



INTERNAL AUDIT DIVISION

REPORT 2015/041

Audit of the United Nations Mine Action Service of the Department of Peacekeeping Operations

Overall results relating to the effective management of mine action activities by the United Nations Mine Action Service of the Department of Peacekeeping Operations were initially assessed as partially satisfactory. Implementation of six important recommendations remains in progress

FINAL OVERALL RATING: PARTIALLY
SATISFACTORY

22 May 2015
Assignment No. AP2014/600/01

CONTENTS

	<i>Page</i>
I. BACKGROUND	1
II. OBJECTIVE AND SCOPE	2
III. AUDIT RESULTS	2-7
A. Programme management	3-7
B. Coordinated management	7
IV. ACKNOWLEDGEMENT	8
ANNEX I Status of audit recommendations	
APPENDIX I Management response	

AUDIT REPORT

Audit of the United Nations Mine Action Service of the Department of Peacekeeping Operations

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the United Nations Mine Action Service (UNMAS) of the Department of Peacekeeping Operations (DPKO).
2. In accordance with its mandate, OIOS provides assurance and advice on the adequacy and effectiveness of the United Nations internal control system, the primary objectives of which are to ensure (a) efficient and effective operations; (b) accurate financial and operational reporting; (c) safeguarding of assets; and (d) compliance with mandates, regulations and rules.
3. UNMAS was established in 1998 by General Assembly resolution 53/26 as the focal point for all United Nations mine action activities and is responsible for collaborating with other United Nations departments, agencies, funds and programmes to ensure an effective, proactive and coordinated response to problems of landmines, explosive remnants of war and other explosive hazards. At the field level, UNMAS was working with seven implementing partners, including three United Nations entities. A United Nations entity (Partner A) was its main implementing partner.
4. UNMAS had 34 authorized posts as at 31 October 2014 and was headed by a director at the D-2 level who reported to the Assistant Secretary-General, Office of Rule of Law and Security Institutions, DPKO. UNMAS comprised: the Office of the Director; the Programme Planning and Management Section; Policy, Advocacy and Public Information Section; Budget and Financial Management and Reporting Section; and an office in Geneva.
5. Mine action activities were funded by the regular budget, assessed budgets for peacekeeping operations and contributions to the United Nations Voluntary Trust Fund for Assistance in Mine Action. The number and budgets for the projects/financial agreements that were implemented or ongoing during the audit period are shown in Table 1.

Table 1: Number and budgets for projects/financial agreements implemented or ongoing from 1 January 2013 to 31 October 2014 by source of funding

<i>Funding source</i>	<i>Number of projects/ financial agreements</i>	<i>Budget</i> \$
Regular budget	2	2 218 946
Assessed budgets for peacekeeping	13	148 761 936
Voluntary Trust Fund for Mine Action	20	57 579 452
Total	35	\$208 560 334

6. Comments provided by UNMAS are incorporated in italics.

II. OBJECTIVE AND SCOPE

7. The audit was conducted to assess the adequacy and effectiveness of UNMAS governance, risk management and control processes in providing reasonable assurance regarding the **effective management of mine action activities by UNMAS**.
8. The audit was included in the 2014 risk-based plan of OIOS due to the operational and financial risks relating to mine action activities.
9. The key controls tested for the audit were: (a) programme management; and (b) coordinated management. For the purpose of this audit, OIOS defined these key controls as follows:
 - (a) **Programme management** - controls that provide reasonable assurance that UNMAS has sufficient capacity including financial and human resources, tools and systems to implement, monitor and report on mine-related activities.
 - (b) **Coordinated management** - controls that provide reasonable assurance that potential overlaps in the performance of mine action activities by UNMAS are identified and mitigated, and that issues affecting or involving other partners and actors involved in similar activities are identified, discussed and resolved in a timely manner and at the appropriate forum.
10. The key controls were assessed for the control objectives shown in Table 2. Certain control objectives shown in Table 2 as “Not assessed” were not relevant to the scope defined for this audit.
11. OIOS conducted this audit from August to December 2014. The audit covered the period from 1 January 2013 to 31 October 2014, and was conducted at United Nations Headquarters.
12. OIOS conducted an activity-level risk assessment to identify and assess specific risk exposures, and to confirm the relevance of the selected key controls in mitigating associated risks. Through interviews, analytical reviews and tests of controls, OIOS assessed the existence and adequacy of internal controls and conducted necessary tests to determine their effectiveness.

III. AUDIT RESULTS

13. The UNMAS governance, risk management and control processes examined were initially assessed as **partially satisfactory**¹ in providing reasonable assurance regarding the **effective management of mine action activities by UNMAS**. OIOS made six recommendations to address the issues identified. UNMAS had collaborated with the other United Nations departments and entities to ensure an effective, proactive and coordinated response to problems associated with landmines, explosive remnants of war and other explosive hazards. UNMAS also implemented procedures for planning, monitoring and supervising mine action activities. To further improve its operations, UNMAS needed to: (a) present a compelling case for a more stable source of funding for its core posts; (b) ensure its implementing partners complied with reporting obligations; (c) establish a framework and standard operating procedures for the preparation of its Annual Report; (d) ensure compliance with the

¹ A rating of “**partially satisfactory**” means that important (but not critical or pervasive) deficiencies exist in governance, risk management or control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

requirements for payment of instalments to implementing partners; (e) amend its Memorandum of Understanding (MoU) with Partner A to clarify the roles and responsibilities regarding the recruitment and performance appraisals of key field staff; and (f) dedicate resources to develop a resource mobilization strategy, track and monitor pledges and meet donor reporting requirements.

14. The initial overall rating was based on the assessment of key controls presented in Table 2. The final overall rating is **partially satisfactory** as implementation of six important recommendations remains in progress.

Table 2: Assessment of key controls

Business objective	Key controls	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Effective management of mine action activities by UNMAS	(a) Programme management	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory
	(b) Coordinated management	Satisfactory	Satisfactory	Not assessed	Satisfactory
FINAL OVERALL RATING: PARTIALLY SATISFACTORY					

A. Programme management

Need for a more compelling case for stable funding for UNMAS core functions

15. UNMAS was required to periodically assess and identify the resources required to effectively implement mine-related activities at Headquarters and in the field. Field missions implementing mine-related activities were expected to fund such undertakings from their budget. Also, according to the report of the Secretary-General on Administrative and Budgetary Aspects of the Financing of the United Nations Peacekeeping Operations dated 28 November 1994 and the Secretary-General report on assistance in mine action dated 8 October 2001, UNMAS peacekeeping-related activities were to be funded from the peacekeeping support account. Some of UNMAS activities such as information and training programmes, and launching of mine-clearance operations were also expected to be funded from the Voluntary Trust Fund for Assistance in Mine Action established by the Secretary-General in 1994 and endorsed by the General Assembly in January 1995 in resolution 49/215.

16. UNMAS had periodically assessed and identified its resource requirements resulting in funding of mine action activities being included in relevant missions' budgets. UNMAS received regular budget funding for programmes in Libya, Somalia and Syria. However, while the UNMAS-supported mine activities in field missions continued to increase considerably, there had been a marginal increase in the number of posts funded by the peacekeeping support account. For example, during the period 2002 to 2014, the number of missions with mine action activities increased from 3 to 10 and the related operational budgets increased from \$6.5 to \$138.3 million. However, the number of UNMAS posts funded by the support account only increased from four to six for the same period.

17. UNMAS had not been able to sufficiently justify its request for additional posts to be funded through the support account. For example, UNMAS had requested in its 2013/14 budget proposal that the posts of UNMAS Director at the D-2 level and Chief of Programme Planning and Management Section at

the P-5 level, which were core functions currently funded from extra-budgetary sources, be funded from the support account. The Director and Chief of Programme Planning and Management were responsible for direct oversight of mission staff working on mine action activities, including areas related to human and financial resources; providing expert advice and support for procurement of specialized equipment; and providing policy advice to other Divisions and Services in DPKO and the Department of Field Support. In connection with the 2014/15 budgetary process, UNMAS submitted a request to fund the D-2 post from the support account. However, the UNMAS request for additional posts was not approved.

18. As a result of not obtaining additional funding from the support account, UNMAS relied on the Voluntary Trust Fund for Assistance in Mine Action to fund 28 posts or 82 per cent of its staff in 2014. UNMAS over-reliance on extra-budgetary funding increased the risk that it may not have adequate capacity to support its programmes in the event of a decrease in voluntary funding.

(1) DPKO should take action to mitigate the risk associated with over-reliance on extra-budgetary funding for core posts in implementing UNMAS programmes.

DPKO accepted recommendation 1 and stated that the reduction of reliance on extra-budgetary funding for core functions was desirable. However, its implementation would require the United Nations Controller's concurrence and approval, and in the current climate of austerity, such realignment would not be feasible. DPKO would work with the Controller in preparing the 2016/17 Support Account to evaluate the feasibility of realignment. Recommendation 1 remains open pending receipt of evidence that action is being taken, wherever possible, to mitigate the risk associated with UNMAS over-reliance on extra-budgetary funding.

Partner A did not always comply with its reporting obligations

19. The MoU between the United Nations and Partner A dated 25 June 2008 and related financial agreements required Partner A to submit to UNMAS quarterly financial and substantive reports 30 days after the end of the first quarter, as well as a final substantive and financial report up to one year following completion of a project. With regard to assets, Partner A was required to provide up-to-date lists of assets and comprehensive details, including a police report for items that had been damaged or lost if necessary. Agreements with the other six implementing partners required end-of-project submission of financial and substantive reports.

20. A review of four of the nine projects implemented by six of UNMAS implementing partners indicated that these partners submitted the required reports on a timely basis. However, a review of 11 of the 26 projects implemented by Partner A indicated that the Partner did not submit the required reports in a timely manner. For example, the quarterly substantive reports for eight projects were delayed by an average of 45 days. Partner A also did not submit the required lists of assets for nine of its projects, and it did not always provide comprehensive reports on the status of lost, damaged, transferred or written off assets.

21. The above resulted because UNMAS had not implemented procedures to ensure Partner A complied with the reporting requirements of the MoU and the financial agreements. UNMAS explained that due to the close involvement of UNMAS programme officers in projects being implemented by Partner A, the receipt of reports was not a priority. Non-compliance with the reporting requirements reduced UNMAS ability to: meet donors' reporting requirements; take prompt, corrective actions when necessary; and accurately account for assets.

(2) UNMAS should take steps to ensure that Partner A: (i) submits the required reports in a

timely manner; and (ii) provides the required accounts for assets acquired during project implementation.

DPKO accepted recommendation 2 and stated that the recently signed MoU between the United Nations and Partner A standardized and clarified the schedule for submission of reports, and this had already improved the timeliness of reporting. With regards to asset reporting, Partner A advised UNMAS that it had hired a global asset management specialist with responsibilities to improve the quality of inventory management, knowledge and reporting. Recommendation 2 remains open pending receipt of evidence of improved adherence to the deadlines for submission of reports by Partner A, and those related to assets acquired for projects.

The contents and presentation of financial results in the United Nations Mine Action Service Annual Report needed improvement

22. The various donor contribution/grant agreements required UNMAS to prepare and submit to donors periodic reports on the use of grants/funds. According to the UNMAS Headquarters Programme Officer Handbook, UNMAS was encouraging donors to use its Annual Report to fulfil their reporting requirements. Most donors accepted the UNMAS Annual Report to fulfil their financial and substantive reporting requirements.

23. A review of the UNMAS 2013 Annual Report indicated that: (i) project income and expenditure were reported on a cash basis irrespective of the period they related to; (ii) thresholds had not been set and consistently applied for projects reported in the Annual Report leading to some projects below \$500,000 being reported in 2013 while other higher valued projects were not included; and (iii) available fund balances from previous periods were not included. These shortcomings resulted because UNMAS had not: adopted generally accepted accounting standards; established a framework; and developed standard operating procedures for the preparation of its Annual Report.

(3) UNMAS should adopt generally accepted accounting standards, establish a framework, and develop standard operating procedures for the preparation of its Annual Report and take steps to ensure that procedures are consistently complied with.

DPKO accepted recommendation 3 and stated that while the UNMAS Annual Report was a public information tool and not a financial statement, due to the implementation of International Public Sector Accounting Standards and Umoja, UNMAS would request the Accounts Division to review and certify the financial sections of the Annual Report. UNMAS was also developing standard operating procedures and a framework for the preparation of the Annual Report. Recommendation 3 remains open pending receipt of evidence of the use of generally accepted accounting standards and the finalization of the standard operating procedures and framework for the preparation of the financial sections of the Annual Report.

There was a need to deduct unutilized amounts from instalment payments

24. UNMAS was required to pay implementing partners for each project in accordance with the relevant MoU and schedule of payments provided in the relevant financial agreement. UNMAS was to deduct unutilized amounts from any subsequent payments made after the initial instalment.

25. A review of 10 projects indicated that UNMAS did not deduct unutilized amounts from subsequent instalments made to Partner A and requested the Department of Management (DM) to disburse the entire amount of scheduled payments as provided in the relevant financial agreements to implementing partners.

26. UNMAS advised that it implemented the procedure of not adjusting scheduled instalments because of delays by DM in making payments. DM advised that these delays resulted mainly due to inconsistencies and inaccuracies identified by DM in UNMAS submissions for payments. However, neither DM nor UNMAS provided evidence of the specific circumstances leading to the non-compliance with the requirements of the MoU. As a result, UNMAS was providing more funds to partners than needed to meet its immediate operational requirements. For example, UNMAS approved a subsequent instalment of \$2.9 million for one project with unspent funds of \$8.4 million at the end of the first quarter. This partner only incurred expenditures of \$2.1 million in the second quarter, leaving an unspent balance of \$9.2 million.

(4) UNMAS, in collaboration with the Department of Management, should establish and implement adequate procedures to ensure that funds, excess to operational requirements, are not approved for payment to implementing partners.

DPKO accepted recommendation 4 and stated that the new MoU between the United Nations and Partner A recognized Partner A's uniqueness amongst UNMAS implementing partners as a subsidiary organ of the United Nations. Also Partner A was required by its financial regulations and rules to have cash in hand to make financial commitments. In most cases the funds budgeted for projects are fully spent. Recommendation 4 remains open pending receipt of evidence that adequate procedures are in place to ensure funding, excess to requirements, is not being made.

Project staff performance appraisal process was not formalized

27. The MoU between the United Nations and Partner A required UNMAS to establish terms of reference for key field personnel, mainly field programme managers, in consultation with Partner A, and to participate in their selection. The MoU also required UNMAS to provide comments on performance appraisals of project personnel recruited by Partner A.

28. A review of UNMAS recruitment and selection processes conducted for eight field programme managers hired during the audit period indicated that UNMAS complied with requirements regarding the recruitment and evaluation of field programme managers. However, while UNMAS continued to participate in the recruitment of field staff, the new MoU, which became effective on 1 July 2014, did not explicitly state UNMAS involvement in the recruitment and performance appraisal of programme field staff. UNMAS advised that the omission was an oversight and indicated that it would revisit the issue with Partner A. The lack of clear procedures over the recruitment and performance evaluation processes may weaken important controls over these processes.

(5) UNMAS should take action to amend the Memorandum of Understanding between the United Nations and Partner A to ensure that it includes the responsibilities of UNMAS and Partner A in the selection and performance appraisal of key programme management field staff.

DPKO accepted recommendation 5 and stated that UNMAS had established a procedure with Partner A to ensure it was fully involved in the selection and performance appraisal of programme management staff. With regard to any changes to the MoU, UNMAS would liaise with the United Nations Controller. Recommendation 5 remains open pending receipt of evidence that the MoU with Partner A has been amended to include the responsibilities of UNMAS and Partner A on human resources management.

There was a need for dedicated resources for improved resource mobilization and reporting activities

29. The UNMAS Headquarters Programme Officer Handbook required UNMAS to implement a resource mobilization strategy and track and monitor all funds from the time they were pledged until their disbursement to the relevant project. The UNMAS Headquarters Programme Officer Handbook also required UNMAS to implement adequate procedures to ensure donor reporting requirements were met.

30. A review of available information and interviews with UNMAS staff indicated that UNMAS did not have an up-to-date resource mobilization strategy. UNMAS continued to use its 2011-2013 strategy. UNMAS used the Programme and financial management (Profi) system to track and monitor funds from the time they were pledged until their disbursement to the relevant project. However, UNMAS had not implemented adequate procedures for following up on pledges to ensure they were received in a timely manner. A review of 15 of the 65 pledges received during the audit period indicated delays that averaged six months in collecting eight pledges valued at approximately \$2 million.

31. Also, a review of 9 of the 21 contribution agreements in effect during the audit period indicated that the United Nations met donors' final reporting requirements; however, in seven cases, they did not provide donors with the required interim reports. This resulted because UNMAS: (i) did not have a dedicated capacity for resource mobilization and donor relations; and (ii) lacked adequate procedures and systems for monitoring and following up on pledges. An inadequate resource mobilization strategy and non-compliance with donor reporting requirements increased the risk of reduced donor confidence.

(6) UNMAS should dedicate resources to: (i) develop a resource mobilization strategy; (ii) implement a system to track and monitor pledges; and (iii) meet donor reporting requirements.

DPKO accepted recommendation 6 and stated that UNMAS had initiated a resource mobilization strategy for 2015-2018, and the newly created donor relations team would strengthen monitoring and compliance with donor reports. The UNMAS Profi system would be used to track and monitor actual pledges, and a system was in place to automatically remind UNMAS Programme and Finance Sections of quarterly reporting requirements. Recommendation 6 remains open pending receipt of a copy of the new resource mobilization strategy and evidence that all donor reporting requirements for 2015 have been met.

B. Coordinated management

The United Nations Inter-Agency Coordination Group on Mine Action convened to deliberate on mine action activities

32. General Assembly resolution 53/26 (1998) established UNMAS as the United Nations focal point responsible for coordinating all mine-related activities of United Nations agencies, funds and programmes that constituted the United Nations Inter-Agency Coordination Group on Mine Action. UNMAS was responsible for chairing meetings and preparing and disseminating agendas for meetings.

33. A review of minutes of the United Nations Inter-Agency Coordination Group on Mine Action meetings indicated that UNMAS chaired all of the monthly meetings. UNMAS also adequately prepared agendas, minutes of meetings and disseminated them in a timely manner. These meetings were instrumental in the development of the United Nations mine action monitoring and evaluation mechanism. UNMAS also hosted the website for the Mine Action Support Group. OIOS concluded that UNMAS implemented adequate controls in coordinating the United Nations mine-related activities.

IV. ACKNOWLEDGEMENT

34. OIOS wishes to express its appreciation to the Management and staff of DPKO for the assistance and cooperation extended to the auditors during this assignment.

(Signed) David Kanja
Assistant Secretary-General for Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of the United Nations Mine Action Service of the Department of Peacekeeping Operations

Recom. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
1	DPKO should take action to mitigate the risk associated with over-reliance on extra-budgetary funding for core posts in implementing UNMAS programmes.	Important	O	Receipt of evidence that action is being taken, wherever possible, to mitigate risk associated with over-reliance on extra-budgetary funding.	30 September 2018
2	UNMAS should take steps to ensure that Partner A: (i) submits the required reports in a timely manner; and (ii) provides the required accounts for assets acquired during project implementation.	Important	O	Receipt of evidence of improved adherence to the deadlines for submission of reports by Partner A and those related to assets acquired for projects.	31 March 2016
3	UNMAS should adopt generally accepted accounting standards, establish a framework, and develop standard operating procedures for the preparation of its Annual Report and take steps to ensure that procedures are consistently complied with.	Important	O	Receipt of evidence of the use of generally accepted accounting standards and the finalization of the standard operating procedures and framework for the preparation of the financial sections of the Annual Report.	30 September 2016
4	UNMAS, in collaboration with the Department of Management, should establish and implement adequate procedures to ensure that funds, excess to operational requirements, are not approved for payment to implementing partners.	Important	O	Receipt of evidence that funds budgeted for projects by Partner A were fully spent or recouped if not spent.	30 September 2016
5	UNMAS should take action to amend the Memorandum of Understanding between the United Nations and Partner A to ensure that it includes the responsibilities of UNMAS and Partner A in the selection and performance appraisal of key programme management field staff.	Important	O	Receipt of evidence that the Memorandum of Understanding with Partner A has been amended to include the responsibilities of UNMAS and Partner A.	31 March 2017

² Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

³ Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

⁴ C = closed, O = open

⁵ Date provided by DPKO in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of the United Nations Mine Action Service of the Department of Peacekeeping Operations

Recom. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
6	UNMAS should dedicate resources to: (i) develop a resource mobilization strategy; (ii) implement a system to track and monitor pledges; and (iii) meet donor reporting requirements.	Important	O	Receipt of a copy of the new resource mobilization strategy and evidence that all donor reporting requirements for 2015 have been met.	30 September 2016

APPENDIX I

Management Response

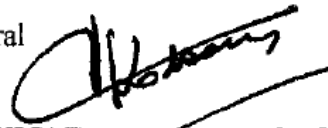
CONFIDENTIAL
Immediate

TO: Ms. Eleanor T. Burns, Director
A: Internal Audit Division, OIOS

DATE: 7 May 2015

REFERENCE:

FROM: Hervé Ladsous, Under-Secretary-General
DE: for Peacekeeping Operations



UBJECT: **United Nations Mine Action Service (UNMAS) comments on the draft**
OBJET: **report of the OIOS Audit (Assignment No. AP2014/600/01)**

1. We refer to your memorandum dated 20 April 2015 regarding the draft report on the above-mentioned audit. Please find attached our comments on the findings and recommendations contained in the report. Our response has been consulted within DPKO.
2. Thank you for the opportunity to comment on the draft report. We stand ready to provide any further information that may be required.

Management Response

Audit of the United Nations Mine Action Service of the Department of Peacekeeping Operations

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	DPKO should take action to mitigate the risk associated with over-reliance on extra-budgetary funding for core posts in implementing UNMAS programmes.	Important	Yes	Director, UNMAS, Executive Officer, DPKO/DFS	30 September 2018	DPKO agrees with the risk assessment and observation made by OIOS. The recommendation to reduce its reliance on extra-budgetary funding for core functions is considered desirable as such. However, the implementation of such a realignment of resources will require the Controller's concurrence and approval to move such core functions into assessed contributions. In the current climate of austerity and based on the instructions for the 15/16 Support Account and the 16-17 regular budget, such a realignment would not be feasible. DPKO will work with the Controller in preparing the 16/17 Support Account to evaluate the feasibility of addressing this realignment of resources.
2	UNMAS should take steps to ensure that Partner A: (i) submits the required reports in a timely manner; and (ii) provides the required accounts for assets acquired during project implementation.	Important	Yes	Chief of Budget, Financial Management and Reporting Section	31 March 2016	The recently signed new Memorandum of Understanding (MoU) between the United Nations and Partner A standardized and clarified the schedule for the submission of financial, substantive, and asset reports. This standardization of reporting schedules has already improved the timeliness of reporting. Furthermore, Partner A

⁶ Critical recommendations address significant and/or pervasive deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance cannot be provided regarding the achievement of control and/or business objectives under review.

⁷ Important recommendations address important deficiencies or weaknesses in governance, risk management or internal control processes, such that reasonable assurance may be at risk regarding the achievement of control and/or business objectives under review.

Management Response

Audit of the United Nations Mine Action Service of the Department of Peacekeeping Operations

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						<p>has advised UNMAS that since December 2014, it has instituted a quality assurance system that internally ensures timely submission of reports to UNMAS.</p> <p>With regards to asset reporting, Partner A has advised UNMAS that it has hired a global asset management specialist whose main task is to improve the quality of inventory management, knowledge, and reporting. UNMAS shall provide OIOS with evidence that demonstrates that the above measures have led to improved adherence to the deadlines for submission of reports by Partner A under a separate cover.</p>
3	UNMAS should adopt generally accepted accounting standards, establish a framework, and develop standard operating procedures for the preparation of its Annual Report and take steps to ensure that procedures are being consistently complied with.	Important	Yes	Chief of Budget, Financial Management and Reporting Section, Chief of Policy and Public Information	30 September 2016	<p>UNMAS is coordinating with the Accounts Division, Office of Programme Planning and Budget Accounts (OPPBA) with regard to this recommendation. The Accounts Division in OPPBA certifies financial statements and follows the generally accepted accounting standards applicable to the UN Secretariat.</p> <p>While the UNMAS Annual report is public information tool and not a financial statement, under IPSAS and UMOJA, UNMAS will ask the Accounts Division to review and certify the financial sections of the Annual Report to comply with the recommendation. UNMAS is</p>

Management Response

Audit of the United Nations Mine Action Service of the Department of Peacekeeping Operations

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						currently developing the Standard Operating Procedures and framework for the preparation of the Annual Report.
4	UNMAS, in collaboration with the Department of Management, should establish and implement adequate procedures to ensure that funds, excess to operational requirements, are not approved for payment to implementing partners.	Important	Yes	Chief of Budget, Financial Management and Reporting Section	30 September 2016	UNMAS notes that the new Memorandum of Understanding (MoU) between the United Nations and Partner A recognized Partner A's uniqueness amongst UNMAS' implementing partners as a subsidiary organ of the United Nations. Furthermore, Partner A's financial regulations and rules – which are similar to the United Nations regulations and rules - require cash in hand in order to make financial commitments. UNMAS invites OIOS to review final reports which in most cases show that funds budgeted for projects are almost fully spent. Finally, UNMAS notes that implementing partners' cash flow projections are carefully reviewed during the negotiation of financial agreements to ensure that the schedule of payments matches planned expenditure.
5	UNMAS should take action to amend the Memorandum of Understanding between the United Nations and Partner A to ensure that it includes the responsibilities of UNMAS and Partner A in the selection and performance appraisal of key	Important	Yes	Chief of Programme. Planning and Management Section	31 March 2017	UNMAS has already established a procedure with Partner A to ensure it is fully involved in the selection and performance appraisal of programme management staff. UNMAS shall provide OIOS with

Management Response

Audit of the United Nations Mine Action Service of the Department of Peacekeeping Operations

Rec. no.	Recommendation	Critical ⁶ / Important ⁷	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	programme management staff.					related evidence. UNMAS would like to clarify that amending the Memorandum of Understanding between the United Nations and Partner A can only be exercised by the Controller's Office. UNMAS will liaise with the United Nations Controller in this regard.
6	UNMAS should dedicate resources to: (i) develop a resource mobilization strategy; (ii) implement a system to track and monitor pledges; and (iii) meet donor reporting requirements.	Important	Yes	Donor Relations Officer, Chief of Budget, Financial Management and Reporting Section	30 September 2016	UNMAS has initiated a resource mobilization strategy 2015/2018. In addition, the newly created donor relations team will strengthen the monitoring and compliance with donor reports. The Programme and Financial Management system (ProFi) used by UNMAS already tracks and monitors the actual donor pledges. A system is in place to automatically remind the UNMAS Programme and Finance Sections of quarterly reporting requirements. Furthermore, since November 2014, UNMAS has involved its Implementing Partner at the very inception of the design of new projects and ensures that no agreement is concluded if donors' requirements cannot be satisfied.