying vendors, [REDACTED] and [REDACTED]. The Task Force was able to obtain copies of technical evaluations of [REDACTED] and [REDACTED] proposals from [REDACTED] in [REDACTED].

222. The [REDACTED] records provided to the Task Force with regard to the third RFP were also incomplete—prequalification documents and financial evaluations were missing, evaluation matrices existed in various forms, most of which were unsigned and undated, and one of the three bid proposals submitted by qualifying companies, opened on [REDACTED], could not be found.

223. Additionally, the Task Force was unable to review any vendor registration files as they did not exist in the [REDACTED] and the [REDACTED] did not have a proper vendor

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registration database at that time. Due to the lack of registration files, the [REDACTED] did not have up-to-date contact information for many vendors.

224. The Task Force's investigation was in large part based on the Task Force's analysis of electronic records, documents obtained from sources other than the [REDACTED], and witness interviews. The documents provided to the Task Force by the [REDACTED] were often incomplete and contained inaccurate references and dates. The absence of pertinent records made the review of the [REDACTED] procurement lengthy and difficult. The Task Force faced similar challenges with regard to other procurement exercises and files.

B. THE FIRST RFP

225. Although the Task Force was unable to obtain some of the key procurement files concerning the first RFP, it sought to evaluate the procurement process from the records that it was able to identify from multiple sources.

226. The Task Force established that seven companies submitted their responses to the Expression of Interest invitations and four were pre-qualified on [REDACTED]. On [REDACTED], a technical evaluation was carried out of the proposals submitted by the four qualifying companies—[REDACTED] and [REDACTED].

227. The Task Force established that the RFP was cancelled between [REDACTED] and [REDACTED], when the second RFP was issued. Due to the absence of relevant procurement files at the [REDACTED] the Task Force is unable to identify the precise date or the reasons for cancellation after the technical evaluations. The presentation of the case to the [REDACTED] for the second RFP process simply stated that the first RFP had been canceled due to "reservations with certain aspects of the process."

228. The Task Force noted from the files it reviewed and from the interviews conducted that the technical evaluations of the proposals submitted in response to the first RFP were carried out by a team comprised of three members, including [REDACTED] case procurement officer for this RFP. The Task Force established that it was the practice of the [REDACTED] at the time to have a member of the [REDACTED] sit on the technical evaluations of bid proposals. This was contrary to the established procurement practice and had been subsequently discontinued as it was considered a conflict of interest.

229. The Task Force examined the evaluation records for the first RFP and interviewed two members of the technical evaluation team. The Task Force found that the evaluation documents were deficient and key evaluation criteria were missing or were recorded in insufficient detail. Notably, two members of the technical evaluation team, [REDACTED] and [REDACTED], agreed that the reason for disqualification of three companies—[REDACTED] and [REDACTED]—namely, that "they have limited capacity and relevant experience on [REDACTED] works," was insufficiently detailed.

230. Further, the technical evaluation report for the [REDACTED] evaluation did not include any evaluation criteria, details of minimum requirements, or a pass mark. The

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company experience criteria were judged subjectively on the evaluators' personal experience and knowledge of the companies. [REDACTED] had been disqualified for failing to provide a completion time and for missing information in their proposal which had not been identified in the evaluation report. The evaluators had awarded the vendor [REDACTED] full marks on the matrix for a completion time that they considered unrealistic.

C. THE SECOND RFP

231. The second RFP, launched by the [REDACTED] in [REDACTED], led to the selection of [REDACTED]. However, the recommendation to award the contract (estimated at US\$993,416) to [REDACTED] was rejected by the [REDACTED] on [REDACTED] because of [REDACTED]'s concerns that the company was financially insecure. The [REDACTED] was so concerned by this issue that it recommended that [REDACTED] be brought to the attention of the [REDACTED] [REDACTED] and that the [REDACTED] procurement staff undergo training. Notably, there was no [REDACTED] at that time and no comprehensive vendor registration system. The vendor registration list included companies that had contacted, or had been contacted by, the [REDACTED] at some stage, but not yet formally qualified or registered as vendors.

232. During this review of the second procurement process the Task Force found that [REDACTED] and the prequalification questionnaire had been sent simultaneously to seven potential bidders, five of which were based outside [REDACTED]. The RFP was a thirty-eight page document with a closing date of [REDACTED]. The RFP and prequalification documents were sent out via DHL on various days between [REDACTED] [REDACTED], which gave international companies between thirty-one and six days to respond, including time taken for postage to and from [REDACTED]. The [REDACTED] [REDACTED], who had requested the RFP to forward it to other vendors, were sent the documents six days before the deadline. Not surprisingly, only two local vendors met the deadline. These two vendors, [REDACTED] and [REDACTED], had collected the prequalification and RFP documents from the [REDACTED] in late [REDACTED].

233. [REDACTED], the procurement assistant who sent the RFP documents to the international companies, told investigators that the deadline had been determined by [REDACTED] [REDACTED] and it was not his mandate to change it. [REDACTED] agreed that just two bid proposals for this project was not enough and that there was obviously an advantage to having a greater number to choose from. The deadline had been set with an expectation that local rather than international companies would respond to the Expression of Interest.

234. When interviewed by the Task Force, [REDACTED] agreed the return date gave an unfair advantage to local companies and stated that the [REDACTED] was under time pressure from the requisitioner, [REDACTED], who did not want to lose the budget for the project.

235. The evaluations which subsequently took place on [REDACTED] improperly favoured one of the two qualifying vendors. Notably, evaluators qualified one of the bidders, [REDACTED] although it had failed to provide a work schedule or completion time

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(which was the basis for the disqualification of [REDACTED] submission to the first RFP, as explained above). As shown in the figure below, the work schedule was listed as one of four criteria for evaluation in the report and weighted with twenty percent of the total score:

REDACTED

Figure: [REDACTED] memorandum to [REDACTED] ([REDACTED])

236. On the evaluation matrix, [REDACTED] had been awarded twelve out of the maximum of twenty points for a proposed work schedule and completion time it did not provide.

REDACTED

Figure: Evaluation matrix (attached to [REDACTED] memorandum to [REDACTED], dated [REDACTED])

237. [REDACTED] procurement staff member who participated in the technical evaluation "to ensure fairness," explained to the Task Force that he had been instructed by the [REDACTED] to contact [REDACTED] to supply the missing information required for the evaluation. When [REDACTED] had signaled that they would be forced to give [REDACTED] zero points for this criterion, [REDACTED] had contacted the company either by email or by telephone.

238. Another member of the technical evaluation team, [REDACTED], was unable to explain how [REDACTED] had been awarded twelve points. He agreed that [REDACTED], like [REDACTED] with regard to the first RFP, should have been disqualified and it appeared that [REDACTED] had been favoured. He told investigators that he had not contacted the vendor, nor had he instructed anyone else to contact the vendor to supply the missing information. [REDACTED] offered that such contact after a bid had been opened would be improper.

239. [REDACTED] told investigators that he had not instructed his staff to obtain missing parts of [REDACTED] bid proposal in order to qualify the company. He said that evaluations were done according to the criteria and if some of the criteria were not available, staff would ask procurement to contact the vendor. [REDACTED] explained that the project was so delayed and so necessary that his colleagues should have asked for this additional information. Further, [REDACTED] told investigators he would have probably asked for it because he needed the project to be completed. [REDACTED] acknowledged that it looked like favouritism, but stated that there was an increasing time pressure to get the project started. [REDACTED] distanced himself from the responsibility for supplementing [REDACTED] bid proposal by saying that the request to the vendor for the information would be made through the [REDACTED].

240. Following the recommendation of the [REDACTED] on [REDACTED], a re-evaluation of the technical proposals was conducted by an evaluation committee with broader

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representation. The Task Force were provided with two conflicting reports for this re-evaluation—one qualifying [REDACTED] the other purporting to disqualify [REDACTED].

241. The first re-evaluation report, sent from [REDACTED] to [REDACTED] at that time, was dated [REDACTED]. It was compiled by [REDACTED], and two handwritten names ([REDACTED] and [REDACTED]) had been added to the list of evaluators who had conducted the original evaluation. Save for an additional section “Pre-qualification Evaluation” which had been inserted into the report, the body of the report was identical to that submitted to [REDACTED] for the original evaluation on [REDACTED]. The re-evaluation report perpetuated the favouring of [REDACTED] who should have been disqualified.

242. The second evaluation report was sent to [REDACTED] by [REDACTED] on [REDACTED]. In this second report, the evaluators found [REDACTED] had not presented a technical document for the construction, not provided drawings or a preliminary bill of quantities, not provided evidence that it was able to perform the project and had made no effort to translate the major documents into English or French as specified in the RFP. This report recommended [REDACTED] alone for the project.

REDACTED

Figure: Technical evaluation report by [REDACTED] ([REDACTED])

243. Neither [REDACTED] nor [REDACTED] could explain why there were two reports with such contrasting recommendations.

244. Notably, as explained in Section VIII.B above, at the time of the procurement process for the [REDACTED], [REDACTED] and [REDACTED]—two companies that submitted their proposals—worked for [REDACTED] in his private capacity. During [REDACTED] and [REDACTED], [REDACTED] made payments totaling US\$102,000 to [REDACTED] and US\$4,800 to [REDACTED].

245. [REDACTED] could not explain how both reports had been submitted by him to [REDACTED] and accepted that [REDACTED] should have been disqualified in the evaluation. He told investigators it would have been easier to defend himself against an allegation of favouritism had [REDACTED] not been providing the [REDACTED] (as discussed above in Section VIII.A of this Report).

D. THE THIRD RFP

246. The third procurement process for the [REDACTED] project began on [REDACTED]. The Expression of Interest for the third RFP attracted pre-qualification submissions from six potential vendors: [REDACTED] and [REDACTED]. Irregularities were immediately apparent.

247. [REDACTED] who had been referred to the Vendor Review Committee by the [REDACTED] and who had allegedly received notice to this effect by [REDACTED] and [REDACTED] nevertheless submitted a response for this RFP. [REDACTED] told investigators it

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was an oversight to send a prequalification questionnaire to ██████████ given the recommendation by the ██████████.

248. The Expression of Interest deadline was extended until ██████████, although the evaluation of the Expression of Interest responses was conducted on ██████████. The Task Force was unable to establish why the evaluation had taken place before the deadline for responses.

249. Four evaluators took part in the review, including ██████████ and ██████████ of the ██████████. According to ██████████, of the four evaluators present, only two, ██████████ and ██████████, were technically capable of evaluating the proposals and the latter's presence was designed to ensure fairness rather than to evaluate. The financial appraisal section of the evaluation matrix awarded identical scores for ██████████ and ██████████, yet only ██████████ passed the evaluation.

250. Although only four of the responses from the vendors have been provided to the Task Force, it is clear from the evaluation matrix that the evaluation criteria were not consistently applied. One requirement was that the company have a minimum of five years of experience in the ██████████ business. ██████████ was disqualified for not fulfilling this requirement; however, ██████████, who also did not fulfill the five-year requirement was not disqualified.

251. The submitted proposals were opened on ██████████ and the technical evaluation of the proposals from the qualifying vendors, ██████████, and ██████████, was conducted on ██████████. ██████████, who later conducted the financial analysis of the proposals, was part of the technical evaluation committee.

252. There were no evaluation criteria, weights or pass marks listed in the report. The proposal submitted by ██████████ was again "missing some of the qualification requirements" although this was not represented in the evaluation matrix and the vendor had scored 42.60 points in total. ██████████ could not explain how ██████████ had qualified in these circumstances. He had not made any requests for missing requirements from ██████████ for this evaluation. The vendor ██████████ had offered a shorter completion time than the other two vendors, yet all three were awarded the same score.

253. The figures in the financial evaluation of the three proposals were wrong. ██████████ explained to investigators that although the figures had been mistakenly misrepresented to the ██████████, ██████████ still proposed the lowest bid and therefore it had made no difference to the eventual recommendation.

254. As a result of the technical and financial evaluations, ██████████ was selected by the ██████████ as the proposed contractor. It was after that initial selection that allegations surfaced with regard to ██████████. Specifically, on ██████████, ██████████ wrote to ██████████, ██████████, alleging favouritism and corruption in the recommendation of ██████████ for the ██████████. In summary, ██████████ suggested that that ██████████ subcontractor ██████████, owned by a former staff member from ██████████, was financially insecure and should have been disqualified for conflict of interest. ██████████ of ██████████ refuted ██████████ allegations, stating that the

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owner of [REDACTED] had left the [REDACTED] over two years previously and there was no bar preventing former employees engaging in business with the UN after a period of two years. He further stated that the financial status of a subcontractor was irrelevant given that the United Nations did not enter into any contract with them, and that [REDACTED], as the subcontractor, had not participated in the RFP selection process.

255. However, as a result of the allegations put forward by [REDACTED], the recommended contractor changed from [REDACTED] to the only other remaining qualified vendor, [REDACTED], a vendor who, as detailed above, should have been disqualified in the first place. (By that time, such was the delay in the third RFP process, one of the three qualified vendors, [REDACTED], withdrew from the process in [REDACTED].)

256. On [REDACTED], the [REDACTED] heard the basis for [REDACTED]' new recommendation to award the contract to [REDACTED]. The [REDACTED] was concerned with the change in the recommendation, fearing that [REDACTED] had been favoured, that it requested a "thorough analysis supported by evidence for many of the justifications provided in the case presentation" and a "thorough technical evaluation" of the bid proposals by an evaluation committee with a broader representation.

257. The re-evaluation, which took place on [REDACTED], was a farce. [REDACTED] had been part of the re-evaluation and he told investigators that the committee had discussed the reasons why they were being asked to conduct the re-evaluation rather than re-evaluating the proposals. As far as he and the other evaluators were concerned, procedurally they should not have been asked to re-evaluate the proposals; nothing had changed on the RFP. The committee members had refused to re-evaluate and left the meeting. The concerns raised by the [REDACTED] were not discussed nor did [REDACTED] in his introduction, ask them to address the points. [REDACTED] told investigators that "it was not a healthy situation" between [REDACTED] and [REDACTED].

REDACTED

Figure: Minutes of the Meeting of Technical re-evaluation of the Technical Proposals for [REDACTED] ([REDACTED])

258. The meeting lasted approximately fifteen minutes. The record above, submitted to the [REDACTED] as part of the case papers, does not even identify which vendors' proposals were being considered. [REDACTED] believed that [REDACTED] was just trying to derail the process and [REDACTED] was refusing to bow to his authority. He said it was a stand-off between two elephants, neither of whom were acting in the interests of the United Nations.

259. When questioned about this document, [REDACTED] said he thought the members of the re-evaluation team were clear about what they had been asked to do. He agreed that if the evaluators were considering the same bid proposals as were evaluated on the [REDACTED], [REDACTED] should have been disqualified. When asked how long he thought a proper re-evaluation of the bid proposals would have taken, [REDACTED] said that it should have taken a minimum of one full day.

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260. In ██████████, ██████████ retired from the United Nations and ██████████ assumed responsibility for the ██████████. On ██████████, the ██████████ recommendation changed again, reverting to its original recommendation of the vendor ██████████ for the award of the ██████████. This recommendation was approved on ██████████ by the ██████████.

261. On ██████████, nearly two and a half years after the ██████████ procurement began, the ██████████ rejected ██████████' recommendation and asked for the requirement to be re-bid. After hearing the presentation and reviewing the substantial number of issues involved, the ██████████ felt the exercise could not be salvaged. At that time, the project was estimated as worth US\$1,234,315.

E. THE FOURTH RFP

262. A request for sourcing a contractor for the ██████████ project was drafted by ██████████ on ██████████. ██████████ memorandum contains references to two RFPs, one in ██████████ (██████████ enclosed") and one in ██████████ ("██████████ enclosed"). Neither of these RFP references have been referred to on any document reviewed by, or provided to, the Task Force. A technical evaluation of ten submissions from interested contractors took place on ██████████. There were three evaluators from ██████████ and the criteria have changed dramatically—evidence of a minimum of ten years in the ██████████ business is now required for what was previously described by ██████████ as a very simple project.

263. The Task Force finds that the procurement process for ██████████ project was grossly mishandled by both the ██████████ and ██████████, which included the technical evaluatorxs. Numerous violations and infractions of the Procurement Manual were identified, as well as evidence of favouritism.

X. DUE PROCESS

264. The OIOS Manual of Investigation Practices and Policies ("OIOS Investigation Manual"), under which the Task Force operates, defines the official standard of due process to which subjects of fact-finding investigations are entitled as "fairness." The Manual specifies that the "fairness" requirements for a fact-finding exercise are met if the subjects have been: made aware of the scope of the possible misconduct; given the opportunity to explain their actions were proper; and given the opportunity to respond to the allegations, including presenting evidence, explanations, information, or witnesses to support their explanation.

265. As part of its investigation, the Task Force reviewed allegations of favouritism and conflict of interest pertaining to two staff members discussed in this Report. The staff members concerned were fully informed of the scope of the allegations and provided with the opportunity to present their comments and explanations.

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A. [REDACTED]

266. Throughout the course of the investigation, the Task Force has made numerous attempts to solicit [REDACTED] cooperation. However—as described below—[REDACTED] failed to provide any information or records to the Task Force, and has failed to meaningfully cooperate with the Task Force. The lack of cooperation has significantly impacted upon the investigation.

267. [REDACTED] was contacted by the Task Force by email dated [REDACTED] and inquired of his availability for an interview regarding the subjects in the report. In a response dated [REDACTED], [REDACTED] informed the Task Force that he was [REDACTED] and in [REDACTED]. He asked that any questions be put in writing and provided two contact telephone numbers; a mobile and a landline number.

268. The Task Force was unable to reach [REDACTED] on these telephone numbers on [REDACTED] and emailed him to try and arrange a specific time that was convenient to him. On [REDACTED], [REDACTED] responded by email to the Task Force, providing two further telephone numbers.

269. The Task Force attempted to make contact with [REDACTED] using these telephone numbers on [REDACTED], but was unable to reach him. An email was sent the same day asking [REDACTED] to contact the Task Force and providing two contact telephone numbers in [REDACTED]. He replied by email on [REDACTED] stating he was in his village and would contact the Task Force upon his return to [REDACTED].

270. On [REDACTED], the Task Force emailed [REDACTED] to notify him that the Task Force would telephone him at 8:00 a.m. (New York time) on [REDACTED] and telephoned him at the specified time and date. However, the telephone calls were not answered.

271. On [REDACTED], following these unsuccessful attempts by the Task Force to meet or speak with [REDACTED], the Task Force sent [REDACTED] a set of written questions to allow him an opportunity to comment upon the issues. [REDACTED] failed to provide a response, written or oral, to the questions sent by the Task Force, nor did he request an extension of time in which to submit a response.

272. On [REDACTED], the Task Force placed several telephone calls to [REDACTED] telephone numbers. The call to the landline number was answered by [REDACTED], [REDACTED], who informed investigators that [REDACTED] was not available. An email was sent the same day advising [REDACTED] that he should reply immediately if he wished to provide information to the Task Force for its consideration in the investigation and that he should respond to the written questions sent on [REDACTED] within an extended deadline of [REDACTED].

273. [REDACTED] chose not to cooperate with the Task Force's requests for interview and has therefore denied himself the opportunity to be presented with documents upon which the Task Force must rely to reach its conclusions in this Report. By declining to meet or speak with the Task Force and by failing to respond to the questions, [REDACTED]

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has not availed himself of the opportunity to comment on the allegations and to present his own information, documents, and any other evidence that he considered relevant. Similarly, his failure to cooperate has also denied the Task Force the opportunity to take into consideration any comments he may have had or documentation which may be relevant to the investigation.

B. [REDACTED]

274. The Task Force interviewed [REDACTED] on [REDACTED]. A written record of conversation was prepared after each interview and provided to [REDACTED] for his review. During these interviews and in subsequent communications with [REDACTED] the Task Force fully informed him of the scope of allegations and issues under examination. Specifically, the topics covered in [REDACTED] interviews included his private business projects with several United Nations vendors, [REDACTED] role in the bidding processes for the [REDACTED] and the conflict of interest that [REDACTED] engaged in as [REDACTED], and the allegation that [REDACTED] engaged in unauthorized outside employment.

275. During the [REDACTED] interview, the Task Force provided [REDACTED] with a Voluntary Information Disclosure Request, to which he responded on [REDACTED]. The Task Force has examined [REDACTED] response and incorporated it into this Report.

276. On [REDACTED], the Task Force provided [REDACTED] with copies of the records of conversation prepared by investigators based on the interviews with him. Attached to these records of conversation was an index of the documents addressed during one of the interviews, as well as a full set of documents discussed during the second interview.

277. Further, on [REDACTED], the Task Force provided [REDACTED] with a Notice of Findings letter, informing him of the proposed findings and inviting him to comment on them, as well as to provide any additional information or documents that might be relevant to the investigation. This procedure goes beyond the requirements of the OIOS Investigations Manual, and was afforded as part of the Task Force's practice to ensure due process compliance as well as accuracy of the Report. He was also provided with various documents, including his own emails.

278. On [REDACTED], [REDACTED] submitted his response to the Task Force's Notice of Findings letter. On [REDACTED], [REDACTED] provided additional information in response to Task Force's requests. The statements and documents provided by [REDACTED] were carefully evaluated by the Task Force and fully incorporated into this Report. [REDACTED] written submission in response to the Task Force's Notice of Findings letter is included in this Report as Annex B.

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[REDACTED] and every disbursement paid to [REDACTED] in respect of [REDACTED] over the period of nineteen years (from [REDACTED]), minus any monies that were recovered by the [REDACTED] from [REDACTED] salary as part of the Organization's regular procedures. Records for education grant advances alone show that [REDACTED] was paid US\$147,599 between [REDACTED] and [REDACTED]. The sum of payments made in respect of all associated dependency entitlements for over twenty years is in the hundreds of thousands United States dollars.

284. The Task Force finds that, between [REDACTED] and [REDACTED], [REDACTED] co-owned, managed, and was associated with a number of private businesses whilst employed by the United Nations as a [REDACTED] (since [REDACTED]), [REDACTED] (from [REDACTED] to [REDACTED]), and [REDACTED] (since [REDACTED]).

Specifically, the Task Force finds that:

(i) between [REDACTED], [REDACTED] co-owned and traded on behalf of [REDACTED] based company.

(ii) between [REDACTED], [REDACTED] co-owned, managed, and traded on behalf of [REDACTED], two [REDACTED]-based companies.

(iii) between [REDACTED], [REDACTED] obtained a brokerage licence for another company that he owned or co-owned, [REDACTED], and set up an auction house in [REDACTED]. He acquired a 5,000 square meter lot for this purpose.

(iv) between [REDACTED], [REDACTED] owned and managed a transport business.

285. [REDACTED] neither sought nor was granted authorization by the Secretary-General for any outside employment or occupation, remunerated or otherwise, during his period of service with the United Nations. [REDACTED] outside occupation or employment was not permitted by local law which prohibits internationally recruited employees of the [REDACTED] from accepting employment or earning money from an occupation outside the Organization.

286. The Task Force further finds that [REDACTED] carried out his business activities in connection with these private ventures often during UN working hours.

287. The Task Force finds that, on at least one occasion, [REDACTED], with the intention of using his office and knowledge gained from his official function for the private gain of a third party, disclosed confidential United Nations records to persons outside of the Organization. Specifically, on [REDACTED], [REDACTED] forwarded an official email with confidential information and a confidential United Nations document concerning [REDACTED] projects to his [REDACTED], [REDACTED], with the instruction to forward the email again to a third party.

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C. [REDACTED]

279. The Task Force has also interviewed [REDACTED] and [REDACTED] two United Nations vendors, with regard to their contracts with the [REDACTED] and their relationship with [REDACTED]. During the interview, the companies were fully informed of the issues under review by the Task Force, including the circumstances of these companies' work for [REDACTED] in his private capacity whilst performing under and applying for new [REDACTED] contracts. On [REDACTED] the Task Force provided [REDACTED] and [REDACTED] with Notice of Findings letters, reiterating the issues under investigation and formally advising the companies of the allegations and the proposed adverse findings against them, and requesting their response, comments, and relevant records. Both [REDACTED] and [REDACTED] submitted their responses to the Task Force, but provided no records in relation to the transactions under investigation. The Task Force reviewed the submissions it received from [REDACTED] and [REDACTED] and maintains its findings and conclusions. The responses received from [REDACTED] and [REDACTED] are attached as Annexes E and F to this Report.

XI. FINDINGS

[REDACTED]

280. The Task Force finds that, in or about [REDACTED] and [REDACTED], respectively, [REDACTED] submitted falsified birth certificates in the names of [REDACTED] and [REDACTED] in order to obtain dependency benefits from the United Nations to which he was not entitled.

281. Between [REDACTED] and [REDACTED], [REDACTED] knowingly and fraudulently applied for associated dependency benefits to which he was not entitled, relying upon the fraudulent birth certificate submitted for [REDACTED] to acquire such benefits. As a result of his fraudulent misrepresentation that [REDACTED] was his dependent [REDACTED], [REDACTED] improperly received annual education grant allowances, travel and assignment grants, and health and dental insurance contributions from the United Nations.

282. Similarly, [REDACTED] knowingly presented a fraudulent birth certificate in the name of [REDACTED] in order to register him as his dependant, and, each and every year between [REDACTED] and [REDACTED], knowingly relied upon the false birth certificate, to fraudulently obtain annual associated dependency benefits with respect to [REDACTED].

283. Complete records of disbursements to [REDACTED] since [REDACTED] have not been provided to the Task Force. The extent of the fraud perpetrated by [REDACTED] on the United Nations is the total equivalent of every disbursement (education, rent, travel, shipment, daily subsistence allowance, and all other associated dependency benefits) paid to [REDACTED] in respect of [REDACTED] over the period of twenty-one years (from [REDACTED]

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288. The Task Force finds that [REDACTED], with the assistance of [REDACTED], [REDACTED], knowingly used his official position and professional United Nations contacts to facilitate United States visa applications for his business partner, girlfriend, family, friends and other unidentified individuals seeking US visas. [REDACTED] knowingly communicated with [REDACTED] in his official capacity as [REDACTED], requesting favours and preferential treatment in United States visa application processes.

289. Further, as the documents relied upon in support of immigration visa applications for [REDACTED] and [REDACTED] identified [REDACTED] as the natural father, [REDACTED] knowingly falsified official documents and relied upon forged birth certificates in order to obtain United States visas for these two minors.

B. [REDACTED]

290. The Task Force finds that, between as early as [REDACTED] and as late as [REDACTED], while employed as a UN staff member, [REDACTED] actively associated himself with the management of [REDACTED], a private company and held a financial interest in this private venture. [REDACTED] was able to advance his interests in this entity by reason of his position with the United Nations as the [REDACTED]

291. The Task Force finds that, between [REDACTED] and [REDACTED], [REDACTED] actively associated himself with the management of [REDACTED] while employed as a UN staff member. As the [REDACTED], such an association was improper. Staff Regulation 1.2(m) provides that staff members "shall not be actively associated with the management of . . . any profit making business or other concern . . . and should not benefit from such association.

292. [REDACTED] did not seek, or receive, authorization from the Secretary-General to engage in any outside occupation or employment, remunerated or otherwise.

293. As an internationally recruited staff member of the United Nations, [REDACTED] was granted a resident identification card by the [REDACTED], a condition of which restricted [REDACTED] employment to [REDACTED].

294. [REDACTED] pursuit of private business projects for which he had not sought or received authority from the Secretary-General was contrary to the interests of the United Nations, impeded his objectivity and impartiality, and violated UN rules and regulations.

295. Further, between [REDACTED] [REDACTED] engaged in a private business project with United Nations vendors that received valuable contracts. The private business project was the [REDACTED] [REDACTED] still owned by him. The vendors, [REDACTED] who performed this private work for [REDACTED], and provided [REDACTED] with a 6.5 percent discount, were simultaneously bidding for, receiving, and performing various [REDACTED] contracts requisitioned by [REDACTED] and for which [REDACTED] supervised the technical evaluations. In relation to these two vendors, [REDACTED] as

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the ██████████, personally evaluated proposals of these vendors and qualified them to be awarded the contract by the ██████████. ██████████ also signed off on the technical evaluation reports which recommended contract awards to these companies and on more than one occasion engaged in behaviour that, at the very least, appeared to inappropriately favour each of these companies. ██████████ over which he presided, was responsible for provisional and final acceptance certificates of work and recommending the release of the retained bond (ten percent of the contract price) in ██████████ contracts.

296. The Task Force finds that ██████████ acted in violation of his duties as a United Nations staff member when he accepted a 6.5 percent discount provided by the company in connection with its work on the ██████████, and that such a discount is circumstantial evidence of a *quid pro quo* arrangement with the company to assist them in securing UN contracts as ██████████ was clearly in a position to do. This circumstance created, at the very least, a conflict of interest for ██████████ and tainted the integrity of the procurement process.

297. The Task Force finds that ██████████ failed to disclose to the United Nations his conflict of interest with regard to United Nations vendors ██████████ and ██████████ and his association with ██████████ and ██████████. The Task Force further finds that ██████████ provided false and incomplete information in his Financial Disclosure Statements for ██████████ in that he failed to disclose his relationship with ██████████ and ██████████ and the related conflict of interest.

C. ██████████

298. The Task Force finds that, in the period of as early as ██████████ to as late as ██████████, United Nations vendor and contractor ██████████ engaged in direct business with, and provided services to, ██████████ while executing and applying for valuable ██████████ contracts for which ██████████ was the requisitioner and the supervisory technical evaluation officer. Specifically, during the period ██████████ worked privately for ██████████, the company received two ██████████ contracts requisitioned by his office: (i) ██████████, and (ii) ██████████.

299. The Task Force finds that ██████████ engaged in a private business project with ██████████ and engaged in direct financial transactions with ██████████ knowing that he worked for ██████████, the requisitioning office for ██████████ contracts with the ██████████. ██████████ also provided ██████████ with a discount of 6.5 percent in the private business deals at the very same time the company was performing work for the ██████████ and also seeking to achieve further contracts from this ██████████. As ██████████ and overseer of technical evaluations conducted by the ██████████ had the power to influence the procurement and contract award process, and his interaction with ██████████, at the very least, constituted a severe conflict of interest. The provision of the discount to ██████████ at the time this company was

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bidding on ██████████ contracts supervised by him is evidence of corruption and fraud. These procurements were severely tainted and the integrity of the process was severely compromised.

D. ██████████

300. The Task Force finds that as early as ██████████ through and including at least ██████████, United Nations vendor and contractor ██████████ engaged in direct business transactions and provided services to ██████████ while executing and applying for valuable ██████████ contracts for which ██████████ was the requisitioner. Specifically, during the period ██████████ worked privately for ██████████, it received four ██████████ contracts requisitioned by his office: (i) ██████████; (ii) ██████████; (iii) ██████████; and (iv) ██████████).

301. During this time, ██████████ was aware that ██████████ worked for ██████████ and was the requisitioner for ██████████ contracts with ██████████. As ██████████ and the ultimate supervisor of the technical evaluations, ██████████ had the power to influence the procurement and contract award process. ██████████ was fully aware of ██████████ position at ██████████. This circumstance created a conflict of interest and the appearance of favouritism and impropriety.

E. ██████████

302. The Task Force finds that the procurement process for ██████████ project was grossly mishandled both by the ██████████. Contrary to Section 11.1(1) of the 2006 Procurement Manual, the procurement process was neither fair, nor transparent, as ██████████ and ██████████ were given preferential treatment. In this regard, technical evaluators used their knowledge of companies known to ██████████ when assessing bid proposals and technical evaluation reports did not give clear indications of criteria, relative weight, minimum requirements, pass marks, or clear reasons for disqualification.

303. The guidelines established in the Procurement Manual for procurement officers and technical evaluators were not followed by staff in the ██████████, one of whom admitted he had never heard of the Procurement Manual.

304. The procurement assistant responsible for the selection of the vendor and preparing the financial analysis of the bid proposals in connection with the ██████████ also participated in the technical evaluations of those bids. Further, contrary to existing procurement rules, submitted proposals for the ██████████ were improperly supplemented and, therefore, modified, contrary to established procurement rules.

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305. It is evident that there were "preferred vendors" in the [REDACTED] to whom advantages were given in technical evaluations. These advantages were not afforded to other bidding companies, which undermined the credibility and integrity of the process. The favouritism by evaluators towards [REDACTED] in the [REDACTED] procurement process, and on one occasion towards [REDACTED], seems to have arisen due to the inexperience and poor judgment of the staff members involved.

306. The Task Force was unable to determinately establish whether either [REDACTED] or [REDACTED] were aware of the favours and advantages they received, in large part due to the lack of relevant procurement files and limited cooperation provided.

307. The favouritism displayed toward [REDACTED] and [REDACTED] during the [REDACTED] procurement process was compounded by the poor management and supervision in various departments at [REDACTED]. In particular, [REDACTED] failed to properly ensure the evaluations submitted in his name, and by his department, were conducted appropriately. Notably, at the time [REDACTED] was favoured in the evaluation reports, prepared by [REDACTED], he engaged in a personal [REDACTED] project with this company and received favourable treatment in the form of a 6.5 percent discount on the amount the company charged him. In light of this *prima facie* evidence of misconduct and corruption, and under the rules of the Organization, the burden shifts to him during the disciplinary process to prove that he did not participate in such favouritism, and that this was not a corrupt event for which he received the discount in return for providing favorable treatment in the evaluation and contract selection process.

XII. CONCLUSIONS

A. [REDACTED]

308. The Task Force concludes that [REDACTED] knowingly and wilfully engaged in criminal conduct, defrauded the Organization, and unjustly enriched himself at the expense of the Organization by claiming, receiving, and obtaining dependency benefits for which he was not entitled and dependency benefits for minors which were not in fact his children.

309. The Task Force concludes that [REDACTED] through his actions and omissions, knowingly and purposefully violated the following United Nations Staff Regulations:

(i) **Regulation 1.2(b):** "Staff members shall uphold the highest standards of efficiency, competence and integrity. The concept of integrity includes, but is not limited to, probity, impartiality, fairness, honesty and truthfulness in all matters affecting their work and status."

(ii) **Regulation 1.2(e):** "By accepting appointment, staff members pledge themselves to discharge their functions and regulate their conduct with the interests of the Organization only in view. Loyalty to the aims, principles and purposes of the United Nations, as set forth in its Charter, is a fundamental obligation of all staff members by virtue of their status as international civil servants."

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(iii) **Regulation 1.2(f):** “[Staff members] shall conduct themselves at all times in a manner befitting their status as international civil servants and shall not engage in any activity that is incompatible with the proper discharge of their duties with the United Nations.”

(iv) **Regulation 1.2(g):** “Staff members shall not use their office or knowledge gained from their official functions for private gain, financial or otherwise, or for the private gain of any third party, including family, friends and those they favour.”

(v) **Regulation 1.2(i):** “Staff members shall exercise the utmost discretion with regard to all matters of official business. They shall not communicate to any Government, entity, person or any other source any information known to them by reason of their official position that they know or ought to have known has not been made public.”

(vi) **Regulation 1.2(m):** “Staff members shall not be actively associated with the management of, or hold a financial interest in, any profit-making, business or other concern, if it were possible for the staff member or the profit-making, business or other concern to benefit from such association or financial interest by reason of his or her position with the United Nations.”

(vii) **Regulation 1.2(o):** “Staff members shall not engage in any outside occupation or employment, whether remunerated or not, without the approval of the Secretary-General.”

(viii) **Regulation 1.2(q):** “Staff members shall use the property and assets of the Organization only for official purposes and shall exercise reasonable care when utilizing such property and assets.”

(ix) **Regulation 3.4(a):** “[Staff members] shall be entitled to receive dependency allowances for a dependent child, for a disabled child and for a secondary dependant rates approved by the General Assembly as follows: i) [t]he staff member shall receive an allowance for each dependent child.”

(x) **Regulation 3.4(e):** “Claims for dependency allowances shall be submitted in writing and supported by evidence satisfactory to the Secretary-General. A separate claim for dependency allowance shall be made each year.”

B. ██████████

310. The Task Force concludes that ██████████, through his actions and omissions, knowingly and purposefully violated the following United Nations Staff Regulations:

(i) **Regulation 1.2(b):** “Staff members shall uphold the highest standards of efficiency, competence and integrity. The concept of integrity includes, but is not limited to, probity, impartiality, fairness, honesty and truthfulness in all matters affecting their work and status.”

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(ii) **Regulation 1.2(e):** “By accepting appointment, staff members pledge themselves to discharge their functions and regulate their conduct with the interests of the Organization only in view. Loyalty to the aims, principles and purposes of the United Nations, as set forth in its Charter, is a fundamental obligation of all staff members by virtue of their status as international civil servants.”

(iii) **Regulation 1.2(f):** “[Staff members] shall conduct themselves at all times in a manner befitting their status as international civil servants and shall not engage in any activity that is incompatible with the proper discharge of their duties with the United Nations.”

(iv) **Regulation 1.2(g):** “Staff members shall not use their office or knowledge gained from their official functions for private gain, financial or otherwise, or for the private gain of any third party, including family, friends and those they favour.”

(v) **Regulation 1.2(l):** “No staff member shall accept any honour, decoration, favour, gift or remuneration from any non-governmental source without first obtaining the authority of the Secretary-General.”

(vi) **Regulation 1.2(m):** “Staff members shall not be actively associated with the management of, or hold a financial interest in, any profit-making, business or other concern, if it were possible for the staff member or the profit-making, business or other concern to benefit from such association or financial interest by reason of his or her position with the United Nations.”

(vii) **Regulation 1.2(o):** “Staff members shall not engage in any outside occupation or employment, whether remunerated or not, without the approval of the Secretary-General.”

(viii) **Regulation 1.2(q):** “Staff members shall use the property and assets of the Organization only for official purposes and shall exercise reasonable care when utilizing such property and assets.”

311. The Task Force concludes that [REDACTED] knowingly and purposefully breached the general principles set forth in Regulation 5.12 of the Financial Rules and Regulations of the United Nations, which provide that the procurement process should be carried out with fairness, integrity, transparency, and effective competition in order to best serve the financial interests of the Organization.

312. By accepting benefits from a United Nations contractor in connection with his private [REDACTED] project in the form of a significant discount in the price, whilst at the very time supervising the technical evaluation of this company which was seeking to achieve contracts from [REDACTED], Task Force concludes that [REDACTED] knowingly and purposefully acted in violation of Sections 1.1(9), 4.1.5(3), 4.2.1(4), and 11.1(1) of the Procurement Manual, by knowingly and wilfully compromising the integrity of the procurement process.

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313. The Task Force concludes that, by knowingly and willfully participating in the creation of the appearance of favouritism, impropriety, and conflict of interest, and by providing a direct benefit to [REDACTED], [REDACTED] acted unethically and unprofessionally and caused violations of a number of provisions of the Procurement Manual (a publicly available document governing United Nations procurement rules) including Sections 1.1(9), 4.1.5(3), and 11.1(1), which require, *inter alia*, that all procurement exercises be carried out in a transparent and fair manner.

314. [REDACTED] unethical and unprofessional conduct which facilitated violations of the United Nations Procurement Manual falls under Section 7.14.1 of the 2008 Procurement Manual, which discusses grounds for action against United Nations vendors, and should therefore be addressed by the Organization.

D.

315. The Task Force concludes that, by knowingly and willfully participating in the creation of the appearance of favouritism, impropriety, and conflict of interest, [REDACTED] acted unethically and unprofessionally and caused violations of a number of provisions of the Procurement Manual (a publicly available document governing United Nations procurement rules) including Sections 1.1(9), 4.1.5(3), and 11.1(1), which require, *inter alia*, that all procurement exercises be carried out in a transparent and fair manner.

316. [REDACTED] unethical and unprofessional conduct which resulted in violations of the United Nations Procurement Manual falls under Section 7.14.1 of the 2008 Procurement Manual, which discusses grounds for action against United Nations vendors, and should therefore be addressed by the Organization.

XIII. RECOMMENDATIONS**A. RECOMMENDATION PTF-R008/08/1**

317. The Task Force recommends that the Office of Legal Affairs immediately refer this Report to the prosecutorial authorities of [REDACTED] for contemplation of criminal prosecution as a result of [REDACTED] fraudulent conduct, including fraudulent submissions for dependency entitlements, which caused significant financial losses estimated in the hundreds of thousands United States dollars, as well as possible improper efforts to achieve US visas for friends, associates, and UN employees.

B. RECOMMENDATION PTF-R008/08/2

318. The Task Force recommends that the Department of Management review the dependency entitlements (including medical and dental insurance subsidies) provided to

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[REDACTED] after his [REDACTED] to ensure that no dependency benefits are paid to him in relation to [REDACTED]

C. RECOMMENDATION PTF-R008/08/3

319. The Task Force recommends that the Department of Management conduct a thorough review and examination of all dependency entitlement payments made to [REDACTED] in order to determine the exact amount of losses suffered by the Organization as a result of his fraudulent conduct.

D. RECOMMENDATION PTF-R008/08/4

320. The Task Force recommends that the Office of Legal Affairs immediately refer this Report to the prosecutorial authorities of the [REDACTED] for review of [REDACTED] and [REDACTED] facilitation of United States visa applications and for further appropriate action.

E. RECOMMENDATION PTF-R008/08/5

321. The Task Force recommends that the Office of Legal Affairs take appropriate legal action through civil courts to recover the amounts obtained by [REDACTED] as a result of his fraudulent material representations and submissions to the Organization for dependency entitlements, which caused significant financial losses estimated in the hundreds of thousands United States dollars.

F. RECOMMENDATION PTF-R008/08/6

322. The Task Force recommends that in light of the findings in this Report, the Department of Management pursue disciplinary action against [REDACTED].

G. RECOMMENDATION PTF-R008/08/7

323. The Task Force recommends that the [REDACTED], in coordination with the Department of Management conduct ethics and procurement training for [REDACTED] staff members involved in any procurement operations (including Facilities Management Section and Procurement Unit staff) to ensure that they are fully aware of all applicable procurement rules and procedures.

H. RECOMMENDATION PTF-R008/08/8

324. The Task Force recommends that the [REDACTED] at the [REDACTED], in coordination with the Department of Management, create and maintain a vendor registration database and ensure that vendor registration files are created and properly maintained, and that a system is in place to monitor the conduct of vendors and take appropriate action in cases in which vendor misconduct is identified.

I. RECOMMENDATION PTF-R008/08/9

325. The Task Force recommends the [REDACTED] at the [REDACTED] organize and maintain a proper archiving system for all procurement files.

J. RECOMMENDATION PTF-R008/08/10

326. The Task Force recommends that the [REDACTED], in coordination with the Department of Management, including the United Nations Procurement Division, implement and utilize ProcurePlus or Mercury database systems to ensure that the procurement operations are properly organized and recorded.

K. RECOMMENDATION PTF-R008/08/11

327. The Task Force recommends that the Department of Management place the entities associated with [REDACTED]—including [REDACTED], [REDACTED], [REDACTED], and [REDACTED]—on the United Nations Procurement Division's "Watch List" to ensure that all of these entities are barred from any business with the United Nations, directly, or indirectly, and are not permitted to register as United Nations vendors.

L. RECOMMENDATION PTF-R008/08/12

328. The Task Force recommends that the Department of Management place the entities associated with [REDACTED]—including [REDACTED] and [REDACTED]—on the United Nations Procurement Division's "Watch List" to ensure that these entities and individuals are barred from any business with the United Nations, directly, or indirectly, and are not permitted to register as United Nations vendors.

M. RECOMMENDATION PTF-R008/08/13

329. The Task Force recommends that the [REDACTED]—and, in particular, [REDACTED] [REDACTED]—take appropriate measures to ensure that the Task Force's recommendations to place [REDACTED], [REDACTED], [REDACTED], [REDACTED], and [REDACTED] on the Procurement Division's "Watch List" are implemented, and ensure that these entities are not permitted to register as United Nations vendors.

N. RECOMMENDATION PTF-R008/08/14

330. The Task Force recommends that the Department of Management suspend United Nations vendor [REDACTED], for the violations identified in this Report.

O. RECOMMENDATION PTF-R008/08/15

331. The Task Force recommends that the Department of Management suspend United Nations vendor [REDACTED], for the violations identified in this Report.

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ANNEX A: [REDACTED] EMAIL TO

[REDACTED] ([REDACTED])

REDACTED

ANNEX B: [REDACTED] LETTER TO THE
TASK FORCE ([REDACTED])

REDACTED

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ANNEX C: [REDACTED] EMAIL TO

[REDACTED] ([REDACTED])

REDACTED

ANNEX D: [REDACTED] EMAIL TO THE TASK
FORCE ([REDACTED])

REDACTED

ANNEX E: [REDACTED] LETTER TO THE TASK FORCE
([REDACTED])

REDACTED

ANNEX F: [REDACTED] LETTER TO THE TASK FORCE ([REDACTED])

REDACTED