**Office of Internal Oversight Services**

# INTERNAL AUDIT DIVISION

# REPORT 2018/044

## Audit of business continuity management in the United Nations Assistance Mission for Iraq

**The Mission needed to revise its mission-wide business continuity plan, develop and approve business continuity plans for regional offices, and train critical staff and focal points responsible for the organizational resilience management system**

25 May 2018
Assignment No. AP2017/812/01

# Audit of business continuity management in the United Nations Assistance Mission for Iraq

## EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of business continuity in the United Nations Assistance Mission for Iraq (UNAMI). The objective of the audit was to determine whether UNAMI implemented adequate and effective processes to ensure that appropriate business continuity plans (BCPs) were developed, implemented and maintained to ensure continuity of critical business processes following a disruptive event. The audit covered the period from 1 January 2016 to 31 December 2017 and included governance and strategy; development of BCPs; and implementation of the United Nations Organization Resilience Management System (ORMS) and maintenance of BCPs.

UNAMI established a two-tier governance structure for crisis management and business continuity, developed a mission-wide BCP and conducted disaster recovery and emergency response exercises. However, UNAMI needed to revise its BCP based on updated parameters, develop and approve BCPs for regional offices and train relevant staff on organizational resilience.

OIOS made five recommendations. To address the issues identified in the audit, UNAMI needed to:

- Revise its mission-wide BCP based on updated risk assessment, recovery time and point objectives and maximum tolerable periods for resumption of critical services;

- Develop and approve BCPs for regional offices and ensure all plans include updated critical staff and contact lists and are tested periodically;

- Regularly submit annual status reports on implementation of ORMS;

- Raise staff awareness on business continuity and emergency preparedness; and

- Nominate the ORMS focal person and other relevant staff to attend the mandatory training course on organizational resilience.

UNAMI accepted the recommendations and has initiated action to implement them.

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# Audit of business continuity management in the United Nations Assistance Mission for Iraq

## I.     BACKGROUND

1.      The Office of Internal Oversight Services (OIOS) conducted an audit of business continuity management in the United Nations Assistance Mission for Iraq (UNAMI).

2.      Business continuity management (BCM) is a holistic management process intended to strengthen an organization's ability to respond to risks and continue important and time critical business processes following disruptive events. Business continuity is one of the core elements of the United Nations Organization Resilience Management System (ORMS). The framework, approved by the General Assembly in June 2013, aims to build the United Nations' resilience and ability to deal with crises in a comprehensive, coherent and coordinated manner to protect its personnel and assets, and to enable it to continue delivering on its mandates.

3.      Under the overall supervision of the Special Representative of the Secretary-General, the Chief of Staff assisted by an ORMS focal point is responsible to coordinate and establish the ORMS framework and develop policies and procedures on business continuity and crisis management in UNAMI.

4.      UNAMI established a BCM framework and developed a mission-wide business continuity plan (BCP) in October 2013, which was updated in January 2016 to ensure continuity of critical processes following disasters or crisis events such as civil unrest, hostile acts, pandemic outbreak, fire or natural disasters. The plan comprises four parts constituting phases of business continuity planning, implementation and return to normal operations, which include: (a) preparedness; (b) response; (c) reconstitution and recovery; and (d) maintenance. The plan is also interrelated with other preparedness plans such as the security, medical mass causality and disaster recovery plans.

5.      Comments provided by UNAMI are incorporated in italics.

## II.     AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

6.      The objective of the audit was to determine whether UNAMI implemented adequate and effective processes to ensure that appropriate BCPs were developed, implemented and maintained to enable continuity of critical business processes following a disruptive event.

7.      This audit was included in the 2017 risk-based work plan of OIOS due to the risk that UNAMI may be unable to continue operations at predefined levels in cases of disruptive events such as natural disasters, willful acts of violence, power outages and breakdowns, and system failures.

8.      OIOS conducted this audit from October 2017 to March 2018. The audit covered the period from 1 January 2016 to 31 December 2017. Based on an activity-level risk assessment, the audit covered higher and medium risk areas in business continuity management, which included: (i) governance and strategy; (ii) development of BCPs; and (iii) implementation of ORMS and maintenance of BCPs.

9.      The audit methodology included: (a) interviews of key personnel, and (b) reviews of relevant documentation including ORMS and business continuity policies, guidelines, Secretary-General's reports, staff criticality lists, business continuity and emergency preparedness plans and after exercise reports.

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

# III.     AUDIT RESULTS

## A.     Governance and strategy

<u>A two-tier governance structure for crisis management and business continuity activities was established</u>

11.     The report of the Secretary-General on ORMS (A/67/266) requires missions to adopt a two-tiered governance structure comprising the Crisis Management Team (CMT) and the Crisis Management Working Group (CMWG).

12.     The Mission established a governance structure composed of the CMT and CMWG for business continuity and crises management. The CMT is chaired by the Special Representative of the Secretary-General (SRSG)/Designated Official and includes the Chiefs of Staff and Mission Support, Principal Security Advisor, Legal Officer, Head of Communications and Public Information, Host Country Liaison Officer and Heads of United Nations agencies. It gathers information on events, determines their impact and implications and recommends business continuity actions to the SRSG. The CMWG is an operational level body responsible for implementing decisions and recommendations of the CMT. It is chaired by the Chief of the Operations Center and composed of the Deputy Security Advisor and representatives of the Police and Military Advisors, and the Logistics, Medical and Human Resources Management sections. The CMT and CMWG were assisted by specialist officers and sections as required.

13.     The CMT members participated in development and review of the BCP. The SRSG/Designated Official, advised by the Principal Security Advisor and other CMT members, made decisions for the overall management of crises in Iraq to ensure continuity of operations. For example, in October 2017, during tensions at one of the regional locations, the Mission convened an emergency meeting of the CMT, which approved certain actions including evacuation routes to relocate United Nations staff. However, the tension was defused without further escalation and the BCP was not activated.

14.     Based on review of relevant documents and interviews of key staff, OIOS concluded that UNAMI had established a governance structure for the continuity of critical business activities in case of disruption.

## B.     Development of business continuity plans

<u>UNAMI needed to determine parameters to be used in updating its BCPs</u>

15.     The United Nations ORMS framework (A/RES/67/254), Secretary-General's report on ORMS (A/67/266), BCM Policy and templates provided by the High-Level Committee on Management and the Department of Management require UNAMI to develop BCPs according to a specified process. A risk assessment should be conducted; criteria for identifying critical business processes and recovery time and recovery point objectives established; and the maximum tolerable period of disruption determined.

16.     UNAMI updated its mission-wide BCP in January 2016 using the templates provided by the Department of Management. However, the Head of Mission had not yet approved the plan and, relevant parameters needed to revise the plan were not updated or established. For example, although the Security, Field Technology (FT) and Aviation Sections had identified and analyzed potential risks, conducted business impact analyses and developed mitigating strategies in their areas of operation, other substantive and support sections had not. The ORMS focal point advised that there was no significant change in the

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risk levels in 2016 and the Mission would include risks and mitigation strategies relating to Umoja in the next revised plan.

17.     A review of the mission-wide BCP for 2016 also indicated that UNAMI had not: (a) documented the criteria used to identify critical business processes and activities; (b) established recovery time objectives and recovery point objectives to identify the period within which minimum levels of services/functions and data must be recovered after a disruptive event; (c) established the maximum tolerable period of disruption for the identified overarching essential and time critical business services; and (d) updated the critical staff and contact lists for effective communication during a crisis. These parameters were needed to determine the scale and nature of mitigation strategies required to recover from a disruptive event.

18.     In addition, UNAMI did not establish BCPs for Kuwait, which served as Mission's alternate location for business continuity activities, and regional offices at Erbil, Basra and Kirkuk. Also, as indicated later in the report, the mission-wide BCP was not tested regularly for validation and updating.

19.     The above occurred due to competing priorities, lack of awareness of the updated ORMS requirements, preoccupation of the Mission with strategic review exercise, reassignment of ORMS trained staff to other missions, and deteriorating security situation in Iraq. As a result, the Mission was not adequately prepared to ensure continuity of time critical processes within pre-established timeframes to minimize impact of disruptive events on Mission operations.

> **(1) UNAMI should revise its mission-wide business continuity plan based on: (a) updated risk assessments covering all substantive and support sections; (b) documented criteria to identify critical business services; and (c) established recovery time and point objectives and maximum tolerable periods for the resumption of critical services following disruptive events.**
>
> *UNAMI accepted recommendation 1 and stated that prevailing risks had not changed at the Mission to warrant substantive changes in the BCP. The Mission would document appropriate criteria to identify critical business services, and establish recovery time and point objectives, as well as maximum tolerable periods for the resumption of services within the next six months.* Recommendation 1 remains open pending receipt of the revised BCP based on updated parameters.
>
> **(2) UNAMI should develop and approve business continuity plans for regional offices and ensure all plans include updated critical staff and contact lists and are tested periodically.**
>
> *UNAMI accepted recommendation 2 and stated that the Mission would develop BCPs for Erbil and Kirkuk and include them as annexes to the Mission BCP.* Recommendation 2 remains open pending receipt of copies of BCPs for regional offices, updated critical staff and contact lists for all locations and evidence that BCPs are tested periodically.

## C.     Implementation of ORMS and maintenance of business continuity plans

UNAMI needed to submit annual reports on the implementation of ORMS

20.     The 2015 ORMS Policy requires missions to fully implement the Policy by June 2016 and submit annual status reports to the Departments of Peacekeeping Operations and Field Support (DPKO/DFS). The Policy also requires missions to appoint an ORMS focal point.

21.     UNAMI initiated implementation of ORMS and established crisis management decision making and operations coordination architecture. It also developed preparedness plans such as security management, crisis communication, mass casualty incident response, and the FT Section disaster recovery plans to ensure continuity of critical business processes and provide support to staff, survivors and their families in case of emergency. In addition, the Chief of Staff appointed an ORMS focal point to coordinate and facilitate the implementation of ORMS, by establishing an ORMS implementation group made up of identified organizational units. However, the Mission had not submitted any annual status reports to DPKO/DFS. This occurred due to competing priorities, deteriorating security situation and non-availability of reporting templates. As a result, UNAMI did not comply with its reporting requirements to update DPKO/DFS on progress made to implement ORMS in UNAMI. OIOS assisted the Mission to obtain the requisite reporting templates from DFS.

> **(3)  UNAMI should regularly submit annual status reports on implementation of Organization Resilience Management System to DPKO and DFS.**
>
> *UNAMI accepted recommendation 3 and stated that the completed ORMS implementation report for 2017 had been prepared and would be submitted by 31 May 2018.*  Recommendation 3 remains open pending receipt of a copy of the 2017 ORMS implementation report submitted to DPKO/DFS.

UNAMI conducted disaster recovery and emergency response exercises but did not test the mission-wide BCP

22.     The Secretary-General's report on ORMS (A/67/266) and the United Nations ORMS key performance indicators require harmonization of BCPs with other emergency plans in the ORMS framework and to test the plans to validate policies, procedures and systems against established standards and update the plans annually to reflect lessons learned.

23.     UNAMI developed 11 emergency preparedness plans including the medical mass casualty plan, aviation emergency response plan, country security plan and disaster recovery plan to ensure restoration of critical services. The Mission BCP was synchronized with the other emergency plans and it established the sequence of invoking the emergency plans. For example, if an emergency occurred, the BCP would be invoked after the subject specific emergency plan had been activated.

24.     The Mission regularly conducted annual disaster recovery exercises, updated the FT Section disaster recovery plans and submitted them to the United Nations Global Service Center, Brindisi. The Mission also tested the aviation emergency response, mass casualty incident response and conducted fire and evacuation drills. After-action reports were prepared to document the lessons learned and update the plans. However, the mission-wide BCP was not regularly tested. This issue has already been addressed in recommendation 2.

UNAMI needed to raise staff awareness on business continuity and crisis management

25.     The Secretary-General's report on ORMS (A/67/266) and the High-Level Committee on Management's guidance require missions to raise awareness on business continuity and crisis management plans and procedures amongst staff. A formal maintenance, exercise and review programme requires the staff implementing ORMS to be trained and able to work as a team under crisis conditions.

26.     UNAMI did not: (i) include information on ORMS in Mission induction briefings for newly arrived personnel; (ii) provide training to staff with emergency management responsibilities; (iii) conduct surveys to assess staff knowledge and awareness of ORMS; and (iv) observe staff emergency day for awareness

campaign. This occurred because UNAMI did not give priority to raising awareness among its staff on business continuity and crisis management. As a result, Mission staff may not be adequately aware of the BCPs and their roles and responsibilities in the crisis management activities.

> **(4) UNAMI should implement measures to raise staff awareness on business continuity and emergency preparedness.**
>
> *UNAMI accepted recommendation 4 and stated that staff were being made aware of BCP through monthly induction training, while managers with BCP responsibilities would be convened on an as needed or quarterly basis, in line with UNAMI ORMS standard operating procedures.* Recommendation 4 remains open pending receipt of evidence that staff have been trained on business continuity and emergency preparedness.

Relevant staff were not nominated for organization resilience course in 2017

27.     United Nations Headquarters secure operations document (No.742 P.1/12) requires missions to nominate up to two staff members for the annual mandatory training course on organizational resilience offered by DPKO/DFS.

28.     In 2016, UNAMI nominated only one staff to attend the mandatory course on organizational resilience at the United Nations Logistics Base in Brindisi, Italy. In 2017, the Mission did not nominate any staff for the training course. This occurred because UNAMI did not give priority to the training course and partially due to lack of funds for training. For example, the ORMS focal point had not yet received the mandatory training. As a result, UNAMI lost an opportunity to benefit from this course to empower the staff involved in organizational resilience and crisis management activities in the Human Resources Management and the Medical Sections. Both Sections play an important role in ORMS core elements relating to staff support and mass casualty incident response.

> **(5) UNAMI should nominate the Organization Resilience Management System focal point and other relevant staff members to attend the mandatory training course on organizational resilience.**
>
> *UNAMI accepted recommendation 5 and stated that a staff member had been nominated to attend the upcoming ORMS training in June 2018.* Recommendation 5 remains open pending receipt of evidence that the staff member has attended the training course.

# IV.    ACKNOWLEDGEMENT

29.     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 business continuity management in the United Nations Assistance Mission for Iraq

| Rec. no. | Recommendation | Critical[1]/ Important[2] | C/ O[3] | Actions needed to close recommendation | Implementation date[4] |
|---|---|---|---|---|---|
| 1 | UNAMI should revise its mission-wide business continuity plan based on: (a) updated risk assessments covering all substantive and support sections; (b) documented criteria to identify critical business services; (c) established recovery time and point objectives and maximum tolerable periods for the resumption of critical services following disruptive events. | Important | O | Submission of a copy of the revised BCP based on updated parameters | 15 November 2018 |
| 2 | UNAMI should develop and approve business continuity plans for regional offices and ensure all plans include updated critical staff and contact lists and are tested periodically. | Important | O | Submission of copies of BCPs for regional offices, updated critical staff and contact lists for all locations and evidence that BCPs are tested periodically. | 15 November 2018 |
| 3 | UNAMI should regularly submit annual status reports on implementation of Organization Resilience Management System to DPKO and DFS. | Important | O | Submission of a copy of the 2017 ORMS implementation report. | 31 May 2018 |
| 4 | UNAMI should implement measures to raise staff awareness on business continuity and emergency preparedness. | Important | O | Submission of evidence that staff have been trained on business continuity and emergency preparedness. | 15 November 2018 |
| 5 | UNAMI should nominate the Organization Resilience Management System focal point and other relevant staff members to attend the mandatory training course on organizational resilience. | Important | O | Submission of evidence that the nominated staff member has atended the ORMS training course. | 15 June 2018 |

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[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 UNAMI in response to recommendations.

# APPENDIX I


# Management Response

# INTEROFFICE MEMORANDUM

**Date**: 15 May 2018
**Ref.**: MEM/COS/006/18

**To:**        Muriette Lawrence-Hume, Chief
New York Audit Service
Internal Audit Division, OIOS

**From:**     Mark Rutgers
Chief of Staff, UNAMI

**Subject:**    **Response to draft audit report on business continuity management in UNAMI**

1. With reference to your Interoffice Memorandum dated 10 May 2018 (Ref: OIOS-2018-812-01), please find attached the Mission's comments and action plan with target dates and the titles of the individuals responsible for implementing the recommendations in Appendix I.

Thank you.

- Annex 1: Management Response to Audit Recommendations

Cc Mr. Ján Kubiš, SRSG and Head of Mission, UNAMI
   Mr. Harish Joshi, Chief, Mission Support, UNAMI
   Mr. Saeed Ahmed, Senior Administrative Officer, UNAMI
   Mr. Ferdinand Schafler, Audit Focal Point, UNAMI
   Ms. Cynthia Avena-Castillo, Professional Practices Section, Internal Audit Division, OIOS

**Management Response**

**Audit of business continuity 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 revise its mission-wide business continuity plan based on: (a) updated risk assessments covering all substantive and support sections; (b) documented criteria to identify critical business services; (c) established recovery time and point objectives and maximum tolerable periods for the resumption of critical services following disruptive events. | Important | Yes | Special Assistant to the Chief of Staff | 15 November 2018 | Accepted, with reservations related to comment (a) as stated previously, the Mission is of the view that the prevailing conditions had not changed significantly in the course of 2017 to warrant substantive changes in the BCP. Points (b) and (c) will be addressed within the next six months. |
| 2 | UNAMI should develop and approve business continuity plans for regional offices and ensure all plans include updated critical staff and contacts lists, and are tested periodically. | Important | Yes | Special Assistant to the Chief of Staff | 15 November 2018 | Yes, we will devise BCPs for Erbil and Kirkuk and will include them in the Mission BCP as annexes, as discussed during the Exit Conference. |
| 3 | UNAMI should regularly submit annual status reports on implementation of Organization Resilience Management System to DPKO and DFS. | Important | Yes | Special Assistant to the Chief of Staff | 31 May 2018 | Yes, the completed ORMS Implementation Report for 2017 will be submitted as of May, covering the previous year. |
| 4 | UNAMI should implement measures to raise staff awareness on business continuity and emergency preparedness. | Important | Yes | Special Assistant to the Chief of Staff | Ongoing / 15 November 2018 | Yes, staff awareness on the BCP is ongoing and undertaken by means of the Induction Training (monthly) for staff generally, and managers with BCP responsibilities will be convened as need be or quarterly, as per the UNAMI ORMS SOP. |

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[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.

**Management Response**

**Audit of business continuity 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 |
|---|---|---|---|---|---|---|
| 5 | UNAMI should nominate the Organization Resilience Management System focal point and other relevant staff members to attend the mandatory training course on organizational resilience. | Important | Yes | Special Assistant to the Chief of Staff | 15 June 2018 | Implemented. The Mission has funds to nominate one staff member and has decided to nominate the Special Assistant to the Chief of Staff for the upcoming ORMS training in Brindisi in June 2018. |