



Office of Internal Oversight Services

INTERNAL AUDIT DIVISION

REPORT 2020/009

Audit of facilities management in the United Nations Assistance Mission for Iraq

The Mission needed to improve wastewater management

23 June 2020

Assignment No. AP2019-812-01

Audit of facilities management in the United Nations Assistance Mission for Iraq

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of facilities management in the United Nations Assistance Mission for Iraq (UNAMI). The objective of the audit was to assess the adequacy, effectiveness and efficiency of facilities management services in UNAMI. The audit covered the period from 1 January 2018 to 30 June 2019 and included a review of: (a) service capacity and delivery; (b) environmental and waste management; and (c) collection of rental income.

UNAMI adequately maintained office and residential accommodation as well as related equipment and collected applicable rent. It also installed wastewater treatment plants at most of its camps and implemented the Mission's environmental plans to segregate and treat solid waste at source. However, further efforts were needed to improve wastewater management.

OIOS made one recommendation for UNAMI to ensure that its contractor disposes of untreated wastewater from the Tamimi Compound appropriately, considering the status of wastewater treatment facilities in the host country. UNAMI accepted the recommendation and initiated action to implement it.

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Audit of facilities management in the United Nations Assistance Mission for Iraq

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of facilities management in the United Nations Assistance Mission for Iraq (UNAMI).
2. The Facilities Management Unit (FMU) is responsible to provide life support services and manage various offices and staff accommodations on UNAMI's premises. Most of these services are outsourced and include cleaning, laundry, gymnasium maintenance and waste management in Baghdad, Erbil and Kirkuk. FMU oversees the performance of service providers in coordination with other support sections to ensure timely and continued availability of these services.
3. The Mission has 770 accommodation units comprising of 534 hard wall and 236 containerized single-occupancy units. Of these, 439 units are in the integrated compound in Baghdad, 220 in Tamimi, 8 in Erbil, 74 in the Forward Support Base at Baghdad International Airport (BIAP), 10 in Mosul and 19 in Kirkuk. During 2018 and 2019, UNAMI personnel occupied 51 per cent of these accommodations and the rest were used by the United Nations Country Team and those personnel needing temporary accommodation. Other facilities supported by FMU are the UNAMI offices, clinics, laundry facilities, areas around generators, fuel stations and wastewater treatment plants, and other commonly used facilities including gymnasiums, workshops, parking areas and walkways.
4. The approved costs for facilities management and maintenance for 2018 and 2019 were \$3.0 and \$2.6 million, respectively as shown in Table 1. The annual staff cost of the Unit is estimated at \$1.5 million comprising of five international Field Service staff (FS) at FS-5 and 6 levels, and 12 national staff.

Table 1: Facilities management budget for the financial years 2018 and 2019
(in United States dollars)

Description	2018	2019
Utilities and waste disposal services	1,292,600	851,300
Maintenance services	1,662,200	1,678,100
Sanitation and cleaning materials	67,500	69,700
TOTAL	3,022,300	2,599,100

5. Comments provided by UNAMI are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

6. The objective of the audit was to assess the adequacy, effectiveness and efficiency of facilities management services in UNAMI.
7. This audit was included in the 2019 risk-based work plan of OIOS due to the criticality of facilities management services in the Mission environment.
8. OIOS conducted this audit from July to September 2019. The audit covered the period from 1 January 2018 to 30 June 2019. Based on an activity-level risk assessment, the audit covered higher and

medium risks areas in facilities management, which included: (a) service capacity and delivery; (b) environmental and waste management; and (c) collection of rental income.

9. The audit methodology included: (a) interviews with key personnel, (b) review of relevant documentation, (c) analytical review of data, (d) testing of records relating to a random sample of 240 UNAMI occupants; and (e) physical inspection of premises, facilities, equipment and supplies. Field visits were made to Baghdad, Erbil and Basra.

10. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

III. AUDIT RESULTS

A. Service capacity and delivery

UNAMI took action to maintain its premises

11. UNAMI is required to provide and maintain suitable, safe and secure office and living accommodation, related installations and utilities for mission personnel. OIOS observed that premises in Baghdad and Kuwait were properly maintained, including periodic maintenance of air conditioning systems, civil works, cleaning and electrical equipment. While a visit to Erbil indicated that the compound was maintained regularly, the medical facility needed to be repainted and tiles replaced. The Engineering Unit in Erbil explained that due to delays in establishing a maintenance contract, the necessary work was delayed. However, as a contract was established in October 2019 and maintenance work on the facility started in November 2019, OIOS did not make a recommendation.

B. Environmental and waste management

Need for effective management of wastewater at Tamimi Compound

12. The Departments of Peacekeeping Operations and Field Support (DPKO/DFS¹) waste management and environmental policies require UNAMI to install wastewater treatment plants (WWTPs) to ensure untreated wastewater is not discharged into the environment and to manage and dispose of waste generated by the Mission in a safe and proper manner to protect the health, safety and security of Mission personnel and the local population, and to reduce the risk of accidents and environment degradation. The audit noted the following:

- The Mission had installed four WWTPs in Baghdad, two in Erbil and one in Kirkuk and was expected to conduct monthly in-house biochemical oxygen demand testing (BOD). Samples of wastewater were also tested by outside facilities in Baghdad and Erbil annually. UNAMI provided the results of all BOD testing conducted between March 2018 and January 2020 and described the process to ensure that test results were within the acceptable levels. The yearly testing of complex chemicals was conducted according to the standard set in the WWTP manual.
- There was no WWTP at the Tamimi Compound. The Mission explained that it had considered the Compound as a temporary location and to avoid the investment of installing a WWTP,

¹ Some departments of the United Nations Secretariat were rebranded as part of reforms effective 1 January 2019. Guidance issued by former departments are still in force and are referenced using the names of the departments at the time of promulgation of the guidelines.

entered into a contract to transfer sewage to a government disposal site. However, the Mission did not obtain copies of sewage disposal receipts issued by the municipal government to the contractor to confirm that waste had been treated at the municipal wastewater treatment facility. Furthermore, according to an official Iraqi document prepared in collaboration with the United Nations Environment Programme, United Nations Development Programme and the World Health Organization, currently existing WWTPs in Iraq were obsolete, inefficient and hardly maintained. This could lead to the risk of discharging inadequately treated water from the Mission's premises into the environment.

13. The Mission stated that by outsourcing the disposal of wastewater, the responsibility to ensure that adequately treated water is discharged into the environment rests with the contractor. This was inconsistent with the United Nations requirement for all missions to assess local waste management capacities in conjunction with relevant authorities and other United Nations agencies present in the country, identify environmental obligations and ensure positive legacy initiatives as the basis of developing a waste management plan.

(1) UNAMI should take action to ensure that its contractor disposes of untreated wastewater from the Tamimi Compound appropriately, considering the status of wastewater treatment facilities in the host country.

UNAMI accepted recommendation 1 and stated that as the Tamimi Compound would be maintained for longer than initially anticipated, UNAMI would purchase and install a new WWTP at the camp to treat wastewater before reusing it for gardening or discharging it into the designated municipality disposal site. Recommendation 1 remains open pending receipt of evidence that a WWTP has been installed and commissioned at the Tamimi Compound.

The Mission was implementing measures to segregate and treat solid waste at source

14. According to DPKO/DFS waste management and environmental policies, UNAMI needed to take practical measures to segregate solid waste according to the classification stipulated. In 2018, the Mission provided separate recycle bins for glass, paper/organic waste, plastic, and cans/tins.

15. The audit observed that batteries and tyres were appropriately disposed of and medical waste was incinerated. However, at the time of the field visit, neither UNAMI nor the contractor properly segregated other solid waste or disposed of them in an eco-friendly manner. None of the locations OIOS visited (waste-generating facilities, offices and units) were segregating their solid waste. This was because UNAMI did not: (a) label and place one of each of the colour-coded bins at the same location to facilitate segregation of solid waste, but instead different coloured bins were put at different locations; and (b) implement procedures to monitor and inspect solid waste disposal practices of contractors. In addition, old furniture, unserviceable electronics and machines that could not be donated or sold were observed near the garbage collection point. Physical destruction and disposal of electronics with regular trash is not an environmentally sound practice.

16. UNAMI provided evidence that by the end of 2019, it had developed an action plan on waste management, with the aim to ensure minimal waste would leave the premises. It had also procured equipment to compost organic waste generated in dining facilities, and industrial shredder and compacting equipment to minimize the volume of the waste as the host country was unable to handle segregated waste. It had also properly distributed colour-coded indoor waste bags and outdoor bins in the integrated compound in Baghdad and was planning to extend this initiative to other geographical locations. This would address the waste management issue because the deteriorated security situation in Iraq did not allow

FMU international staff to physically verify disposal sites as envisaged in its Mission-wide environmental action plan, as they were located outside the security perimeter. Keeping in view the action taken by UNAMI, OIOS did not make a recommendation.

UNAMI took measures to prevent and monitor soil contamination

17. UNAMI generators were installed on concrete surfaces. However, contamination of soil was observed at generator sites located in BIAP and the old WWTP at Diwan, where used oil had spilled over the concrete surfaces. Due to inadequate clean-up or absorbent materials such as rags, sand, booms and clay, the oil spills observed in those areas were not contained. Also, barrels containing accumulated used oil awaiting disposal were stored directly on the ground, without a protective layer to prevent accidental seepage into the soil and subsequent ground water contamination especially during the rainy season.

18. This was because UNAMI had not implemented procedures to continuously monitor the adequacy of measures to prevent soil contamination. Subsequent to the audit, the Mission cleaned up the contaminated sites pointed out in the audit report. It also shared its draft standard operating procedures on waste management with the Global Environmental Unit in DOS for review and provided evidence that all generator sites and oil storage areas were being monitored daily by the Engineering Section. In view of the action taken by UNAMI, OIOS did not make a recommendation.

C. Collection of rental income

UNAMI took action to ensure complete and timely recovery of accommodation costs

19. A total of \$1.3 million was recorded in Umoja as rental income from UNAMI staff during the audit period, and \$5.2 million was recorded as revenue from office and residential accommodation allocated to the United Nations Country Team. UNAMI staff accommodation master lists were submitted to the Human Resources Section at Kuwait Joint Support Office for rental deductions from monthly payrolls. Guests provided with temporary accommodation were charged 50 per cent of daily subsistence allowance, where applicable. However, accommodation costs amounting to \$32,756 as of 30 June 2019 were not deducted from six staff members for periods ranging from 12 to 32 months. This was because the Human Resources Section had not activated, due to an oversight, applicable deductions in Umoja upon arrival of staff or renewal of their contracts. Discrepancies were also noted in monthly rental deductions of staff whose entry, exit and/or movement between locations were not properly monitored and deductions amounting to \$3,500 were not made.

20. Subsequent to the audit, UNAMI provided evidence that it had recovered outstanding rent from the staff referred to in this report. FMU had also strengthened coordination with the Human Resources Section to ensure there is no recurrence of non-recovery of rent. This includes development of an accommodation request system in the Field Support Suite to monitor and report staff movements and collect the appropriate amount of rent upon deployment. In light of the actions taken by UNAMI, OIOS did not make a recommendation.

IV. ACKNOWLEDGEMENT

21. OIOS wishes to express its appreciation to the management and staff of UNAMI for the assistance and cooperation extended to the auditors during this assignment.

(Signed) Eleanor T. Burns
Director, Internal Audit Division
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of facilities management in the United Nations Assistance Mission for Iraq

Rec. no.	Recommendation	Critical ² / Important ³	C/ O ⁴	Actions needed to close recommendation	Implementation date ⁵
1	UNAMI should take action to ensure that its contractor disposes of untreated wastewater from the Tamimi Compound appropriately, considering the status of wastewater treatment facilities in the host country	Important	O	Submission of evidence of installation and commissioning of the new WWTP at the Tamimi Compound.	31 December 2020

² Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

³ Important recommendations address important (but not critical or pervasive) deficiencies 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.

⁴ C = closed, O = open

⁵ Date provided by UNAMI in response to recommendations.

APPENDIX I

Management Response



United Nations Assistance Mission for Iraq (UNAMI)

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

Date: 02 June 2020
Ref.: CMS-020/021

From: Harish Joshi
Chief Mission Support
UNAMI

Subject: Response to the Draft Report on an Audit of the Facilities Management in UNAMI

With reference to your IOM OIOS-2020-00795 dated 22 May 2020 on the draft report on an audit of the facilities management in the United Nations Assistance Mission for Iraq (Assignment No. AP2019/812 /01), kindly find attached UNAMI's Management Response:

- Annex I - Management Response – Audit Recommendation;

cc: Mr. Mark Rutgers, Chief of Staff, UNAMI
Ms. Patricia Fynn, Chief Service Delivery Management, UNAMI
Mr. Farouk Kozah, Chief Engineering & Facilities Management Section, UNAMI
Mr. Saeed Ahmed, Senior Administrative Officer, UNAMI
Mr. Ferdinand Schafler, Audit Focal Point, UNAMI
Ms. Muriette Lawrence-Hume, Chief, New York Audit Service, IAD, OIOS
Ms. Cynthia Avena-Castillo, Professional Practices Section, IAD, OIOS
Ms. Lara Larsen, Head of Section, Sr Environmental Affairs Officer, EnvS, OUSG, DOS

Management Response

Audit of the facilities management in the United Nations Assistance Mission for Iraq

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNAMI should take action to ensure that its contractor disposes of untreated wastewater from the Tamimi camp appropriately, considering the status of wastewater treatment facilities in the host country.	Important	Yes	Chief Engineering & Facilities Management Section	31 Dec 2020	UNAMI will purchase and install a new Waste Water Treatment Plant (minimum capacity 20 m3/day) to treat adequately the produced waste water before reusing the treated water for gardening or discharging it into the designated municipality disposal site. UNAMI will immediately start purchasing the equipment which should arrive to Baghdad by the end of Oct 2020. The installation and commissioning of the new WWTP should be completed and fully functional by the end of the current year.

¹ Critical recommendations address critical and/or pervasive deficiencies in governance, risk management or control processes, such that reasonable assurance cannot be provided with regard to the achievement of control and/or business objectives under review.

² Important recommendations address important (but not critical or pervasive) deficiencies 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.