



INTERNAL AUDIT DIVISION

REPORT 2018/057

Audit of quick impact projects in the
United Nations Mission in the Republic
of South Sudan

There was a need to enhance the evaluation of
quick impact projects

13 June 2018

Assignment No. AP2018/633/07

Audit of quick impact projects in the United Nations Mission in the Republic of South Sudan

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of quick impact projects (QIPs) in the United Nations Mission in the Republic of South Sudan (UNMISS). The objective of the audit was to assess the adequacy, effectiveness and efficiency of the QIPs programme in UNMISS. The audit covered the period from 1 July 2016 to 28 February 2018 and included: governance, including programme management and coordination; project identification, approval and selection; project implementation, monitoring and closure; and programme evaluation.

UNMISS: established priorities for QIPs based on the Mission's mandate and focus areas and implemented procedures to ensure project proposals were appropriately vetted against the established QIPs criteria; ensured projects were adequately monitored and payments to implementing partners were effectively made; and implemented a mechanism to ensure adequate visibility of QIPs. However, UNMISS needed to assess QIP programme's contribution to building confidence in the Mission and the peace process.

OIOS made one recommendation. To address the issue identified in the audit, UNMISS needed to conduct the annual evaluation of QIPs programme using the guidelines to assess the contribution of QIPs in building confidence in the Mission and the peace process and implement measures to address any shortcomings in achieving QIPs objective.

UNMISS accepted the recommendation and has initiated action to implement it.

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Audit of quick impact projects in the United Nations Mission in the Republic of South Sudan

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of quick impact projects (QIPs) in the United Nations Mission in the Republic of South Sudan (UNMISS).

2. QIPs are small-scale, rapidly implementable projects for the benefit of communities residing in areas under the UNMISS mandate, which are intended to establish and build confidence in the Mission, its mandate and the peace process, thereby improving the environment for effective implementation of the mandate. These projects are low-cost typically not exceeding \$50,000, non-recurrent in nature and completed within a short timeframe not exceeding six months. They should be highly visible to the population, partners and local authorities, implemented in consultation with local authorities and designed and implemented with the “do-no-harm” principle. From fiscal year 2014/15, \$1 million was allocated annually in the UNMISS budget to finance QIPs. The Department of Peacekeeping Operations/Department of Field Support (DPKO/DFS) Policy on QIPs provide guidance on the implementation and administration of QIPs in the United Nations missions.

3. A Project Review Committee (PRC) is responsible for the overall coordination and management of the QIPs programme in UNMISS. The UNMISS QIPs Management Team (QMT) coordinates the identification and management of projects. The Mission components together with the QMT are responsible for monitoring progress of QIPs. The QMT is headed by the Chief of the Relief, Reintegration and Protection (RRP) Section at the P-5 level and supported by four staff: one international staff at the P-4 level; two National Professional Officers; and one United Nations Volunteer.

4. The table shows the UNMISS QIPs budget and the number of approved projects and their costs for fiscal years 2016/17 and 2017/18.

QIPs costs for 2016/17 and 2017/18

	<i>2016/17</i>	<i>2017/18</i>
Number of approved projects	24	22
Project costs	\$985 197	\$985 681
Unutilized budgeted funds	14 803	14 319
Total	\$1 000 000	\$1 000 000

5. Comments provided by UNMISS 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 the QIPs programme in UNMISS.

7. This audit was included in the 2018 risk-based work plan of OIOS due to its importance in building confidence in the Mission, its mandate and the peace process.

8. OIOS conducted this audit in February and March 2018. The audit covered the period from 1 July 2016 to 28 February 2018. Based on an activity-level risk assessment, the audit covered higher and medium

risk areas in QIPs management and implementation, which included: governance, including programme management and coordination; project identification, approval and selection; project implementation, monitoring and closure; and programme evaluation.

9. The audit methodology included: interviews of key staff, project implementing partners and beneficiaries; review of project files, data and reports; and visits to 12 completed and 5 in-progress QIP sites in 4 out of 10 field offices of UNMISS.

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

III. AUDIT RESULTS

A. Governance

The Mission had established QIPs priority areas

11. The DPKO/DFS policy on QIPs requires the Head of Mission to establish priorities for QIPs geographic and thematic focus, considering the unique nature and mandate of the Mission and the overall Mission plan and broader strategies for community outreach.

12. The UNMISS Special Representative of the Secretary-General (SRSG) had set the priorities for QIPs, which included: support to host communities around protection of civilian sites to promote peaceful coexistence between them and internally displaced persons (IDPs); support and strengthen rule of law infrastructures and operations where feasible; create favourable conditions for return and reintegration of IDPs in potential return areas; address conflict mitigation and promote peaceful inter-communal coexistence in potential flash point areas. These QIP priorities were aligned with the Mission's protection of civilians' mandate. All the approved and implemented 24 projects in 2016/17 and 22 in 2017/18 were in line with the Mission priorities and mandate.

13. OIOS concluded that the Mission-established QIPs priorities were based on the unique nature and mandate of UNMISS.

B. Project identification, approval and implementation

QIPs Project Review Committee was functioning effectively

14. The DPKO/DFS Policy on QIPs requires the: Head of Mission to establish a PRC that shall meet regularly to review and approve projects; and Director of Mission Support (DMS) to ensure that expeditious arrangements are in place for the signing of memorandums of understanding (MOU) for approved projects. Also, the UNMISS QIPs Guidelines assigned to the PRC the overall responsibility for approving projects presented by Field PRCs and making final recommendations to the DMS for funding, as the official responsible for making decisions on financial matters.

15. UNMISS established the PRC, which comprised representatives from the Office of: the SRSG; DMS; Civil Affairs Division; RRP Section; the Police Commissioner; the Force Commander; and United Nations agencies, funds and programmes. The PRC is chaired by the Chief of the RRP Section.

16. The PRC reviewed all 73 project proposals received to determine whether they met DPKO/DFS QIPs criteria and were in line with the Mission priorities. Of the 73 projects, the PRC endorsed 24 projects

for 2016/17 and 22 projects for 2017/18. The PRC rejected 7 projects in 2016/17 and 20 projects in 2017/18 because of insufficient information in the project proposal, failure to meet the QIPs criteria and proposals duplicating the efforts of other humanitarian and development agencies in the country, among other requirements. All the approved 24 projects in 2016/17 and 22 in 2017/18 were in line with the Mission priorities.

17. OIOS concluded UNMISS had put in place adequate procedures to ensure that project proposals were reviewed and approved by the PRC.

Controls were in place to monitor progress and completion of projects

18. The DPKO/DFS policy requires the implementation time for each individual project to not exceed six months (180 days) from the date the first instalment of project funding is received by the implementing partner.

19. Some 19 of the 24 projects implemented in 2016/17 were completed within 180 days, with an average completion time of 102 days. One project to rehabilitate a borehole was cancelled because the implementing partner refunded the 80 per cent advance as it later considered the rehabilitation project as its own contribution to the community. However, due to factors beyond the control of UNMISS, four exceeded the allowable period as discussed below:

- Two projects, i.e., the refurbishment of a school building and solar power to pump water to the school and installation of solar power system for Rumbek radio station both in Rumbek, Lakes State, were not completed on time due to the delay in shipment of the required solar panels. The implementing partner had ordered the panels from overseas as it considered those to be of better quality than those locally available. This delay was highlighted during the QMT 2016/17 annual QIPs evaluation report with a recommendation to the PRC to avoid future delays by conducting thorough due diligence prior to approval of such projects and the need to commit implementing partners to use locally available materials. The projects commenced on 16 February 2017 and as at 25 April 2018, the required solar panels had been delivered and awaiting installation;
- A project to drill two boreholes in Terekaka, Central Equatoria State was delayed due to accidental destruction of the contractor's drilling equipment during the drilling of the second borehole and the failure to yield enough water after three subsequent drilling attempts with new equipment. The first borehole had been completed in 40 days and the second was on course to be completed within 180 days had the accident not occurred; and
- A project to construct a secondary school was delayed as the community failed to honour their agreement to contribute labour and timber. The implementing partner had to mobilize the required resources from other sources resulting in the delay. The project was eventually completed on 20 December 2017, after 313 days.

20. OIOS considered the reasons for the delays as valid and beyond the control of UNMISS QMT and noted that the QMT regularly tracked the implementation status of the projects using weekly monitoring spreadsheets derived from information provided by the field offices where the projects were located. A review of monitoring reports indicated that field offices regularly inspected and interacted with project implementing partners. The implementation of the approved projects for the 2017/18 QIPs cycle commenced at the end of December 2017. Thus, as at 28 February 2018, none had been completed.

21. OIOS concluded that there were adequate and effective controls to monitor implementation of projects.

Controls over payments to implementing partners were adequate

22. The DPKO/DFS Policy on QIPs requires that the first instalment, which should not exceed 80 per cent of the total cost of the project, is paid to the implementing partner immediately following the signing of the MOU. The balance shall be paid in one or more separate instalments, based on certification of completion and submission by the implementing partner of a signed list of expenditures with receipts.

23. Initial payments to the implementing partners for all 24 projects for 2016/17 and 22 for 2017/18 did not exceed 80 per cent of the total project cost and on average were made within 17 days after signing of the MOU. A review of the final payments for the 19 completed projects out of the 24 implemented during fiscal year 2016/17 indicated the QMT duly checked and certified the signed list of expenditures and supporting original copies of receipts submitted by the implementing partners. The Finance and Budget Section made final payments after receipt from the RRP Section of the checked and approved receipts and supporting documentation. As the 22 projects which commenced at the end of December 2017 was in various stages of completion at the time of the audit, the balance of 20 per cent had not been paid.

24. OIOS concluded that there were adequate and effective controls over payments to implementing partners.

UNMISS took action to ensure it was engaging in projects that provide immediate impact after completion

25. The DPKO/DFS Policy on QIPs requires that completed projects should not place an unforeseen financial burden on the recipient or create material requirements that cannot be met without external support. The policy also requires UNMISS to avoid splitting costs into more than one project.

26. OIOS field visits and interview with members of the QMT showed that the inadequate assessment of project requirements by the UNMISS Engineering Section during the project identification phase created a material requirement that could not be met without external support or a second project after their completion. However, UNMISS took action to correct the inadequate assessment of project requirements. For example:

- In the 2015/16 QIPs cycle, UNMISS funded the construction of a five-room safe house in Torit, Eastern Equatoria State that would benefit victims of gender-based violence including rape, survivors of forced marriages and abducted children. The estimated initial total cost to complete the project was \$40,000. The construction of the project commenced in January 2016 but could not be handed over after completion because it lacked the essential components to make it safe and fully functional. The missing components such as a perimeter wall, latrines, septic tank and rain-harvesting facility had not been included in the initial project budget cost because of inadequate needs assessment by UNMISS to ensure that all aspects were included. UNMISS, in the 2016/17 QIPs cycle, saw the need to complete the project and after taking into consideration the benefits to be derived from the completed project as well as the funds that were already expended, approved the funding for the construction of the missing components at an additional cost of \$33,788. The project was successfully completed on 20 July 2017 and handed over in September 2017. Ultimately, this project took 18 months to complete, over two consecutive QIPs funding cycles at an overall cost of \$73,788;
- Similarly, UNMISS funded the construction of a two-room clinic in Pibor Town, Jonglei State at an initial cost of \$37,972 during the 2015/16 QIPs cycle. The clinic, which was completed in April 2017, lacked electricity which was required to maintain the cold chain for vaccines, drugs and other pharmaceuticals stored at the clinic. UNMISS had not anticipated the need for electricity during the project identification process and thus had not included the provision of electricity in

the project budget because the possibility of storing large number of drugs and vaccines was not considered. Due to the overwhelming number and flow of patients following the completion of the project, the need to provide electricity to store vaccines and drugs arose. This was the only health facility in the area. Thus, in the 2017/18 QIPs cycle, UNMISS approved the funding of a solar project for that clinic at an additional cost of \$21,975. As at 16 March 2018, the installation of solar panels was still in progress; and

- During the field visit to Wau on 13 March 2018, OIOS noted that a female juvenile holding centre constructed during the 2016/17 QIPs cycle at a total cost of \$35,000 and handed over by UNMISS on 18 July 2017 had not been occupied for over seven months since it was handed over because it lacked the required fence that would separate the females from the male juveniles who stay in that same compound. The facility also lacked the required furniture in the rooms that the female juveniles would use. These components had not been included in the original project cost because of inadequate assessment by UNMISS during the project identification phase. UNMISS was working to secure other sources for the construction of the fence wall and furniture.

27. To address the project assessment shortcoming so that projects can provide immediate benefits and full potential after completion and to avoid diminishing the effectiveness of the QIPs programme, UNMISS recruited an international civil engineer on United Nations volunteer contract on 30 March 2017. As a member of the QMT, the civil engineer reviews the engineering components of all proposals prior to final approval by PRC. OIOS review of the 2017/18 QIPs projects indicated that the civil engineer had reviewed all the approved 22 projects to ensure all aspects had been considered prior to PRC approval. In view of the action taken by UNMISS, OIOS is not making a recommendation.

C. Project closure and evaluation

The Mission implemented measures to ensure adequate visibility of completed projects

28. The DPKO/DFS Policy on QIPs requires UNMISS to put in place measures to ensure that QIPs receive adequate visibility and that messaging associated with QIPs are in line with the Mission's overall communication strategy.

29. Field visits by OIOS to 12 out of 19 completed projects implemented during the 2016/17 QIPs cycle indicated that signposts clearly highlighting the involvement of UNMISS were erected at the site of each of the 12 specific projects. Also, the UNMISS Public Information Office (PIO) was routinely involved during the launch and handover stages of the QIPs. The PIO disseminated QIPs event information through UNMISS radio programmes, UNMISS website and newsletters.

30. OIOS concluded that there were adequate mechanisms in place to ensure visibility of QIPs.

Annual evaluation of QIPs did not include its contributions to improving confidence in the Mission and the peace process

31. The DPKO/DFS QIPs policy requires UNMISS to conduct an annual evaluation of the QIPs programme to: assess the actual QIPs contributions to building confidence in the Mission mandated tasks and peace process; identify programme performance and compliance issues; and make recommendations for improvement.

32. OIOS review of the 2016/17 QIPs annual evaluation showed that it was inadequate as it did not assess and identify the actual QIPs programme contributions to building confidence in the Mission and the

peace process. UNMISS convened a meeting of all QIPs focal points from all 10 field offices on 14 September 2017. The focal points discussed the challenges they faced in the implementation of projects in their locations and provided recommendations to address those challenges. The areas identified included: inaccessibility of project sites; insecurity; hyperinflation; delays in delivery of materials by the suppliers of implementing partners; limited choice of available implementing partners; implementing partners lacking adequate skills in budget management; managing community expectations; theft and vandalism of project materials; involvement of Government engineers to ensure project quality and sustainability; need to strengthen the PRC at field level, QMT and mission support for improved quality of QIPs to enable the projects to achieve the desired impact. However, the evaluation did not identify the actual QIPs programme contributions to building confidence in the Mission and the peace process. This was because the recommended annual evaluation procedures prescribed by the DPKO/DFS Guidelines were not followed due to the oversight of the QMT. Recommendations were made to address the challenges in all the areas identified.

33. As the evaluation did not identify the actual QIPs contributions to building confidence in the Mission and the peace process, UNMISS missed the opportunity to identify and address shortcomings to achieving QIPs programme main objective.

(1) UNMISS should conduct the annual evaluation of quick impact projects (QIPs) using the procedures prescribed by the DPKO/DFS guidelines to assess the contribution of QIPs programme in building confidence in the Mission and the peace process and implement measures to address any shortcomings in achieving QIPs programme objective.

UNMISS accepted recommendation 1 and stated that it would conduct an annual evaluation using the procedures prescribed in the DPKO/DFS guidelines. Recommendation 1 remains open pending receipt of evidence of QIPs programme evaluation that assesses and identifies the programme's contributions to building confidence in the Mission and the peace process in line with the DPKO/DFS guidelines, and of appropriate actions to address any shortcomings.

IV. ACKNOWLEDGEMENT

34. OIOS wishes to express its appreciation to the management and staff of UNMISS 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 quick impact projects in the United Nations Mission in the Republic of South Sudan

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	UNMISS should conduct the annual evaluation of quick impact projects (QIPs) using the procedures prescribed by the DPKO/DFS guidelines to assess the contribution of QIPs programme in building confidence in the Mission and the peace process and implement measures to address any shortcomings in achieving QIPs programme objective.	Important	O	Receipt of evidence of QIPs programme evaluation that assesses and identifies the programme's contributions to building confidence in the Mission and the peace process in line with the DPKO/DFS guidelines, and of appropriate actions to address any shortcomings.	1 September 2018

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.

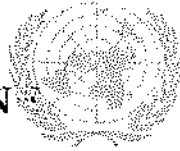
³ C = closed, O = open

⁴ Date provided by UNMISS in response to recommendations.

APPENDIX I

Management Response

UNITED NATIONS



NATIONS UNIES

United Nations Mission in South Sudan
UNMISS

Date: 7 June 2018

Ref:

To: Mr. Arnold Valdez, Officer-in-Charge
Peacekeeping Audit Services
Internal Audit Division, OIOS

From: David Shearer
Special Representative of the Secretary-General
United Nations Mission in the Republic of South Sudan

A handwritten signature in black ink, appearing to be 'DS', is written over the name 'David Shearer'.

Subject: **Draft Report on Audit of Quick Impact Projects (QIPs) in the United Nations Mission in the Republic of South Sudan (Assignment No. AP2018/633/07)**

1. Reference is made to your memorandum dated 30 May 2018 on the OIOS audit of Quick Impact Projects (QIPs) in the United Nations Mission in the Republic of South Sudan (UNMISS).
2. Kindly find attached UNMISS response to the audit, a copy of which has been sent by email.

Best regards,

cc: Mr. Alain Noudehou, Deputy Special Representative of the Secretary-General, UNMISS.
Ms. Stephani Scheer, Director of Mission Support, UNMISS
Mr. Paul Egunsola, Chief of staff, UNMISS
Ms. Gulen Muftuoglu, Chief Business Performance & Management, UNMISS.
Mr. James Suglo, Chief Resident Auditor, UNMISS, Internal Audit Division, OIOS.
Ms. Cynthia Avena-Castillo, Professional Practices Section, Internal Audit Division, OIOS

Encls: Appendixes I: UNMISS Response to the QIPs Recommendation.

Management Response

Audit of quick impact projects in the United Nations Mission in the Republic of South Sudan

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNMISS should conduct the annual evaluation of quick impact projects (QIPs) using the procedures prescribed by the DPKO/DFS Guidelines to assess the contribution of QIPs programme in building confidence in the Mission and the peace process and implement measures to address any shortcomings to achieving QIPs programme objective.	Important	Yes	Relief, Reintegration and Protection Officer	1 Sept 2018	Annual Evaluation will be conducted using procedures prescribed by DPKO/DFS Guidelines set to the situation of South Sudan. The evaluation will be initiated after the end of cycle and will be completed by 1 st September 2018.

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.