



INTERNAL AUDIT DIVISION

REPORT 2016/055

Audit of the United Nations Interim Security Force for Abyei's utilization of logistical arrangements and support structures of other missions and the Regional Service Centre in Entebbe

Overall results relating to the effective utilization of logistical arrangements and support structures of other missions and the Regional Service Centre were initially assessed as partially satisfactory. Implementation of one important recommendation remains in progress

FINAL OVERALL RATING: PARTIALLY SATISFACTORY

26 May 2016
Assignment No. AP2015/635/03

CONTENTS

	<i>Page</i>
I. BACKGROUND	1
II. OBJECTIVE AND SCOPE	1-2
III. AUDIT RESULTS	2-4
Coordinated management	3-4
IV. ACKNOWLEDGEMENT	4
ANNEX I Status of audit recommendations	
APPENDIX I Management response	

AUDIT REPORT

Audit of the United Nations Interim Security Force for Abyei's utilization of logistical arrangements and support structures of other missions and the Regional Service Centre in Entebbe

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the United Nations Interim Security Force for Abyei's (UNISFA) utilization of logistical arrangements and support structures of other missions and the Regional Service Centre in Entebbe (RSCE).
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. UNISFA's budgets for fiscal years 2012/13 to 2015/16 required the Mission to leverage, to the fullest extent possible, the existing logistical arrangements and support structures of the African Union/United Nations Hybrid Operation in Darfur (UNAMID), the United Nations Mission in Republic of South Sudan (UNMISS) and the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) and the non-location dependent finance and administrative support provided by the RSCE to maintain the lightest possible footprint in the Mission's area of operations. The Mission's 2012/13, 2013/14 and 2015/16 budgets were \$305.3 million, \$328.2 million and \$279.9 million respectively. The Mission had 5,101 military personnel, 225 military observers, 50 United Nations Police Officers and 298 civilian staff located in Abyei as well as areas under the control of UNAMID, UNMISS, MONUSCO and RSCE.
4. UNISFA's Chief of Mission Support at the D-1 level is responsible for ensuring that the Mission receives the required support. As of February 2016, the Office of Chief of Mission Support had three authorized posts including one P-4 level, one Field Service and one National Staff. The 2015/16 budgeted staff cost was \$839,920.
5. Comments provided by UNISFA are incorporated in italics.

II. OBJECTIVE AND SCOPE

6. The audit was conducted to assess the adequacy and effectiveness of governance, risk management and control processes in providing reasonable assurance regarding the **effective utilization by UNISFA of logistical arrangements and support structures of UNMISS, UNAMID, MONUSCO and RSCE**.
7. The audit was included in the 2015 risk-based work plan of OIOS because of the operational risk related to the UNISFA dependence on logistical and administrative support structures of UNMISS, UNAMID, MONUSCO and RSCE.
8. The key control tested for the audit was coordinated management. For the purpose of this audit, OIOS defined this key control as the one that provides reasonable assurance that potential overlaps in the performance of a function or the delivery of a programme are mitigated, and that issues affecting or

involving other United Nations partners and actors are identified, discussed and resolved in a timely manner and at the appropriate forum. It includes regular meetings among the United Nations partners and actors involved in programme delivery, and other tools, forums or mechanisms to discuss issues.

9. The key control was assessed for the control objectives shown in Table 1.

10. OIOS conducted this audit in January and February 2016 and covered the period from July 2013 to February 2016.

11. The audit team conducted an activity-level risk assessment to identify and assess specific risk exposures, and to confirm the relevance of the selected key control in mitigating associated risks. Through interviews and analytical reviews, OIOS assessed the existence and adequacy of internal controls and conducted necessary tests to determine their effectiveness.

III. AUDIT RESULTS

12. The UNISFA governance, risk management and control processes examined were initially assessed as **partially satisfactory**¹ in providing reasonable assurance regarding the **effective utilization by UNISFA of logistical arrangements and support structures of UNMISS, UNAMID, MONUSCO and RSCE**.

13. The overall rating is based on the assessment of key control presented in Table 1.

Table 1: Assessment of key control

Business objective	Key control	Control objectives			
		Efficient and effective operations	Accurate financial and operational reporting	Safeguarding of assets	Compliance with mandates, regulations and rules
Effective utilization by UNISFA of logistical arrangements and support structures of UNMISS, UNAMID, MONUSCO and RSCE	Coordinated management	Partially satisfactory	Partially satisfactory	Partially satisfactory	Partially satisfactory
FINAL OVERALL RATING: PARTIALLY SATISFACTORY					

14. UNISFA had established adequate arrangements for the use of the logistical arrangements and support structures of UNMISS, UNAMID, MONUSCO and RSCE and was fully utilizing the support of UNAMID, MONUSCO and RSCE. However, UNISFA needed to implement an effective mechanism to fully benefit from its existing memorandum of understanding (MoU) with UNMISS and/or amend the MoU to further reduce its footprint in UNMISS-controlled areas of Wau and Juba.

¹A 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.

Coordinated management

There were adequate arrangements for UNISFA to meet its logistical needs but it needed an effective mechanism to fully benefit from these arrangements

15. The UNISFA 2012/13 to 2015/16 budgets required the Mission to leverage, to the fullest extent possible, the existing logistical arrangements and support structures of UNMISS, MONUSCO, UNAMID and RSCE to maintain the lightest possible footprint. UNISFA was therefore expected to: establish appropriate arrangements and implement adequate measures to ensure that these missions and RSCE met its requirements.

16. Interview with UNISFA management indicated that the Mission had established a service-level agreement with RSCE and MoUs with UNMISS, UNAMID and MONUSCO. The service-level agreement with RSCE provided for the transferred UNISFA non-location dependent transactional and back office support functions related to human resources management, vendors' payment, payroll processing, accounting and reporting; and the MoUs provided for a range of support including:

- UNMISS logistical to the UNISFA liaison office in Juba, movement and control operations for staff and visitors transiting through UNMISS-controlled areas such as Juba and Wau, and border monitoring activities in UNMISS-controlled areas. These logistical support requirements included: ground and air transport; office space and living accommodations; vehicles, fuel and related maintenance and repairs; communication and information technology equipment and related services; and medical services;
- UNAMID logistical support to the UNISFA liaison office in Khartoum; satellite administrative office in Entebbe; border monitoring activities in UNAMID-controlled areas; and
- MONUSCO logistical support services, on a cost-reimbursement basis, to the UNISFA satellite administrative office in Entebbe including: office space and related maintenance services; office furniture and stationeries; communication and information technology equipment and related services; medical services; and utilities and related services.

17. The RSCE and all three missions had provided UNISFA with all requested support, resulting in a light footprint of UNISFA in the relevant locations including Abyei, Entebbe, Juba, Khartoum, Wau and Malakal. This was because UNISFA avoided mobilizing its own assets, establishing its own contracts for fuel, rations and communication and information technology, and deploying its own support personnel in these locations. However, the audit results indicated that UNISFA had not fully utilized the logistical support structures of UNMISS, as follows:

- UNISFA operated two flights a day (i.e., Entebbe/Wau and Entebbe/Juba/Wau), three days of the week even though UNMISS operated flights on these routes; and
- UNISFA deployed 11 staff (i.e., 1 field service, 1 national, 1 United Nations volunteer and 8 individual contractors) to Juba and Wau to perform movement control functions similar to the ones performed by UNMISS staff at these locations.

18. The above resulted because UNISFA had not implemented an effective mechanism to fully benefit from its existing MoU with UNMISS. For instance, while the MoU required the UNISFA Chief of Mission Support to communicate directly with the UNMISS Director of Mission Support and the two missions to review and possibly adjust the MoU every six months, UNISFA staff routinely contacted their

counterparts in UNMISS directly and the MoU had never been reviewed. As a result, there was a risk that UNISFA requirements were not promptly and fully met. For example, a UNISFA movement control staff advised that despite their repeated requests (formal and informal) of their UNMISS counterparts, they did not receive the requested services in Wau and Juba.

(1) UNISFA should implement an effective mechanism to fully benefit from its existing memorandum of understanding (MoU) with the United Nations Mission in the Republic of South Sudan and/or amend the MoU to further reduce its footprint in UNMISS-controlled areas of Wau and Juba.

UNISFA accepted recommendation 1 and stated that it: had reviewed the requirement of its footprint in UNMISS-controlled areas and concluded that one staff was required to oversee the three UNISFA aircraft based in Wau; and would reduce its staff in Wau after confirming that UNMISS would provide the movement control support activities provided for in the MoU. Recommendation 1 remains open pending receipt of evidence that UNISFA fully received movement control support from UNMISS and transferred its entire staff from Wau and Juba to UNISFA Headquarters at Abyei in accordance with the revised MoU.

IV. ACKNOWLEDGEMENT

19. OIOS wishes to express its appreciation to the management and staff of UNISFA 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 the United Nations Interim Security Force for Abyei's utilization of logistical arrangements and support structures of other missions and the Regional Service Centre in Entebbe

Recom. no.	Recommendation	Critical¹/ Important²	C/ O³	Actions needed to close recommendation	Implementation date⁴
1	UNISFA should implement an effective mechanism to fully benefit from its existing memorandum of understanding (MoU) with the United Nations Mission in South Sudan and/or amend the MoU to further reduce its footprint in UNMISS-controlled areas of Wau and Juba.	Important	O	Receipt of documentation showing that UNISFA has transferred movement control support to UNMISS in accordance with the revised MoU.	31 July 2016

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.

³ C = closed, O = open

⁴ Date provided by UNISFA in response to recommendations.

APPENDIX I

Management Response

NATIONS UNIES



UNITED NATIONS

UNISFA

United Nations Interim Security Force for Abyei

قوة الأمم المتحدة المؤقتة في ابوي

INTER-OFFICE MEMORANDUM

10 May 2016

Ref: CMS/IOM/16/052

TO: Mr. Bolton Tarleh Nyema, Chief
Peacekeeping Audit Service
Internal Audit Division, OIOS

FROM: Elijah Karambizi
Chief of Mission Support
UNISFA

SUBJECT: **Draft report on an audit of the utilization of logistical arrangements and support structures of other missions and the Regional Service Centre in Entebbe by the United Nations Interim Security Force for Abyei (Assignment No. AP2015/635/03)**

1. Further to your memorandum of 22 April 2016 forwarding the subject draft report on an audit of the utilization of logistical arrangements and support structures of other missions and the Regional Service Centre in Entebbe by UNISFA, please find attached Mission response to the recommendations contained in the report.
2. Thank you and best regards.

cc: Ms. Eleanor T. Burns, Director, Internal Audit Division, OIOS
Ms. Cynthia Avena-Castillo, Professional Practices Section, IAD/OIOS
Mr. Md. Abdul Wahab, OIC, Service Delivery Services
Mr. Mohamad Hashi, OIC, Supply Chain Services
Mr. Gilbert Akor, Chief, Surface/Air Transport and Movement Section
Mr. Oleksandr Grebenyuk, Chief, JLOC

Management Response

Audit of the utilization of logistical arrangements and support structures of other missions and the Regional Service Centre in Entebbe by the United Nations Interim Security Force for Abyei

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNISFA should implement an effective mechanism to fully benefit from its existing memorandum of understanding (MoU) with the United Nations Mission in South Sudan and/or actively seek an amendment to the MoU to further reduce its footprint in UNMISS-controlled areas of Wau and Juba.	Important	Yes	Chief, Surface/Air Transport & Movement Section and Chief JLOC	31 July 2016	Mission reviewed the requirement of current UNISFA footprint in UNMISS-controlled areas and concluded that one Aviation staff is required to oversee the three UNISFA aircraft based in Wau in addition to the support received from UNMISS. MOVCON will however pull out all its staff once agreed and confirmed that UNMISS will provide 100 % MOVCON support as per the MOU to UNISFA.