



## INTERNAL AUDIT DIVISION

### REPORT 2018/059

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Audit of construction activities in the United Nations Support Office in Somalia and United Nations Assistance Mission in Somalia

The Support Office needed to strengthen controls over planning, monitoring and closure of major construction activities in Somalia

14 June 2018

Assignment No. AP2017/638/06

# **Audit of construction activities in the United Nations Support Office in Somalia and United Nations Assistance Mission in Somalia**

## **EXECUTIVE SUMMARY**

The Office of Internal Oversight Services (OIOS) conducted an audit of construction activities in the United Nations Support Office in Somalia (UNSOS) and United Nations Assistance Mission in Somalia (UNSOM). The objective of the audit was to assess the adequacy and effectiveness of controls over construction activities in UNSOS and UNSOM. The audit covered the period from 1 July 2015 to 30 June 2017 and included initiation, planning, implementation and monitoring, and closure of construction activities.

UNSOS provided performance and monitoring matrices for implementation and monitoring of construction activities, and obtained performance securities to safeguard the organization against non-performing contractors. However, UNSOS needed to strengthen controls over the initiation of major construction projects, and planning, monitoring and supervision of construction activities.

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

- Establish a mechanism, including constituting an effective project management group that convenes regularly, to adequately assess and review major construction projects and ensure that these projects meet operational requirements;
- Prioritize filling key vacancies to ensure that adequate time is dedicated to study the operational environment and adequately plan construction activities; and
- Adequately monitor physical and financial progress and implement quality assurance mechanisms for construction activities, as well as update the engineering standard operating procedures to reflect more recent guidelines from the Department of Field Support and the current operational structure on the ground.

UNSOS accepted the recommendations and has initiated actions to implement them.

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# Audit of construction activities in the United Nations Support Office in Somalia and United Nations Assistance Mission in Somalia

## I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of construction activities in the United Nations Support Office in Somalia (UNSOS) and United Nations Assistance Mission in Somalia (UNSOM).

2. UNSOS provides logistical support, including construction services to the African Union Mission in Somalia (AMISOM) and UNSOM. Construction activities covered: construction of new buildings or infrastructure; maintenance of camps; alterations, improvements and renovation of existing buildings' exteriors, roofs and interior spaces; provision of water and waste management facilities; and provision of office and residential accommodation to staff. UNSOS provided these construction support services in a combat environment with heightened security threats, frequent changes in requirements and mandate changes, which hampered long-term planning.

3. Construction activities in UNSOS and UNSOM are governed by: the Department of Peacekeeping Operations/Department of Field Support (DPKO/DFS) Guidelines on Governance of Major Construction Projects in Field Missions (hereafter referred to as major construction guidelines); the DPKO Engineering Support Manual; UNSOS Engineering Standard Operating Procedures for Management of Task Orders of Contracts (hereafter referred to as the engineering SOP); and the United Nations Procurement Manual and contract administration guidelines (hereafter referred to as the procurement guidelines).

4. The Engineering and Facilities Management Section implemented construction activities in UNSOS until June 2016 when UNSOS reorganized and established the Infrastructure and Design Implementation Section (IDIS), under the Service Delivery Pillar, to implement construction activities. The Chief of IDIS reports to the UNSOS Director through the Chief of the Service Delivery Pillar. As of 30 June 2017, the Section had 26 approved posts comprising 24 international and 2 national staff. UNSOS also contracted vendors to carry out construction works and a professional consultancy firm to provide quality assurance services for construction activities. From 1 July 2015 to 30 June 2017, UNSOS and UNSOM had an approved budget of \$50 million for construction activities as shown in the table.

### **Major construction activities for the period from 1 July 2015 to 30 June 2017**

	<i>Amount</i>
1. Internal road works	\$2 100 000
2. Construction of bore wells	6 330 730
3. Construction of MOSS-compliant staff accommodation in the sectors	2 800 000
4. Waste management facilities	3 055 080
5. Construction of bunkers and safe havens	1 900 000
6. Construction of field kitchens	2 800 000
7. Construction support services for contingent headquarter camps in sectors	2 900 000
8. Capital master plan - Mogadishu	8 613 110
9. Mombasa Support Base	3 228 000
10. Camp construction - Sectors 3 and 4	3 400 000
11. Camp construction - Sectors 5 and 6	3 400 000
12. Transit camp – Mogadishu	1 600 000
<b>Total major projects</b>	<b>42 126 920</b>
Third party engineering consultancy services	3 920 000
Miscellaneous construction activities	3 353 080
<b>Grand total</b>	<b>\$49 400 000</b>

5. The construction activities were carried out across seven camps located in six sectors in Somalia and the logistics base in Mombasa, Kenya by issuing task orders to commit contracted vendors.
6. Comments provided by UNSOS are incorporated in italics.

## **II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY**

7. The objective of the audit was to assess the adequacy and effectiveness of controls over construction activities in UNSOS and UNSOM.
8. This audit was included in the 2017 risk-based work plan of OIOS due to the operational and financial risks associated with construction activities in the challenging operational environment in Somalia, where infrastructure is depleted and accommodation that meets the required United Nations standards are not available.
9. OIOS conducted this audit from July 2017 to March 2018. The audit covered the period from 1 July 2015 to 30 June 2017. Based on an activity-level risk assessment, the audit covered higher and medium risk areas in management of construction activities, including initiation, planning, implementation and monitoring, and completion and closure of construction activities.
10. The methodology included interviews of personnel involved in construction activities, review of UNSOS construction practices and procedures, review of records, and verification of construction projects in Somalia and Kenya.
11. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

## **III. AUDIT RESULTS**

### **A. Initiation of construction activities**

#### Need to strengthen controls over the initiation of major construction activities

12. The major construction guidelines require UNSOS to: support each major proposed construction activity with proper justification, including needs assessments, feasibility studies, environmental and social impact assessments; include all major construction activities in the budget to ensure availability of resources to implement construction activities; and establish a project management group (PMG), comprising the Director, Chief Engineering Officer, AMISOM Force Engineer, Chief Budget Officer, Chief Procurement Officer, Chief Contracts Management, and a representative of the UNSOM Chief of Staff to authorize, review and monitor all major projects/activities costing over \$1 million, and ensure they support the UNSOS, UNSOM and AMISOM mandates.
13. A review of UNSOS and UNSOM budgets, performance reports and listing of construction projects for the audit period showed the following:
  - (a) UNSOS did not conduct environmental baseline studies prior to conducting major construction activities due to constraints in the operating environment. For example, UNSOS had no option other than to implement construction activities in the sector hubs that had already been established by AMISOM for its military and security needs. UNSOS was also constrained by: lack of space and security threats. As a result, UNSOS conducted environmental baseline studies in all

the six sector hubs, in April 2017, after they were established. These studies identified environmental and social impact concerns and made recommendations to address them;

(b) While OIOS agreed that the construction activities implemented were justifiable and supported the implementation of the mandates, there was no verifiable evidence to show that UNSOS had conducted the required needs assessments and feasibility studies for its construction activities, including the 12 major activities listed in table above to ensure that all activities met operational requirements;

(c) Against the approved construction budget of \$50 million for fiscal years 2015/16 and 2016/17, UNSOS had incurred actual expenditure of \$66 million, an expenditure overrun of \$16 million. The actual costs and completion information for each construction project were not readily available for audit review [REDACTED]

[REDACTED] Besides, there were construction activities implemented that had not been budgeted for. These included: 400 containerized accommodation units for staff costing \$8 million; additional \$2.5 million of asphalt road works; and \$2 million expenditure on a multi-facility. UNSOS attributed the variances to the construction activities to changes in requirements that could not have been foreseen. [REDACTED]

[REDACTED] The funds for this project were redeployed from other approved line expenditure items within the operating cost group; and

(d) On 12 November 2015, UNSOS constituted a PMG, comprising the Deputy Director, Chief Engineer and Deputy Chief Engineer as permanent members, and representatives of the beneficiaries such as UNSOM, AMISOM and UNSOS. However, the PMG was not effective as it did not: include some of the required members, such as the AMISOM Force Engineer, Chief Budget Officer, Chief Procurement Officer, Chief Contracts Management, and a representative of the UNSOM Chief of Staff; and convene during the period under review. As a result:

- All major construction activities in the budget were not subjected to the required authorization, review and monitoring of the PMG to ensure appropriate prioritization and cost-effective implementation;
- UNSOS established a monthly package contract to provide labour services to operate and provide first level maintenance for its heavy equipment used for construction activities such as graders and excavators. Actual expenditure on the contract during the audit period amounted to \$9 million. Some 18 per cent (\$1.6 million) of the contract expenditure reviewed during the audit period indicated that UNSOS had not appropriately established the monthly package nor efficiently used the services under the contract. For instance, based on the contract expenditure reviewed, contractor time charged on the contract was 15,617 hours whereas equipment operating time was 2,224 hours, indicating that for every seven labour hours incurred under the contract (including equipment maintenance, operation and unskilled labour man hours) the contractor effectively operated UNSOS equipment for one hour. This means the contractor charged all the time contractor staff were stationed at the location, instead of charging time for just operating and providing maintenance. *UNSOS explained that the related contract was negotiated on a daily rate for full day (eight hours per day) of work for equipment operators, the contract had now been demobilized and a replacement contract was under solicitation process;*

- The cost-benefit analysis of containerized accommodation units did not factor in necessary additional enhancement costs and other non-costs but important factors

UN SOS prioritized implementing the project over the hard-wall accommodation option, which was previously planned, because it was considered cheaper and quicker to implement. However, while the cost-benefit analysis used to prioritize the project indicated cost savings of at least \$4 million compared to the hard-wall accommodation, additional factors such as staff welfare, quality and expected useful life of the two options were not considered. In addition, after the completion of the containerized accommodation, UNSOS realized the need for improvement prior to use due to inadequate ventilation and user dissatisfaction. At the time of the audit, due to staff dissatisfaction and the poor ventilation system, 144 out of the 400 units (36 per cent) were yet to be occupied since they were completed in September 2017. UNSOS will incur additional costs as it is recruiting an individual air quality consultant and procuring dehumidification equipment in order to reduce moulds and improve ventilation for the containerized accommodation units. Further, contractors claimed and UNSOS agreed to settle \$4 million for terminating contracts to build hard-wall accommodation, which was replaced by the containerized accommodation; and

- UNSOS incurred over \$7 million to establish an aviation hub in sector 1 to support additional aviation requirements and to serve as an air base for one of the AMISOM contingents. However, at the time of the audit, over 12 months after substantial completion of the hub, neither the contingent nor UNSOS had deployed to the facility, indicating the aviation hub may not have been rightly prioritized as it was not being used. *UN SOS explained that 175 AMISOM troops had now been deployed in the aviation hub and that further expansion of AMISOM operations at the location was expected due to its strategic location.*

14. The above resulted because UNSOS had not established and implemented an effective mechanism to assess and review its major construction project needs and provide direction in dealing with project variances.

**(1) UNSOS should establish a mechanism, including constituting a project management group that convenes regularly, to adequately assess and review major construction projects and ensure that these projects meet operational requirements.**

*UN SOS accepted recommendation 1 and stated that the composition of the PMG was being reviewed and would be finalized when the reorganization of the Service Delivery Pillar is implemented in July 2018. The PMG would be fully operational by September 2018. Recommendation 1 remains open pending receipt of evidence showing that the PMG membership has been updated and convenes regularly to review and monitor major construction projects.*

## B. Planning of construction activities

### Need to prioritize filling of key vacancies

15. The major construction guidelines require UNSOS to: ensure that each project has a clearly defined scope of work and identifies requirements, bill of quantities, detailed project budgets and implementation schedules; assign adequate and competent personnel to supervise construction projects; and discuss construction designs with and obtain approval from the various stakeholders.

16. A review of resource allocations for UNSOS, 12 (with the not-to-exceed value of \$90 million) of 39 contracts (with the not-to-exceed value of \$173 million) for construction activities, and 136 (costing \$26 million) of 929 (costing \$70 million) construction task orders raised from various contracts during the audit period indicated that the 12 contracts and 136 related task orders had clearly defined scope of work, designs approved by all stakeholders, bills of quantities, detailed construction activity budgets and implementation schedules. However, identification of construction requirements needed improvement. This was reflected in the cancellation of 26 (\$14 million) of 929 (\$70 million) task orders issued to commit vendors to carry out construction activities due to changes in requirements.

17. Also, UNSOS had not filled vacancies timely, which adversely affected deployment of sufficient personnel for construction activities. At the time of the audit, 10 of the authorized 26 staff positions in IDIS were vacant since the Section was established in June 2016. These vacancies included key posts such as: the Chief of Section at the P-5 level; two portfolio management engineers at the P-4 level; and seven civil engineers at the P-3 level.

18. UNSOS explained that the delays in filling posts was due to the organizational restructuring resulting from the implementation of the DFS Global Supply Chain Management initiative and changes in construction needs were dictated by the highly unpredictable operating environment. However, while Mission needs were dynamic due to the operating environment, OIOS was of the opinion that some of the changes to construction requirements resulted because UNSOS was slow in filling the key posts to study and research the operating environment and adequately plan construction activities.

**(2) UNSOS should prioritize filling key vacancies to ensure that adequate time is dedicated to study the operational environment and adequately plan construction activities.**

*UNSO accepted recommendation 2 and stated that it had initiated a concerted effort to fill key vacancies following the reclassification of the affected posts. One P-5 and two P-4 engineers were already on board and, and a vacancy announcement had been issued for one FS-6 position, while the job opening for the remaining P-3 vacant posts would be issued shortly. Recommendation 2 remains open pending receipt of evidence that UNSOS has filled key positions and that it has adequately planned construction activities.*

## C. Implementation and monitoring of construction activities

### Need to strengthen controls over monitoring and supervision of construction activities

19. The UNSOS engineering SOP requires UNSOS to: implement construction projects through task orders, duly authorized by the Chief Engineer and agreed with the contractor; account for construction projects in the annual performance report; monitor physical and financial progress of projects; and evaluate performance of contractors. Also, the procurement guidelines require UNSOS to safeguard the organization



against non-performance of third party contractors by securing performance bonds or warrants and evidence of insurance cover where applicable.

20. A review of 12 out of 39 contract files from which 136 task orders amounting to \$26 million were issued and UNSOS financial performance records for the audit period indicated that UNSOS issued work requests to contractors through task orders. All the 136 task orders were approved and supported by task order proposals authorized by the Chief Service Delivery, Chief Engineer or their representatives. Also, UNSOS secured performance securities for the 12 contracts. However, UNSOS did not:

(a) Effectively monitor financial progress of construction activities. For example, task orders committing contractors to carry out construction activities were manually linked to system-generated purchase orders used to commit funds and subsequently pay for construction activities. The value of task orders issued were not effectively monitored against committed funds on the purchase orders raised. This resulted in UNSOS committing contractors above the available funds, leading to redeployments from other accounts. As explained under the section on initiation of construction activities of the present report, there was a significant variance between actual and budget costs, which were not adequately explained. In addition, of the \$66 million actual expenditure on construction activities (as reported by Umoja), UNSOS could only provide a summary of task orders totalling \$56 million. The remaining \$10 million were not supported by task orders;

(b) Effectively monitor physical progress of construction activities. For example, for the 12 contracts reviewed: weekly/monthly site meetings were not held, or if held, proceedings were not documented; and monthly progress reports were not consistently obtained for review and filing as vendors only filed progress reports when they needed to be paid. As a result, UNSOS did not effectively identify and investigate potential construction delays in a timely manner in order to take appropriate corrective action. Of the 136 task orders reviewed, 82 task orders, which related to activities with specific implementation schedules, had an average delay of 4 months, with the longest delay being 19 months for construction of asphalt roads; and

(c) Conduct quarterly vendor performance evaluation for 9 of the 12 contracts. Also, monthly performance review meetings were not held for 8 of the 12 contracts, while for the remaining 4 contracts, meetings were held only three times in 24 months.

21. The above resulted because UNSOS did not implement effective procedures to monitor construction activities. The DPKO/DFS guidelines assign the overall responsibility for monitoring implementation of construction activities to the Chief Engineering Officer. However, UNSOS limited the role of the Chief Engineering Officer to providing guidance during implementation, while the Head of Somalia Support (subsequently replaced with Chief Delivery Services) oversaw construction activities in Somalia. This weakened the chain of accountability and monitoring of construction activities. Also, the reorganization did not ensure that UNSOS dedicated adequate staff to supervise construction activities and the SOP, promulgated in September 2012, was outdated as UNSOS had subsequently reorganized, further increasing the need for more clear and up-to-date procedures.

#### Need to adequately monitor the use of quality assurance services for construction activities

22. The engineering SOP requires consultants engaged by UNSOS to: conduct and provide reports on site visits, test and certify outputs required by the contract, highlight outstanding tasks and review quality of work, among others; and prepare and submit monthly reports (or as required by the contract) outlining progress and concerns, and tracking scope, implementation schedule, quality of contractor performance and any suggested areas for improvement.

23. UNSOS, through the Procurement Division, contracted a consultancy firm in September 2014 for three years with the not-to-exceed amount of \$4 million to provide engineering quality assurance services in support of construction activities in Somalia. The consultancy services covered preliminary site investigations and feasibility studies, construction and post-construction phases of projects. The consultant reviewed and certified task order proposals and progress reports supporting contractor invoices for 110 of the 136 task orders that required quality assurance services.

24. Task orders issued to the consultancy firm for construction activities clearly indicated the specific works, outputs, consultant time inputs and related costs as per the contract terms. Consultant invoices reviewed for 26 quality assurance task orders amounting to \$817,000 out of 81 task orders totalling \$3.8 million were supported by timesheets of personnel providing quality assurance services and approved by the respective managers. However, UNSOS did not efficiently utilize consultancy services, as follows:

(a) UNSOS did not involve the consultant in pre-construction quality assurance activities like preliminary site investigations and feasibility studies. The consultant's pre-construction quality assurance services were limited to reviewing task order proposals, which were normally raised after preliminary site investigations and feasibility studies;

(b) The consultant did not prepare and submit monthly performance statements/reports on all specific task orders outlining progress, concerns, quality of contractor performance, quality of outputs and any suggested areas for improvement for construction contracts as required by the terms of engagement. The consultant's output was limited to endorsing contractors' progress reports and related invoices; and

(c) The consultant had not supervised laboratory tests on physical works performed by contractors, but relied on reports provided by contractors for such tests. As such, there was no independent check to provide quality assurance of the test results, which were entirely supervised and provided by contractors.

25. The above resulted because of: ineffective supervision and monitoring of construction and quality assurance activities, including updating and enforcing the implementation of construction procedures in place; and understaffing of IDIS by 40 per cent. These exposed UNSOS to increased risk of unsatisfactory quality standards, delays and cost overruns, which could negatively impact the effectiveness of support provided to clients.

**(3) UNSOS should implement procedures to adequately monitor physical and financial progress and quality assurance of construction activities, including updating the engineering standard operating procedures to reflect more recent guidelines from DFS and the current operational structure on the ground.**

*UNSOS accepted recommendation 3 and stated that it was reviewing the existing SOPs for project and contract implementation to reflect the new UNSOS support structure, which would come into effect on 1 July 2018. Recommendation 3 remains open pending receipt of a copy of the updated engineering SOP and its implementation, particularly of the procedures to monitor progress of construction activities and quality assurance.*

## **D. Closure of construction activities**

### Need to improve controls over project completion and closure processes

26. The engineering SOP requires UNSOS, upon completion of construction projects, to: issue certificates of completion; release retention payments; ensure the contractor hands over all project documents; issue lessons learned and close-out reports; take stock and receive all assets used on the project that belong to the organization; and conduct post-implementation evaluation.

27. The consultancy firm certified completion of works for the 110 task orders that involved construction works or services and UNSOS issued completion certificates for all of them. Project hand-over included the respective project documents and United Nations-owned assets where applicable and specified defects liability period. However, UNSOS did not:

(a) Conduct post-implementation evaluation and issue lessons learned and close-out reports for six contracts used to implement projects that had been completed. As a result, there was no documentation of experience of past construction activities and lessons therefrom, including vendor performances for future reference; and

(b) Retain part of contractor invoices as retention money against subsequent defects in construction works attributable to contractor's negligence or substandard works because it did not consider this necessary for administrative purposes and did not provide for such in contracts. While UNSOS found performance bonds and securities adequate to safeguard against poor performance by contractors, the securities always expired 90 days after project completion, a period less than the liability period of one year normally obtained for construction activities. This practice exposed the organization to bear the full cost of defects attributable to poor quality works by the contractors.

28. The gaps in closing out construction projects were due to ineffective supervision of construction activities to enforce the guidelines in place. A recommendation to update and enforce compliance with construction procedures has been raised under the section on project implementation and monitoring above.

## **IV. ACKNOWLEDGEMENT**

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

(Signed) Eleanor T. Burns  
Director, Internal Audit Division  
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## STATUS OF AUDIT RECOMMENDATIONS

## Audit of construction activities in the United Nations Support Office in Somalia and United Nations Assistance Mission in Somalia

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	C/ O <sup>3</sup>	Actions needed to close recommendation	Implementation date <sup>4</sup>
1	UNSOS should establish a mechanism, including constituting an effective Project Management Group that convene regularly, to adequately assess and review major construction projects and ensure that these projects meet operational requirements.	Important	O	Receipt of evidence showing that the PMG membership has been updated and convenes regularly to review and monitor major construction projects.	30 September 2018
2	UNSOS should prioritize filling key vacancies to ensure that adequate time is dedicated to study the operational environment and adequately plan for construction activities.	Important	O	Receipt of evidence that UNSOS has filled key positions and that it has adequately planned construction activities.	31 December 2018
3	UNSOS should implement procedures to adequately monitor physical and financial progress and quality assurance of construction activities, including updating the engineering standard operating procedures to reflect more recent guidelines from DFS and the current operational structure on the ground.	Important	O	Receipt of a copy of the updated engineering SOP and its implementation, particularly of the procedures to monitor progress of construction activities and quality assurance.	30 September 2018

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> C = closed, O = open

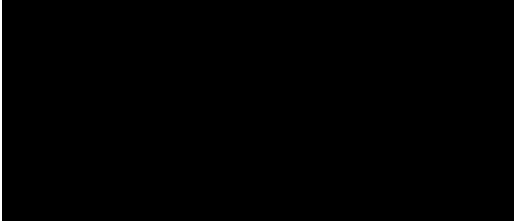
<sup>4</sup> Date provided by UNSOS in response to recommendations.

# **APPENDIX I**

## **Management Response**

## Management Response

## Audit of construction activities in the United Nations Support Office in Somalia and United Nations Assistance Mission in Somalia

Rec. no.	Recommendation	Critical <sup>5</sup> / Important <sup>6</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	UNSOS should establish a mechanism, including constituting an effective Project Management Group that convene regularly, to adequately assess and review major construction projects and ensure that these projects meet operational requirements.	Important	Yes	Chief of Service Delivery	September 2018	<p>Management seeks to advise the Auditors that the composition of the Project Management Group (PMG) is being reviewed and will be finalized when the reorganization of the Service Delivery Pillar is implemented in July 2018. The PMG is expected to be fully operational by September 2018.</p> <p>With respect to the observation at paragraph 13 (d) second bullet point, Management seeks to clarify to the Auditors that the subject contract was negotiated on a daily rate for a full day (eight hours per day) of work and not an hourly rate for equipment operators. The contract has been demobilized and replacement contract currently under solicitation process; will pursue negotiating on a daily rate for equipment operator.</p> 

<sup>5</sup> 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.

<sup>6</sup> 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 construction activities in the United Nations Support Office in Somalia and United Nations Assistance Mission in Somalia

Rec. no.	Recommendation	Critical <sup>5</sup> / Important <sup>6</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
2	UNSOS should prioritize filling key vacancies to ensure that adequate time is dedicated to study the operational environment and adequately plan for construction activities.	Important	Yes	Chief of Service Delivery	December 2018	<p>UNSOS has initiated a concerted effort to recruit to identified key vacancies following the re-classification of the affected posts. One P-5 and two P-4 engineers are already on board, and a vacancy announcement has been issued for one FS-6 position, while the job openings for the remaining P-3 vacant posts will be issued shortly.</p> <p>With respect to the observation at paragraph 16, Management seeks to advise the Auditors that the standard sea container size is 6.06m x 2.44m = 14.7864 m<sup>2</sup> gross; which is above the 11 m<sup>2</sup> reported by the Auditors. Containers were confirmed to be compliant with DFS established standards by the UNHQ review team that visited UNSOS in 2018.</p>
3	UNSOS should implement procedures to adequately monitor physical and financial progress and quality assurance of construction activities, including updating the engineering standard operating procedures to reflect more recent guidelines from DFS and the current operational structure on the ground.	Important	Yes	Chief of Service Delivery	September 2018	The existing Standard Operating Procedures for Project and Contract implementation are being reviewed and will be adjusted to reflect the new UNSOS support structure which comes into effect on 1 July 2018, and should be finalized by September 2018.