



INTERNAL AUDIT DIVISION

REPORT 2020/049

Audit of management of troop/police personnel and equipment contribution in the United Nations Support Office in Somalia

The Office needed to strengthen its management of contingent-owned equipment and address performance shortfalls in operational capabilities

**7 December 2020
Assignment No. AP2019-638-02**

Audit of management of troop/police personnel and equipment contribution in the United Nations Support Office in Somalia

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of management of troop/police personnel and equipment contribution in the United Nations Support Office in Somalia (UNSOS). The objective of the audit was to assess the effectiveness of the management of memoranda of understanding (MOUs) between the United Nations, African Union and troop and police contributing countries, including associated controls over contingent-owned equipment (COE), unit readiness and personnel strength. The audit covered the period from 1 July 2017 to 31 December 2019 and included a review of management and functioning of COE/MOU Management Review Board (CMMRB), verification of deployed operational capabilities and management of COE related data.

UNSOS needed to strengthen its management of COE and address performance shortfalls in operational capabilities.

OIOS made four recommendations. To address issues identified in the audit, UNSOS needed to:

- Expedite the implementation of all recommendations of the CMMRB under the Office's purview; and actively engage with the Uniformed Capabilities Support Division of the Department of Operational Support to address identified performance issues related to COE;
- Liaise with the African Union Mission in Somalia to verify the potential shortage in troop strength; and develop and implement measures to verify the accuracy of troop strength based on available troop rotation information to avoid excessive self-sustainment and logistical support costs;
- Enhance the effectiveness of COE inspections by assigning subject matter experts, as necessary and based on a risk assessment, in the inspection teams for verification of the serviceability of major equipment and self-sustainment capabilities; and
- Establish adequate measures to effectively monitor and maintain partner-owned equipment at the required serviceability rates to ensure their operational readiness.

UNSOS accepted the recommendations, implemented one of them and has initiated action to implement the remaining recommendations.

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Audit of management of troop/police personnel and equipment contribution in the United Nations Support Office in Somalia

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of management of troop/police personnel and equipment contribution in the United Nations Support Office in Somalia (UNSOS).

2. UNSOS supports the African Union Mission in Somalia (AMISOM) which was established to contribute to a stable environment in Somalia. AMISOM's mandate included protection of civilians by maintaining presence in population centers, securing supply routes, protecting United Nations personnel, infrastructure and equipment, and mentoring and assisting the Somali Federal Government in its political processes. The ability of AMISOM to effectively and safely implement its mandate depends on the adequacy and readiness of equipment contributed by the troop and police contributing countries (T/PCCs).

3. Security Council resolutions 1863, 2036, 2245 and 2472 approved a United Nations support package to AMISOM, including reimbursement for eligible contingent-owned equipment (COE), and provision of basic and essential supplies and services required for AMISOM contingents to implement their mandated activities. In addition to COE, some Member States donated equipment, called partner-owned equipment (POE), to AMISOM including armored personnel carriers (APCs), armed support vehicles, plant, equipment and trailers to strengthen the operational capabilities of T/PCCs. AMISOM troop costs and allowances were borne by these Member States independently from the United Nations.

4. The United Nations and African Union signed 10 tripartite memoranda of understanding (MOUs) with eight T/PCCs, setting out the terms and conditions for the United Nations to reimburse eligible COE provided by T/PCCs in support of AMISOM operations. Also, the reimbursement framework is specified in the Manual on Policies and Procedures concerning the Reimbursement and Control of COE of Troop/Police Contributors Participating in Peacekeeping Missions (the COE Manual). The African Union/AMISOM is responsible for supporting the end-to-end force generation. The Uniformed Capabilities Support Division (UCSD) in the Department of Operational Support (DOS) is responsible for supporting COE deployment and the reimbursement process in accordance with the MOUs. UCSD is also responsible for monitoring the performance and operational capabilities of contingents, and serves as a single point of entry for T/PCCs on all related administrative and logistical issues to coordinate closely with UNSOS. The UNSOS COE/MOU Management Review Board (CMMRB) provided oversight of the COE programme, reviewed deployed capabilities, and made recommendations to the United Nations Headquarters (UNHQ) CMMRB for their intervention and action with T/PCCs where necessary.

5. The COE Unit, located within the Mission Support Centre under the Chief of Operations and Resources Management Pillar, is responsible for: (a) the day-to-day management of MOUs including performing verification inspections to assess deployment and serviceability of major equipment and adequacy of self-sustainment needed by T/PCCs to carry out their mandated tasks; and (b) submission of verification reports to UCSD/DOS through the Uniform Capability Management System (UCMS) for COE reimbursements. The Unit is headed by a Chief at the P-4 level, supported by nine international staff and one government provided personnel.

6. As at 1 July 2017, there were 22,556 troop and formed police personnel deployed in Somalia from eight countries. The deployed uniformed personnel comprised 50 units (21,606 personnel), one guard unit (530 personnel) and three formed police units (420 personnel). As of January 2020, the approved AMISOM troop strength had been reduced to 20,897 following the Security Council resolution 2472 in May 2019. As

of January 2020, T/PCCs deployed 7,929 major COE representing 93 per cent of the quantity authorized in the MOUs. The approved budgets for COE cost reimbursements for the years 2017/18, 2018/19 and 2019/20 were \$92 million, \$103 million and \$104 million, respectively.

7. Comments provided by UNSOS are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

8. The objective of the audit was to assess the effectiveness of the management of MOUs between the United Nations, African Union and T/PCCs, including associated controls over COE, unit readiness and personnel strength.

9. This audit was included in the 2019 risk-based work plan of OIOS because of the financial and operational risks related to the management of equipment contribution in Somalia and the provision of support services to AMISOM troop/police personnel.

10. OIOS conducted this audit from August 2019 to January 2020. The audit covered the period from 1 July 2017 to 31 December 2019. Based on an activity-level risk assessment, the audit covered higher and medium risks areas in the provision of support services to troop/police personnel and equipment contribution, which included: management and functioning of CMMRB; verification of deployed operational capabilities; and management of COE related data.

11. The audit methodology included: (a) interviews of key staff; (b) review of relevant documents; (c) analytical review of data; (d) testing of randomly selected 61 out of 402 COE inspection reports and 51 out of 103 monthly standard operational reports (MSORs) submitted by T/PCCs; and (d) field visits to 9 out of 80 COE locations in Somalia and physical inspection of a judgemental sample of 95 out of 7,929 major equipment. Inspection locations were selected based on accessibility and concentration of troop/police personnel and COE.

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

III. AUDIT RESULTS

A. Management and functioning of the CMMRB

Need to follow-up on implementation of CMMRB recommendations

13. UNSOS in collaboration with AMISOM established CMMRB in 2014 to oversee the management of the COE programme. The Board was chaired by the Director of UNSOS and co-chaired by the AMISOM Deputy Force Commander. It also had adequate representation from technical sections in UNSOS, AMISOM and T/PCCs. The COE Unit was fully staffed during the audit period and acted as the secretariat to CMMRB.

14. The Board convened eight quarterly meetings during the audit period, which were well attended. Minutes of meetings and recommendations were also submitted to UNHQ CMMRB for remedial actions. Items discussed during CMMRB meetings included among others: (a) contingents' performance, shortfalls, and remedial action from COE quarterly status reports; (b) amendments to MOUs as a result of operational

requirements; (c) review of T/PCC claims for damage to COE from hostile action; (d) review of mission factors¹ for adjustment; and (f) utilization of equipment.

15. However, CMMRB was not fully effective in monitoring the action points raised at quarterly meetings; 18 of the 28 recommendations made during the eight meetings reviewed were outstanding for an average of 15 months. For example, 3 recommendations (i.e., disposal and repatriation of obsolete COE, repatriation of surplus equipment in excess of operational requirements, and expediting the repair of POE) had been outstanding for 18 months, even though UNSOS had been assigned the lead in their implementation. For other recommendations, T/PCCs were not taking action in a timely manner to implement them. For instance, in June 2019, CMMRB recommended that several T/PCCs submit requests for storage containers for safe keeping of ammunition, but this was not done. Contingents continued to keep ammunition in residential tents, increasing the risk to safety of troops in the event of an attack or accident.

16. CMMRB also did not follow-up in a timely manner on important recommendations made to UNHQ CMMRB. Nine of the 15 recommendations made were outstanding for periods ranging from 6 to 9 months. These recommendations included the need to:

- Engage Permanent Missions of T/PCCs to improve low deployment and serviceability of equipment, as well as the need to increase self-sustainment capabilities. The average rate for compliance was about 73 per cent for deployment of major equipment, 63 per cent for serviceability and 56 per cent for self-sustainment.
- Authorize repatriation of one contingent unit and related COE due to underperformance. UNSOS had signed a Letter of Assist (LOA) with a TCC for \$3.2 million to drill 30 boreholes over a period of 20 months (April 2016 to December 2017) or upon issuance of a certificate of completion by UNSOS. In March 2019, CMMRB had recommended repatriation of the contingent unit and sought guidance from UNHQ CMMRB on the modalities for terminating the LOA. The contingent unit had only completed 5 of the 30 boreholes as of March 2019. DOS informed the TCC's Permanent Mission of the expiration of the LOA by mid-March 2020, and the well drilling COE was repatriated in June 2020. The delayed repatriation had resulted in additional costs of around \$860,000 to maintain the contingent unit beyond its recommended date of repatriation, although issues concerning the unit's performance had been identified earlier. The rationale for the delay of 15 months in requesting the repatriation of the unit, and termination of the LOA 27 months after the end of its term, was not provided.
- Recover costs from a TCC, which failed to hand over four reefer containers to a demobilizing contractor in February 2019 that resulted in UNSOS incurring penalties and demurrage charges totaling \$31,410. In December 2018, UNSOS escalated the matter to the Head of AMISOM and UCSD through the UNHQ CMMRB to recover the costs. At the time of the audit, UNSOS was yet to provide the necessary supporting documentation to UCSD for follow up.

17. UNSOS expressed the challenges it faced and indicated that it was not able to implement the recommendations unilaterally. UNSOS also considered the CMMRB quarterly submissions of minutes with related actions to UNHQ CMMRB, telephone discussions with UCSD, and visits to seven affected T/PCC countries in 2019 to discuss performance gaps as adequate follow-up. Given the potential impact of the recommendations in enhancing T/PCCs' performance, OIOS is of the view that UNSOS needs to engage with UCSD more actively to implement CMMRB recommendations in a timely manner.

¹ Mission factors are multipliers applied to COE reimbursement rates to compensate for mission specific conditions that cause unusual wear and tear, shorter life, increased maintenance costs, risk of damage or loss of equipment.

- (1) UNSOS should: (a) expedite the implementation of all recommendations of the Contingent-Owned Equipment and Memoranda of Understanding Management Review Board under the Office’s purview; and (b) actively engage with the Uniformed Capabilities Support Division of the Department of Operational Support to address identified performance issues related to contingent-owned equipment.**

UNSOS stated that recommendation 1 was implemented. UNSOS emphasized that the disposal and repatriation of obsolete COE is a T/PCC responsibility and the repatriation of surplus equipment is subject to approval by UNHQ in consultation with the TCC. The UNSOS CMMRB followed up quarterly with UNHQ which was evidenced by associated responses from UCSD. UNSOS engaged with UCSD through quarterly review mechanism which was designed to provide coordinated and consistent feedback platform. Evidence of several engagements made with the Permanent Missions of T/PCCs on the issue of deployment and serviceability and communicating UCSD for cost recovery from a TCC have been provided. Based on the evidence provided for the actions taken by UNSOS and UCSD to closely engage and enhance coordination to implement outstanding COE recommendations and address identified performance issues, recommendation 1 has been closed.

B. Verification of deployed operational capabilities

Need to verify the accuracy of troop and police personnel strength

18. The tripartite MOUs specified troop strength, major equipment, serviceability and self-sustainment rates needed for T/PCCs to support the implementation of AMISOM’s mandate. The MOUs and UNSOS COE programme established measures to monitor and maintain the MOU requirements.

19. Under the tripartite MOUs, UNSOS reimbursed T/PCCs for 530 personnel provided under the guard unit. OIOS noted that UNSOS verified and adequately monitored the movement of the 530 troops in and out of Somalia. However, there was an indication that about 29 per cent of the 21,606² AMISOM troops reported to be present in Somalia might not be deployed in the area of operation. OIOS’ comparison of UNSOS annual performance reports and AMISOM troop strength reports for 2017/18 and 2018/19 showed that on average, 71 per cent (or 15,383 of the 21,606 reported troops) were rotated each year, instead of all 21,606 being rotated within 12 months. While AMISOM informed UNSOS that the remaining troops would be rotated in the subsequent period, UNSOS did not receive evidence that they had been rotated, with a concern that about 29 per cent of the troops had not been deployed in the area of operation. The shortage of 29 per cent in troop strength could significantly affect the capacity of contingents in implementing AMISOM’s mandate.

20. Furthermore, UNSOS, without ascertaining the accuracy of the reported troop strength, continuously provided extensive logistical support to military units based on the troop strength of 21,606 as reported by AMISOM. As at June 2020, UNSOS had provided 6,369 pieces of equipment, various supplies for self-sustainment capabilities, rations and fuel as well as medical, information technology and training services. The cost of information technology and training support provided to AMISOM was estimated at \$9 million annually, which may have been excessive due to the potentially inflated troop strength. Other cost of logistical support to AMISOM could not be reliably estimated because UNSOS did not maintain a detailed cost breakdown.

21. The conditions described above occurred because UNSOS: (i) did not perform the initial troop strength verification since the tripartite MOUs were concluded after the deployment of troops; and (ii) had

² Represents the figure deployed as reported by AMISOM in July 2017.

not been able to carry out effective verification and monitoring of troop strength due to security threats in several locations. UNSOS needs to establish measures to verify AMISOM troop strength to the extent possible. Since at least 60 per cent of troops were deployed by air, UNSOS could obtain a certain level of assurance of compliance with MOUs by checking the flight manifests and movement reports. Failure to verify the accuracy of troop strength may result in overpayment of self-sustainment costs and provision of excessive logistical support based on an inflated troop strength.

(2) UNSOS should: (a) liaise with the African Union Mission in Somalia to verify the potential shortage in troop strength; and (b) develop and implement measures to verify the accuracy of troop strength based on available troop rotation information to avoid excessive self-sustainment and logistical support costs.

UNSOS accepted recommendation 2 and stated that it coordinates with AMISOM to verify troop strength which is monthly reported to UNHQ. Records of various engagements by UNSOS to address the issues related to potential troop shortage were provided. This recommendation can be implemented only for TCCs that are directly travelled by UNSOS, but not for AMISOM locations that are not accessible to UNSOS personnel due to security restrictions. Recommendation 2 remains open pending receipt of evidence that UNSOS has used all available information to validate accuracy of troops it transports in and out of Somalia.

Action was being taken to address gaps in deployment and serviceability of major equipment and self-sustainment

22. The COE Unit assessed the deployment, serviceability of major equipment and self-sustainment capability through quarterly inspections, and prepared status reports analyzing the key performance indicators (KPIs) for operational readiness and effectiveness of deployed capabilities. OIOS' review of quarterly COE status reports showed that the average quarterly performance for deployment and serviceability of major equipment was 63 per cent, which was significantly lower than the required target of 90 per cent. Of the 54 units deployed, 21 units were rated unsatisfactory and 32 units had critical shortfalls. This included three TCCs with performance capabilities of 32, 47 and 56 per cent on average for the period reviewed.

23. T/PCCs were reimbursed for six self-sustainment categories (catering, communication, office, laundry, cleaning and tentage). The average quarterly self-sustainment performance for all T/PCCs was 56 per cent for the entire period, significantly lower than the required target of 90 per cent. This was because seven units from two TCCs and a PCC with one unit had not deployed any self-sustainment category, and 18 of the 54 deployed units failed to meet the required standards in three (catering, cleaning and laundry) out of the six self-sustainment categories.

24. Addressing the shortfalls in major equipment and self-sustainment in a timely manner would assist AMISOM to carry out its mandated activities more effectively. OIOS ascertained that DOS prepares quarterly performance reports, informs the concerned Member States of critical shortfalls (performance below 70 per cent), and ensures that the reimbursement was reduced accordingly. Therefore, OIOS did not make a recommendation on this issue.

Need to strengthen the effectiveness of COE verification process

25. To efficiently verify the operational capabilities of contingents, UNSOS developed and implemented quarterly inspection plans that took into consideration the number of locations, major equipment held by military/police units, availability of transport for COE inspection staff, and the security situation. In the audit period, the COE Unit conducted 402 of the required 557 inspection visits (1 arrival,

243 periodic and 158 operational readiness inspections). These inspections covered 85 per cent of major equipment. The shortfall in verification coverage was due to security concerns in some locations. For example, inspection teams could not visit 16 forward operating bases during the second quarter of 2019 due to security threats in the area. For areas not visited, UNSOS used the MSORs prepared by contingent units and approved by their commanders as an alternative source of information for reporting on COE serviceability.

26. OIOS' review of a sample of 61 inspections reports showed that inspection teams used the information in the electronic-COE system and UCMS to verify and record COE information including equipment type, quantity deployed, condition and status. The inspection teams comprised COE Unit staff and AMISOM representatives. However, inspection teams did not include subject matter experts in logistics, engineering and transport to provide technical expertise during inspections. UNSOS considered that its COE team had expertise in all areas of COE inspections. However, considering the importance of COE to the Mission's operations and the large budget associated with it, there was a need for UNSOS, based on a risk-assessment, to assign qualified technical staff to assist in inspections in areas of higher risk.

27. OIOS also noted that teams only had 1 to 4 hours to spend at each inspection site due to operational and security constraints. Therefore, they had to rely on contingents' input and MSORs at times to determine the equipment's serviceability status, although this to some degree reduced the team's ability to fully conduct the inspection. Information in MSORs was not always reliable, as discussed later in this report.

28. Further, OIOS' verification of major equipment in four of the nine contingent locations indicated that: (i) two battle tanks had faulty hydraulic systems which affected their readiness; (ii) four APCs either had uncharged batteries which prevented starting their engines during the inspection, or their mortars were very slow; and (iii) there were discrepancies between current and previous odometer readings for three of the four APCs. The COE Unit had reported the above equipment as serviceable in its periodic verification reports because the defects did not meet the criteria for unserviceability. However, this equipment would not be effective to meet prompt military operational demands.

(3) UNSOS should enhance the effectiveness of contingent-owned equipment inspections by assigning subject matter experts, as necessary and based on a risk assessment, in the inspection teams for verification of the serviceability of major equipment and self-sustainment capabilities.

UNSOS accepted recommendation 3 and stated that it will ensure that subject matter experts are included where necessary during COE inspections by COE teams. Recommendation 3 remains open pending receipt of evidence that subject matter experts are included in COE inspection teams as necessary, based on a risk assessment.

Action was being taken to rotate and replace unserviceable equipment

29. UNSOS and T/PCCs needed to rotate and replace unserviceable and obsolete equipment in order to maintain operational readiness of deployed capabilities. OIOS' review of the listing and serviceability of major equipment indicated that 47 per cent (3,740 out of 7,929) of major equipment was seven years or older and eligible for rotation in accordance with the relevant guidelines. Eleven per cent (394 of 3,740) of equipment eligible for rotation became unserviceable between November 2017 and September 2019, including APCs, engineering equipment, and military support vehicles. This was highlighted in the Secretary-General's letter to the President of the Security Council on the African Union-United Nations' Joint Review of AMISOM (S/2019/440), where it is reported that COE serviceability for several units was below the required standards as set out in the MOUs with T/PCCs.

30. In October 2018, UNSOS requested T/PCCs to provide details of equipment eligible for rotation. Only one of the eight T/PCCs submitted a list of 14 items of eligible equipment, without proposing replacement. UNSOS reminded T/PCCs during subsequent quarterly CMMRB meetings, but contingents indicated that they had not received authorization from their Permanent Missions. The matter was discussed by CMMRB and concerns were forwarded to the UNHQ CMMRB, which UCSD was regularly following up with the T/PCCs Permanent Missions. Also, UNSOS deployed a team of experts to all T/PCC capitals to brief them on the COE programme, including rotation and replacement of equipment. In view of the actions taken, OIOS did not make a recommendation on this issue.

Need to ensure timely maintenance of POE

31. Member States donated POE (including APCs, armed and support vehicles, equipment and trailers) to AMISOM to strengthen the operational capabilities of TCCs. Tripartite MOUs required UNSOS to maintain the serviceability of POE above 75 per cent. While UNSOS took steps to maintain the serviceability of POE, as of the last quarter of 2019, about 43 per cent (97 of the 226) of POE was unserviceable, 34 of which could not be located due to inadequate record keeping and tracking. The remaining 63 items had not been serviced for more than two years due to lack of spare parts.

32. According to UNSOS, contingents did not avail POE for servicing in a timely manner when due. When UNSOS dedicated a team in August 2019 to monitor the sourcing of spare parts to improve serviceability of POE, the serviceability rate remained low. UNSOS needs to take additional measures to monitor and ensure the timely maintenance of POE at the required serviceability rates. Long periods of low serviceability resulted in inefficient use of POE and compromised their operational readiness.

(4) UNSOS should establish adequate measures to effectively monitor and maintain partner-owned equipment at the required serviceability rates to ensure their operational readiness.

UNSOS accepted recommendation 4 and stated that it has developed a Transport Vehicles Off Road dashboard that allows for effective monitoring to ensure POE operational readiness and allow for managerial oversight of the whole process. UNSOS will work with AMISOM to implement a maintenance schedule plan, which must include back-loading of POE to the nearest UNSOS repair facility. This will contribute to the improvement of the POE fleet serviceability. Recommendation 4 remains open pending receipt of evidence of measures established to effectively monitor and maintain POEs at the required level of serviceability.

Action was being taken to dispose of obsolete COE

33. To ensure timely disposal of COE, T/PCCs are required to regularly analyze COE to identify equipment that are unserviceable beyond economical repair or obsolete, and take appropriate disposal actions. For disposal of COE in Somalia, UNSOS is expected to assist contingents to ensure that the disposal actions are in accordance with host country requirements. During the audit period, no COE had been disposed of.

34. As of October 2019, 300 COE items, although unserviceable for more than a year and therefore eligible for disposal, were still in the COE database. Another 28 items of POE beyond economic repair had not been disposed of due to lack of agreed disposal procedures with the donor Member States. During field visits to nine troop/police locations, OIOS observed four extensive scrap yards with large volumes of scrap metal including damaged battle tanks, vehicles and used spare parts. Troop locations also contained stockpiles of used tyres, waste oil, contaminated materials, batteries and battery acids. Additionally, prior to deployment of AMISOM equipment in February 2012, two TCCs had already deployed their own

equipment as they were operating in Somalia prior to current AMISOM/UNSOS mandate. This equipment had become obsolete but had not yet been disposed of.

35. While T/PCCs are primarily responsible for disposal of their COE and POE, UNSOS through CMMRB recommended to UCSD to follow up with the T/PCCs and had shared the list of all unserviceable COE with both AMISOM and T/PCCs to consider their disposal. In view of the action taken, OIOS did not make a recommendation on this issue.

C. Management of COE related data

Action was being taken to improve accuracy and timeliness of monthly standard operational reports submitted by T/PCCs

36. OIOS' review of 61 out of 402 quarterly COE verification reports indicated that UNSOS had submitted them in a timely manner, and the results of the inspections were adequately documented in the required format and uploaded into UCMS. T/PCCs reported their major equipment and self-sustainment capabilities to UNSOS through MSORs. For the audit period, contingents submitted 103 (45 per cent) out of the required 230 MSORs. OIOS' review of 51 out of 103 MSORs showed the following:

- 73 equipment categories (79 per cent) contained inaccurate serviceability information compared to verification reports;
- One contingent unit reported 71 more items of major equipment in its MSORs than what was reported by the COE Unit in the verification reports;
- 27 of the 51 MSORs were in wrong templates which made it difficult for UNSOS to verify the information therein; and
- Three contingent units did not submit MSORs for 24 months due to lack of capacity or non-prioritization of the requirement.

37. MSORs formed the basis for reimbursement for COE at locations not accessible due to safety and security reasons. Further, since the outbreak of the COVID-19 pandemic, UNSOS started relying heavily on MSORs as the COE Unit's physical inspection of equipment had been suspended. To improve the quality of MSORs and minimize the risk of error, UNSOS distributed guidelines and reporting templates to all contingents and provided briefings to new contingents when they were rotated. Also, UNSOS recently implemented a matrix that monitors the timely submission of MSORs by contingents. In view of this, OIOS did not make a recommendation on this issue.

DOS was actively following up to obtain accurate information to finalize the replacement of damaged COE

38. The 2017 tripartite MOUs required the United Nations to reimburse AMISOM for COE damaged by hostile action or forced abandonment between February 2012 and the time of signing the respective MOUs. At the time of the audit, UNSOS had received 15 claims for such reimbursements totaling \$24 million. The AMISOM/UNSOS Joint Board of Inquiry, which is the mechanism for review and approval of such claims, had approved 10 claims totaling \$23 million for reimbursement. Investigation teams could not visit the incident sites due to security restrictions, but they had corroborated, in accordance with the Board's standard operating procedures, the information provided in the AMISOM/contingent investigation reports. This included witness accounts where applicable, reports from the Department of Safety and Security, certification of claims by the AMISOM Force Commander, and confirmation of equipment

eligibility from the COE Unit's historical verification reports. Five claims totaling \$1 million awaited review since March 2019 due to insufficient supporting documentation from T/PCCs.

39. Only 2 of the 10 approved claims totaling \$4.6 million had been paid. T/PCCs through the Permanent Missions were slow in submitting invoices for approved claims, which in turn delayed the processing of reimbursements. Since UCSD was well aware of this issue and was in the process of obtaining accurate information from AMISOM to finalize these claims, OIOS did not make a recommendation.

Mission factors reimbursement rates were approved but have yet to be paid

40. Mission factors are multipliers applied to COE reimbursement rates to compensate for mission specific conditions that cause unusual wear and tear, shorter life, increased maintenance costs, or risk of damage or loss of equipment. Such conditions include extreme environmental conditions, intensified operational conditions, hostile action or forced abandonment. The conditions and related multipliers are reviewed once every three years.

41. In October 2017, UNSOS, the United Nations Assistance Mission in Somalia and AMISOM established a technical survey team to review mission factors and make recommendations for adjustment of reimbursement rates as required by the tripartite MOUs. The review team recommended revision of the mission factors from 0.9 to 1.9 per cent for environmental conditions, zero to 4.2 per cent for intensified operational conditions, and 3.9 to 6 per cent for hostility/forced abandonment, effective from July 2017. Their recommendations were approved by CMMRB in May 2018 and authorized by the Director of Logistics Division/DOS in July 2019. At the time of the audit, UNSOS had reached out to UCSD to confirm the status of retroactive reimbursement and was informed that while mission factors had been included in the revised MOUs, retroactive reimbursement had not been completed. DOS explained that the implementation of the new UCMS module, which caused the delays, will be completed in the near future. Therefore, OIOS did not make a recommendation on this issue.

IV. ACKNOWLEDGEMENT

42. OIOS wishes to express its appreciation to the management and staff of UNSOS 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 management of troop/police personnel and equipment contribution in the United Nations Support Office in Somalia

Rec. no.	Recommendation	Critical³/ Important⁴	C/ O⁵	Actions needed to close recommendation	Implementation date⁶
1	UNSOS should: (a) expedite the implementation of all recommendations of the Contingent-Owned Equipment and Memoranda of Understanding Management Review Board under the Office's purview; and (b) actively engage with the Uniformed Capabilities Support Division of the Department of Operational Support to address identified performance issues related to contingent-owned equipment.	Important	C	Action taken.	Implemented
2	UNSOS should: (a) liaise with the African Union Mission in Somalia to verify the potential shortage in troop strength; and (b) develop and implement measures to verify the accuracy of troop strength based on available troop rotation information to avoid excessive self-sustainment and logistical support costs.	Important	O	Receipt of evidence that UNSOS has used all available information to validate accuracy of troops it transports in and out of Somalia.	31 December 2021
3	UNSOS should enhance the effectiveness of contingent-owned equipment inspections by assigning subject matter experts, as necessary based and on a risk assessment, in the inspection teams for verification of the serviceability of major equipment and self-sustainment capabilities.	Important	O	Receipt of evidence that subject matter experts have been included in contingent-owned equipment inspection teams as necessary, based on a risk assessment.	31 December 2021
4	UNSOS should establish adequate measures to effectively monitor and maintain partner-owned equipment at the required serviceability rates to ensure their operational readiness.	Important	O	Receipt of evidence of measures established to effectively monitor and maintain partner-owned equipment at the required level of serviceability.	31 December 2021

³ Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

⁴ Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

⁵ Please note the value C denotes closed recommendations whereas O refers to open recommendations.

⁶ Date provided by UNSOS in response to recommendations.

APPENDIX I

Management Response



Interoffice Memorandum

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

Ref: UNSOS/1120/M.024

From: Amadu Kamara
Director, UNSOS

Date: 26 November 2020

Subject: **Draft report on an audit of management of troop/police personnel and equipment contribution in the United Nations Support Office in Somalia (Assignment No. AP2019-638-02)**

1. Further to our memorandum dated 19 November in reference OIOS-2020-01606 of 2 November 2020, please find attached the amended UNSOS response to the subject audit. The response to recommendation 2 has been adjusted following engagement with the Chief Resident Auditor of UNSOS.
2. With respect to Paragraph 6 of the draft report, Management seeks to clarify that the 50 military units were not all infantry battalions.
3. We thank you for your continued support to the work of UNSOS.

cc: Ms. Fatoumata Ndiaye, Under-Secretary-General, Office of Internal oversight Services
Ms. Cynthia Avena-Castillo, Professional Practices Section, Internal Audit Division, OIOS
Mr. Daeyoung Park, Chief, Peacekeeping Audit Service Internal Audit Division, OIOS
Ms. Madeleine Akpene Gaba, Chief Resident Auditor, UNSOS, Internal Audit Division, OIOS
Mr. Harjit Dhindsa, Chief Operations and Resource Management, UNSOS
Mr. Dolapo Kuteyi, Senior Administrative Officer, UNSOS
Mr. Leopoldo Co, Chief, Mission Support Centre, UNSOS
Mr. Robert Rupert Forson, Chief, COE Unit, UNSOS
Ms. Rosalie Piezas, Risk Management & Compliance Officer, UNSOS

AUDIT RECOMMENDATIONS

Audit of management of troop/police personnel and equipment contribution in the United Nations Support Office in Somalia

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNSOS should: (a) expedite the implementation of all recommendations of the Contingent-Owned Equipment and Memoranda of Understanding Management Review Board under the Office's purview; and (b) actively engage with the Uniformed Capabilities Support Division of the Department of Operational Support to address identified performance issues related to contingent-owned equipment.	Important	Implemented	COE	UNSOS portions implemented	<p>Management seeks to once again emphasize to the auditors that with reference to Para 15 of the draft report, the disposal and repatriation of obsolete COE is a T/PCC responsibility, while the repatriation of surplus equipment beyond operational requirement is subject to approval by UNHQ in consultation with the TCC. Consequently, UNSOS cannot be assigned the lead in these two examples cited by the auditors. Management therefore requests the auditors to adjust this finding.</p> <p>Similarly, Management observes that the statement in Para 16 to the effect that the CMMRB did not follow-up in a timely manner on important recommendations made to UNHQ is not factually accurate. Evidence of quarterly follow up and associated responses from UCSD/DOS has been provided to the audit team, and the</p>

¹ Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

² Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

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						<p>latest feedback on UNSOS CMMRB recommendations is attached.</p> <p>The Auditors’ position that UNSOS should engage UCSD more actively is not based on any known provisions beyond the quarterly review mechanism, which is designed to provide a coordinated and consistent feedback platform. Management therefore requests that this portion of the report be amended accordingly.</p> <ul style="list-style-type: none"> • The issue of T/PCC compliance with the MOU on deployment and serviceability is being handled by UNHQ, and several engagements have been made with the PMs of the concerned T/PCCs as indicated in the feedback. • The repatriation of the Ethiopia Water Well Drilling Unit was completed in June 2020 after receiving authorization from UNHQ. • The response of UNHQ on the cost recovery can be found in the latest feedback to CMMRB recommendations. <p>Considering the above, Management requests the auditors to close the portions of this recommendation assigned to UNSOS as implemented by the mission.</p>
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AUDIT RECOMMENDATIONS

Audit of management of troop/police personnel and equipment contribution in the United Nations Support Office in Somalia

2	<p>UNSOS should: (a) liaise with the African Union Mission in Somalia to verify the potential shortage in troop strength based on available troop rotation information; and (b) develop and implement measures to verify the accuracy of troop strength to avoid excessive self-sustainment and logistical support costs.</p>	Important	Yes	MSC/COE	December 2021	<p>As indicated in the response to the Detailed Audit Result, UNSOS coordinates with AMISOM to verify the troop strength which is reported monthly to UNHQ. Records of various engagements by UNSOS to address the issues related to potential troop strength shortage were made available to the audit team.</p> <p>Management seeks to again advise that the recommendation can be implemented only for TCCs that are directly travelled by UNSOS, but not for AMISOM locations that are not accessible to UNSOS personnel due to security restrictions. Management therefore requests the Auditors to adjust this recommendation to reflect the scope of action that is within the purview of UNSOS i.e.: (a) liaise with AMISOM to verify the potential shortage in troop strength; and (b) develop and implement measures to verify the accuracy of troop strength based on available troop rotation information. Management reiterates that UNSOS is not able to develop and implement a mechanism to</p>
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AUDIT RECOMMENDATIONS

Audit of management of troop/police personnel and equipment contribution in the United Nations Support Office in Somalia

						independently verify the accuracy of AMISOM troop strength for all TCCs.
3	UNSOS should enhance the effectiveness of contingent-owned equipment inspections by assigning subject matter experts, as necessary based on a risk assessment, in the inspection teams for verification of the serviceability of major equipment and self-sustainment capabilities.	Important	Yes	MSC/COE	December 2021	Management will ensure that subject matter experts are included where necessary during COE inspections by COE teams.
4	UNSOS should establish adequate measures to effectively monitor and maintain partner-owned equipment at the required serviceability rates to ensure their operational readiness.	Important	Yes	Transport	Ongoing	<p>The Mission has developed a Transport Vehicles Off Road dashboard that allows for effective monitoring of partner-owned equipment ensuring POE operational readiness and allowing for managerial oversight of the whole process.</p> <p>Management will work with AMISOM to implement a maintenance schedule plan, which must include back-loading of POE to the nearest UNSOS repair facility by December 2021.</p> <p>The above initiatives will contribute to the improvement of the POE fleet serviceability</p>