



INTERNAL AUDIT DIVISION

AUDIT REPORT

Comprehensive audit of the United Nations Observer Mission in Georgia (UNOMIG)

28 April 2008

Assignment No. AP2007/600/4

United Nations  Nations Unies

INTEROFFICE MEMORANDUM

MEMORANDUM INTERIEUR

INTERNAL AUDIT DIVISION · DIVISION DE L'AUDIT INTERNE
OFFICE OF INTERNAL OVERSIGHT SERVICES · BUREAU DES SERVICES DE CONTRÔLE INTERNE

TO: Mr. Jean Arnault
A: Special Representative of the Secretary-General
United Nations Observer Mission in Georgia

DATE: 28 April 2008

FROM: Dagfinn Knutsen, Director
DE: Internal Audit Division, OIOS

REFERENCE: IAD: 08- 01274

SUBJECT: Assignment No. AP2007/600/04 – Comprehensive audit of UNOMIG
OBJET:

1. I am pleased to present the report on the above-mentioned audit.
2. Based on your comments, we are pleased to inform you that we will close recommendations 2, 4, 5, 7, and 16 to 20 in the OIOS recommendations database as indicated in Annex 1. In order for us to close the remaining recommendations, we request that you provide us with the additional information as discussed in the text of the report and also summarized in Annex 1.
3. Please note that OIOS will report on the progress made to implement its recommendations, particularly those designated as critical (i.e., recommendations 1, 2, 4, 6, 14 to 16, 21 to 23) in its annual report to the General Assembly and semi-annual report to the Secretary-General.

cc: Mr. Jean-Marie Guéhenno, Under-Secretary-General, DPKO
Ms. Jane Holl Lute, Assistant Secretary-General and Officer-in-Charge, DFS
Mr. Warren Sach, Assistant Secretary-General and the Controller, DM
Mr. Jonathan Childerley, Chief, Oversight Support Unit, DM
Ms. Margaret Simon, Chief Administrative Officer, UNOMIG
Mr. Swatantra Goolsarran, Executive Secretary, UN Board of Auditors
Ms. Maria Gomez Troncoso, Officer-in-Charge, Joint Inspection Unit Secretariat
Mr. Byung-Kun Min, Programme Officer, OIOS

INTERNAL AUDIT DIVISION

FUNCTION

“The Office shall, in accordance with the relevant provisions of the Financial Regulations and Rules of the United Nations examine, review and appraise the use of financial resources of the United Nations in order to guarantee the implementation of programmes and legislative mandates, ascertain compliance of programme managers with the financial and administrative regulations and rules, as well as with the approved recommendations of external oversight bodies, undertake management audits, reviews and surveys to improve the structure of the Organization and its responsiveness to the requirements of programmes and legislative mandates, and monitor the effectiveness of the systems of internal control of the Organization” (General Assembly Resolution 48/218 B).

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EXECUTIVE SUMMARY

Comprehensive audit of UNOMIG

The Office of Internal Oversight Services (OIOS) conducted an audit of the United Nations Observer Mission in Georgia (UNOMIG) from October to November 2007. The audit objectives were to: (i) assess the effectiveness and efficiency of the management and administration of the Mission, including a number of substantive areas, and the administrative and logistical support provided by DPKO/DFS; (ii) determine whether the Mission carries out its functions in compliance with the United Nations Financial Rules and Regulations; and (iii) assess the adequacy of internal controls. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

Based on the review of the work plans of substantive offices and their expected accomplishments outlined in the results based budget of the Mission, OIOS concluded that UNOMIG appears to be accomplishing most of its objectives in military and civilian police components.

Review of sampled documents and transactions led OIOS to conclude that certain internal controls needed to be improved. These include: further developing of the Mission's strategic plan; ensuring compliance with the UN procurement guidelines and procedures; properly observing human resources policies; and providing additional training and guidance to staff.

There were several vehicle accidents, especially in recent months: 14 accidents in the period July 2007 to October 2007, as compared to 20 between July 2006 and June 2007. Speeding violations were not monitored and alcohol tests were not systematically conducted. The recent increase in accidents and related costs need to be examined and where necessary mitigating controls should be introduced to reduce the number of accidents.

Bi-monthly scheduled flights of Mission aircraft to Istanbul and Trabzon were not economically used. OIOS calculated a potential savings of over \$200,000 per year if Mission aircraft were strictly used for operational requirements.

There was a need to re-assess the security levels of the Mission. The current phases were not commensurate with the conditions as defined in the Field Security Handbook. Furthermore, the security and safety plan was not yet finalized and implemented.

The management of trust fund needs to be improved. Due to the re-assignment of staff and lack of proper hand-over notes, current staff were not fully conversant with their new functions and responsibilities.

OIOS made a number of recommendations to improve internal controls. OIOS acknowledged the immediate response of the Mission management to take corrective action to address the audit observations.

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I. INTRODUCTION

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the United Nations Observer Mission in Georgia (UNOMIG) from October to November 2007. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.
2. UNOMIG was initially established by Security Council (SC) Resolution 858 of 24 August 1993 to verify compliance with the ceasefire agreement between the Government of Georgia and the Abkhaz authorities in Georgia. UNOMIG was further mandated under SC Resolution 937 of 21 July 1994 to monitor and verify the implementation by the parties of the Agreement on a Ceasefire and Separation of Forces signed in Moscow on 14 May 1994.
3. A Human Rights Office for the protection and promotion of human rights in Abkhazia, Georgia was established on 10 December 1996 in accordance with SC Resolution 1077. It is jointly staffed by the Office of High Commissioner for Human Rights (OHCHR) and the Organization for Security and Cooperation in Europe (OSCE). The Human Rights Office forms part of UNOMIG and reports to the High Commissioner for Human Rights through the Special Representative of the Secretary-General (SRSG), UNOMIG.
4. By resolution of 1494 of 30 July 2003, the SC established a civilian police component of 20 Police Officers for deployment in UNOMIG, to strengthen its capacity to carry out the mandate, particularly by contributing to the creation of conditions conducive to the safe and dignified return of internally displaced persons and refugees.
5. On 15 October 2007, the SC adopted Resolution 1781 and extended the mandate of UNOMIG until 15 April 2008.
6. The SRSG manages the Mission from the UNOMIG Liaison Office in Tbilisi. The Mission's Headquarters with a second office for the SRSG and offices of the Deputy SRSG, the Chief Military Observer, the Senior Police Adviser, the Chief Human Rights and the Chief Administrative Officer are located in Sukhumi. The Mission also has two sector headquarters in Gali and Zugdidi.
7. The UNOMIG budget for the financial period 2007-8 was \$36,708,200. As shown in Figure 1, the total authorized strength of the Mission (as of 31 October 2007) was:

Figure 1. UNOMIG Staffing table

	Military	Civilian Police	International	Local	Other	Total
Authorized	135	20	116	191	2	464
Actual	131	15	102	182	1	431

The overall vacancy rate was 7 per cent, which was not at a critical level compared to other peacekeeping missions.

8. Comments made by the UNOMIG Management are shown in *italics*.

II. AUDIT OBJECTIVES

9. The major objectives of the audit were to:

(a) Assess the effectiveness and efficiency of the overall management and administration of the Mission, including a number of substantive areas, and the administrative and logistical support provided by DPKO/DFS;

(b) Determine whether the Mission carries out its functions in compliance with the United Nations Financial Rules and Regulations; and

(c) Assess the adequacy of internal controls.

III. AUDIT SCOPE AND METHODOLOGY

10. The audit focused on reviewing elements of Mission's mandate and operational activities for the period 2005 to 2007. However, specific procurement transactions were also examined dating back to 2001 when some of the contracts reviewed by OIOS were entered into. The audit team reviewed administrative instructions and documents pertaining to operational areas, interviewed responsible personnel and examined policies and procedures for compliance with the related rules, regulations and other instructions. Two field areas were also visited to assess the effectiveness of their coordination with the Mission's Headquarters.

IV. AUDIT FINDINGS AND RECOMMENDATIONS

A. Planning process

11. The United Nations Integrated Mission Planning Process (IMPP) endorsed by the Secretary-General in 2006 requires that field missions develop strategic mission plans detailing inter-alia assigned responsibilities, activities and outputs, key milestones and benchmarks, resource requirements, and modalities for addressing contingencies, as well as indicators for initiating transition and exit planning. Also, once the Mission Plan is finalized, it should be periodically reviewed and up-dated to ensure it is in harmony with broader UN objectives.

12. OIOS found that UNOMIG did not have an integrated mission plan or an exit strategy. While a Mission Support Plan was prepared in 2006 to support the

Mission mandate, this plan did not cover all aspects of an Integrated Mission Plan. OIOS also noted that results based budgeting (RBB) was used as a planning tool, however in OIOS' opinion, RBB should be derived from a strategic document in the form of a Mission Plan.

Recommendation 1

(1) UNOMIG Management should develop a comprehensive Integrated Mission Plan containing an exit strategy in order to meet the requirements of the United Nations Integrated Mission Planning Process.

13. *The UNOMIG Management accepted recommendation 1 and stated that the Secretary-General had undertaken to carry out an assessment of the peace process in Georgia including UNOMIG's role in the process. The assessment would be completed in June 2008. Thereafter, the Mission would be able to draft and implement an Integrated Mission Plan complete with an exit strategy. Recommendation 1 remains open pending receipt of a copy the Integrated Mission Plan.*

B. Procurement

Ex-post facto cases

14. As shown in Figure 2, out of seven procurement cases submitted to Headquarters Committee on Contracts (HCC) in 2006 and 2007, six of them were considered as partially ex-post facto.

Figure 2. Partially ex-post facto cases submitted to the HCC

Requirement	Contractor	Case no	HCC Date	NTE Amount
Extension of lease of UNOMIG HQ premises	Turgostinista AITAR	HCC/06/74	25/10/06	\$1,971,146
Extension of contract for internal security services	State Guard Services of Abkhaz (Georgia)	HCC/07/52	20/07/07	\$368,640
Extension of contract for perimeter security services	State Guard Services of Abkhaz (Georgia)	HCC/06/74	25/10/06	\$438,711
Extension of lease of premises in Tbilisi	Adamashvili Varlam	HCC/06/73	17/10/06	\$507,627
Extension of lease of premises for SRSG's accommodation	Cabinet of Ministers of Abkhazia	HCC/06/71	03/10/06	\$423,889
Lease of premises for UNOMIG Admin and Logistics base in Zugdidi	Zugdidi Food Stock Company	HCC/06/73	17/10/06	\$590,925

15. The main reason for the high percentage of *ex-post facto* cases was a lack of adequate monitoring mechanisms in the UNOMIG Procurement Section (PS). For instance, it was only after receiving a reminder from the Headquarters Procurement Division (PD) on 19 May 2006 that the majority of the cases shown above were presented to the HCC. OIOS noted, however, that the current Chief

Mission mandate, this plan did not cover all aspects of an Integrated Mission Plan. OIOS also noted that results based budgeting (RBB) was used as a planning tool, however in OIOS' opinion, RBB should be derived from a strategic document in the form of a Mission Plan.

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Procurement Officer made efforts to identify *ex-post facto* cases and present them to the HCC through the Local Committee on Contracts.

Recommendation 2

(2) UNOMIG Management should develop effective control and monitoring mechanisms in contract administration to avoid the submission of procurement cases to the Local Committee on Contracts and the Headquarters Committee on Contracts on an *ex-post facto* basis.

16. *UNOMIG Management accepted recommendation 2 commenting that a system was introduced for monitoring and tracking Local Systems Contract expenditures and Purchase Orders for items that were required on a recurring basis and for an extended period of time, ensuring that financial thresholds were not exceeded (for CPO, LCC and HCC). This information was also utilized to ensure that procurement action was taken in a timely manner as regards renewal, extension of contracts, bidding, termination or otherwise. The UNOMIG PS has also taken pro-active action by updating contract databases regularly and subsequently sharing them with end-users. Furthermore, Self Accounting Units (SAUs) were given prior notice when contracts they manage were nearing their end. Based on the action taken by the UNOMIG Management, recommendation 2 has been closed.*

Contract/lease amendments

17. There were several amendments to contracts and leases. Many of these amendments were initiated as a result of price increases. For example, the lease of land and other premises at UNOMIG Headquarters was amended 29 times since 1996. Under normal conditions, a lease must be amended once at the end of the lease. In this particular case, there were multiple amendments in a year: three in 2007, two in 2006, and five in 2005.

18. In most cases, the lease agreement had to be extended for short periods like a month, as lease/contract renewals were subject to lengthy price negotiations.

19. OIOS' review of the negotiation process found that standards such as a consumer price index were not referred to in order to justify the offered price increase.

20. Communications from vendors indicated that the high inflation in the country (Abkhazia, Georgia) necessitated the price increases. Figure 3 shows the inflation rates as per the Department of State Statistics in Abkhazia.

Figure 3. Inflation rates in Abkhazia, Georgia for the period 2000 to 2007

	2000	2001	2002	2003	2004	2005	2006	2007*
Rate	136	119	109	108	108	110	117	111

(*) First 10 months

21. OIOS acknowledges that inflation puts pressure on vendors to increase their prices, however, the effect of US dollar/Russian ruble parity should also be taken into account as local vendors were paid in US dollars. As shown in Figure 4, the US dollar/Russian ruble equivalent was 28.68 in 2000, reached a peak of 31.82 in 2003, and it was 24.31 in November 2007. Therefore, the parity changes were also unfavorable for local vendors/contractors.

Figure 4. US dollar/Russian rubles equivalent for the period 2000 to 2007

	Jan 2000	Jan 2001	Jan 2002	Jan 2003	Jan 2004	Jan 2005	Jan 2006	Nov 2007*
Parity	28.68	28.46	30.70	31.82	28.52	28.01	26.49	24.31

22. In OIOS' opinion, the Mission should obtain proper justification from the vendors before increasing the price of the contracts and leases. UNOMIG Headquarters operates in a relatively small community, and a change in price with one vendor triggers similar requests from other vendors/service providers.

Recommendation 3

(3) UNOMIG Management should use a standard pricing tool before renewals/extensions of contracts and leases, such as a consumer price index, as the basis for price negotiations with vendors.

23. *UNOMIG Management did not accept recommendation 3 commenting that, while consumer price indexing was noted as effective in theory, it did not function well in unstable unregulated economic contexts such as that found in Abkhazia. The mission instead relied on local market surveys and similar service comparisons.* OIOS reiterates its opinion that a consumer price index is the best tool to be used in price negotiations, however, use of a market survey instead is also be acceptable. OIOS will keep this recommendation open in its database pending receipt of documentation evidencing that market surveys have been used in price negotiations.

Non-compliance with procurement rules

24. Generally, proposals from vendors were submitted to requisitioning offices together with the financial offer (see examples CON/06/013, CON/06/018, CON/06/017 and CON/06/009.). Such a practice poses a risk of manipulation in the technical assessment process, and should be discontinued immediately.

25. The required number of vendors was not contacted in certain cases. Although a minimum of 10 vendors should be invited for goods or services costing between \$30,000 and \$200,000, in three sampled construction projects, three, four and seven vendors were invited to bid. OIOS notes that the number of potential vendors is limited in the Mission area, especially in Abkhazia, Georgia; however, OIOS is still of the opinion that UNOMIG should make a greater effort to increase the number of potential vendors invited to bid.

Recommendations 4 and 5

UNOMIG Management should:

- (4) Ensure that only technical proposals and not financial offers are sent to requisitioning offices for evaluation to avoid any risk of manipulation; and
- (5) Invite more vendors to bid to meet the requirements of the UN procurement policies and procedures.

26. *UNOMIG Management accepted recommendation 4 and stated that effective November 2007, the mission sent only technical proposals to requisitioning offices for evaluation.* Based on the assurance given by Mission Management, recommendation 4 has been closed. OIOS will verify the implementation of the recommendation in its next audit of the Mission.

27. *The UNOMIG Management accepted recommendation 5 and stated that it has employed considerable effort to involve more vendors in bidding exercises in order to comply with UN procurement policies and procedures. Efforts have been made to solicit more suppliers from the United Nations Global Market database and also a permanent Expression of Interest (EOI) was posted on the UNPD website in September 2007. Several responses have been received and some of the companies were being invited for solicitations. However, there was a shortage of suitably qualified vendors and even the few that were available were not keen to do business with the UN and/or comply with UN as opposed to national standards. This situation was further exacerbated since most vendors in Abkhazia would not operate outside their local environment.* Based on the assurance given by Mission Management, recommendation 5 has been closed. OIOS will verify the implementation of the recommendation in its next audit of the Mission.

Management of Guard Services Contract

28. The Mission Security Section and Abkhaz *de facto* State Guard Services, a local contractor, provided security services at UNOMIG Headquarters in Sukhumi. There was no legislative basis for allowing private companies to provide security services in Abkhazia, and the contractor was a sole source supplier.

29. In 2001, UNOMIG entered into two contracts with a service provider Guard Services of Higher Abkhaz Authorities for:

- security guard services within the UNOMIG compound (36 unarmed guards); and
- perimeter security of the compound (24 armed guards).

30. In July 2003, after the *de facto* presidential elections, Guard Services of Higher Abkhaz Authorities was replaced by Abkhaz *de facto* State Guard Service and the existing contracts were amended accordingly.

31. Initially, the contracts were within the delegated procurement authority of the Mission but after several amendments, the aggregate amount exceeded the LCC's authority. The contracts were subsequently presented to the HCC in 2006 and 2007.

32. The HCC, in its meeting of 20 June 2006 (HCC/07/52), noted that there were a number of procurement irregularities, including unjustified price increases, provision of services without a contract, and direct payments by the Mission to the contractors' personnel (guards). The Controller did not approve the case and brought it to the attention of the Assistant Secretary-General, Office of Mission Support, DPKO (Department of Field Support since July 2007) and requested that OIOS review the contractual arrangement. The Controller also requested the Office of Legal Affairs (OLA) or a local legal adviser to review it. Once these reviews were conducted, the HCC would again review the case.

33. OIOS found that from the beginning of the process, UNOMIG had not adequately managed the contract. For instance, in the initial contract, the contractor was responsible for paying its personnel 75 per cent of the monthly payment. The amount should have been \$112 (75 per cent of \$150). However, in 2002, UNOMIG learned that only \$50-60 was paid by the contractor to its personnel (guards). As a result, UNOMIG Management decided to pay the contractor personnel directly, with the remaining balance of \$38 (\$150-\$112) paid to the contractor representative. To account for these procedures, the contract was amended accordingly.

34. UNOMIG's decision to pay contractor personnel directly had repercussions. These personnel began to believe they were employed by the UN, as their duties were very similar to UNOMIG's local security staff. UNOMIG's staff salaries were four to five times higher, and this fueled a sense of injustice and complaints. In October 2005, contractor personnel staged a public demonstration outside the UNOMIG compound and submitted a written petition to management. Their grievances related to the terms and conditions of the contract. They requested an increase in salary and to be eligible for entitlements including paid leave, medical insurance and pension. The story was picked up by the local newspapers and there were inferences that the \$38 monthly payment per guard to the contractor representative was a kick-back. As a result of these issues, there was no contract in place from 1 July 2005 to 1 November 2005. Nonetheless, the guard services were still provided by the contractor, and UNOMIG honored the payments for this period.

35. Despite repeated requests from contractor personnel to discuss the contractual arrangements, UNOMIG did not participate in any discussions noting that any grievances should be taken up with the contractor management.

36. After negotiations with the Abkhaz *de facto* State Guard Services, the contract was amended on 1 November 2005 to reflect the following changes:

- An increase of the individual monthly net pay of each guard from \$112 to \$200;

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- An increase of administrative fees to the Abkhaz *de facto* State Guard Service from \$38 per guard to \$40 per guard;
 - Payment \$80 per month for social and medical insurance for each guard as per local legislation; and
 - Monthly payments by the Mission's Finance Section to the designated bank account of the contractor and the contractor to pay its personnel their monthly net pay of \$200, with the provision of pay slips to UNOMIG as evidence that payment was made to each personnel.

37. The contract amendment in 2005 corrected past poor practices and it appears that the increase in salary and related benefits was in line with local standards.

38. While OIOS understands why UNOMIG Management decided to pay contractor personnel directly, these payments gave them the wrong perception of who their employer was. Such a practice should not be repeated.

39. Cognizant of the challenges of outsourcing security, UNOMIG requested 42 national staff in its 2005/2006 budget proposal to replace the contracted personnel. Considering that this would increase the Mission's budget by \$400,000, the Advisory Committee on Administrative and Budgetary Questions (ACABQ) recommended a review by the Department of Safety and Security (DSS) with the aim of ensuring that security was properly configured, as well as ensuring transparency and cost-effectiveness.

40. A DSS consultant was hired in October 2005, and the review concluded that: (a) the level and quality of training received by the contractor personnel was not clear; (b) the contractor lacked adequate administrative skills to manage the contract; (c) the duties of contractor personnel and UNOMIG staff could not be differentiated to justify pay disparities; and (d) there was a risk of violence towards UN staff or property if the security contracts were terminated, as future employment prospects were extremely bleak. The DSS consultant recommended that while the use of contractor services be discontinued, some of the contractor personnel should be recruited by UNOMIG. Also, considering the risks associated with this action, it was recommended that an individual outside of UNOMIG manage the process and limit the Mission's involvement to the conclusion of the process. To date, there has not been any tangible result. In the 2008-2009 budget proposal, the Mission reiterated its request relating to security guards.

41. A further study was conducted in June 2007 by DSS. The conclusions regarding the quality of services provided was the same. The report again recommended that it would be desirable to end these security services. Nonetheless, any decision taken had to be taken carefully, as it was understood that the *de facto* Government would not welcome such a decision. The report further stated that the only alternative solution would be to recruit State Guard Service guards as local staff, although this consideration would have serious managerial and financial implications.

Recommendation 6

(6) UNOMIG Management should closely manage the current security services contract and avoid frequent amendments, including price increases, clearly define the roles and responsibilities of the guards and provide them with professional training.

42. *UNOMIG Management accepted recommendation 6 and stated that contract management and administration must be carried out by the requisitioner, i.e. in this case the Security Section. It is the Section that should clearly define the roles and responsibilities of the guards. The Chief Security Officer has developed a training programme which would be run over the course of this year. The Procurement Section would continue to take care of financial matters, including any rate review, when required. Recommendation 6 remains open pending receipt of a copy of the training programme and the document defining roles and responsibilities of the guards.*

C. Human resources management

Annual Leave for uniformed personnel

43. The Personnel Section has four international and four national posts. Before October 2007, the posts of Personnel Officer and Training Officer were vacant, and the Chief Civilian Personnel Officer (CCPO) was assisted by one international Personnel Assistant and three national staff. At the time of the audit, both the Personnel Officer and Training Officer had joined the Mission.

44. The Compensatory Time Off (CTO) and annual leave taken by Military Observers (UNMOs) and UN Police (UNPOL) were monitored and administered by their respective offices and not by the Chief of Mission Support (CMS). This practice is contrary to the DPKO Human Resources Handbook and the CTO Policy for Military Observers and Civilian Police dated January 2001. When different offices are responsible there is a risk of an inconsistent application of the rules and procedures.

Recommendation 7

(7) UNOMIG Management should establish a unit within the Personnel Section to monitor and administer the Compensatory Time Off and annual leave entitlements of the Military Officers and UN Police.

45. *UNOMIG Management accepted recommendation 7 and stated that in December 2007, the Civilian Personnel Section commenced the monitoring of CTO and annual leave entitlements of Military Observers and UN Police. Based on the assurance given by UNOMIG Management, recommendation 7 has been closed. OIOS will verify the implementation of the recommendation in its next audit of the Mission.*

National Professional Officers

46. As of 31 October 2007, the Mission had 191 authorized national staff, one General Temporary Assistance (GTA) post in the general services category and one United Nations Volunteer (UNV). To date, no National Professional Officer (NPO) has been recruited, even though OIOS was informed there is no shortage of qualified candidates in the Mission's area of operations. It should be noted that the recruitment of NPOs has been requested by the General Assembly, and also advocated by the Secretary-General, as a way of strengthening national capacity and development. Furthermore, in its report A/55/874 of 6 April 2001, the ACABQ encouraged the Secretariat to review the use of UNVs with a view to increasing their use, especially in substantive areas.

47. The Mission had proposed only two NPO posts in its 2008-2009 budget. In OIOS' opinion, the Mission's Human Rights and UN Police and Security functions could benefit from the knowledge and expertise of national professionals and UNVs.

Recommendation 8

(8) UNOMIG Management should increase efforts to convert suitable posts for the recruitment of National Professional Officers and United Nations Volunteers in its future budgets and ensure that recruitment is done expeditiously.

48. *UNOMIG Management accepted recommendation 8 and stated that the Mission, in line with the recommendation, is actively exploring the possibility of converting appropriate Support and Substantive Component posts during the next budget cycle.* Recommendation 8 remains open pending receipt of documentation showing that appropriate support and substantive posts have been converted to NPO and UNV posts.

Special Post Allowances on continuous basis

49. The requirement of granting SPAs is to ensure that assignments to higher-level vacant posts are limited to cases where vacant posts cannot be filled within three months under the established procedures for recruitment or placement and promotion, and where successful programme delivery requires temporary assignment to vacant posts for longer than three months. The Mission contravened the rules relating to Special Post Allowances (SPAs) and granted SPA to three staff members on a continuous basis, of which one has been extended for more than five years. OIOS was not provided with evidence that steps had been taken to fill these vacant posts. This was contrary to ST/AI/1999/17 which states that temporary assignments to vacant posts shall require that the department or office concerned initiate proper procedures for filling the post on a permanent basis.

Recommendation 9

(9) UNOMIG Management should advertise all vacant posts for recruitment or placement and promotion, and only temporarily vacant posts due to Temporary Duty to other missions or extended leave should be considered for Special Post Allowance.

50. *UNOMIG Management accepted recommendation 9 and stated that a recruitment drive has commenced with the objective of matching vacant posts with appropriate level and simultaneously removing the need for granting SPAs. OIOS will keep this recommendation open pending receipt of the outcome of the recruitment drive.*

Standard Operating Procedures for Personnel Section

51. There were no Standard Operating Procedures (SOPs) in use in the Personnel Section. Staff handling recruitment, time and attendance, and staff entitlements referred to the DPKO HR handbook or the CCPO for guidance. While these are good reference points, guidelines and procedures adopted by the Mission to administer and monitor separate entitlements. For example, as a result of the lack of clear SOPs, two staff members may have unjustifiably lost their Occasional Recuperation Break (ORB) entitlements. OIOS advised UNOMIG to clarify this issue with DFS.

Recommendation 10

(10) UNOMIG Management should develop Standard Operating Procedures on human resources management to ensure that established policies are consistently applied.

52. *UNOMIG Management accepted recommendation 10 and stated that SOPs were under development to ensure that established procedures on human resources management were developed and consistently applied across the board. Recommendation 10 remains open pending receipt of finalized SOPs.*

Recruitment procedures

53. OIOS' review of 11 recruitment files concluded that interviews were not conducted in compliance with the competency-based interviewing principles outlined in DPKO Human Resources Handbook. For example, none of the six sampled recruitment files of international staff contained numerical ratings for each competency on the interview sheet. Further, the five sampled recruitment files of local staff lacked interview notes. OIOS suggests further training be provided to staff responsible for recruitment.

Recommendation 11

(11) UNOMIG Management should ensure that staff with recruitment responsibilities are properly trained in competency-based interviewing techniques.

54. *UNOMIG Management accepted recommendation 11 and stated that the competency-based interviewing workshops were planned, specifically targeting staff with recruitment responsibilities.* Recommendation 11 remains open pending confirmation that training has been undertaken.

Training

55. The Mission had not developed a detailed training programme and the number of staff attending training was well below the budgeted funding. In 2006/2007, some 58 staff attended training, and 94 attended language classes, against a budgeted target of 269 staff to receive training. Managers and staff interviewed indicated that more training was required particularly for those staff with technical functions.

56. The CCPO explained that there had been difficulties in organizing and developing training programmes, as there was no Training Officer. The newly recruited Training Officer arrived in the Mission at the time of the audit, and it was confirmed to OIOS that many of the issues identified would be addressed.

57. Training is an integral part of career development, and missions are responsible for ensuring that every opportunity is provided to staff to pursue their training requirements. Also, the United Nations Institute for Training and Research (UNITAR) has waived its training fees for military and police personnel, national staff and UNVs in missions such as the United Nations Observer Mission in the Democratic Republic of the Congo (MONUC), for their on-line training courses specific to peacekeeping. UNOMIG had not contacted UNITAR to negotiate such an arrangement for the Mission.

Recommendations 12 and 13

UNOMIG Management should:

(12) Improve training of staff by ensuring that a detailed training programme for the Mission is developed, implemented and subsequently monitored; and

(13) Explore the possibility of participating in the United Nations Institute for Training and Research courses which are free of charge for military, police, national staff and United Nations Volunteers.

58. *UNOMIG Management accepted recommendation 12 and stated that a Civilian Training Unit has been established to complement the existing Military Training Cell and a series of suitable training programmes would be held over*

the coming year. These programmes would be developed and subsequently implemented by the Training Unit, in cooperation with various stakeholders. Recommendation 12 remains open pending receipt of a training schedule for 2008-2009 and procedures for registration, monitoring and evaluation of programmes.

59. UNOMIG Management accepted recommendation 13 and stated that it was exploring the possibility of working in partnership with UNITAR to facilitate UNOMIG group and/or individual participation in their courses. OIOS will keep recommendation 13 open pending receipt of the outcome of Mission initiatives concerning UNITAR training.

D. Logistics

i. Air operations

Flight manifests

60. UNOMIG has one fixed wing aircraft and one helicopter parked in Tbilisi and Kutaisi respectively. For 2007-2008, the budget for air operations was \$2,687,000.

61. As shown in Figure 8, of the 34 flights reviewed, 5 showed discrepancies between the passenger lists prepared by the Movement Control Unit (MOVCON), the flight manifesto and the Aircraft Usage Reports (AUR) prepared by the aircrew and certified by the authorized UN representative.

Figure 8. Comparison between Flight Manifest and Aircraft Usage Report in Fixed Wing

Date	Route	MOVCON Flight manifest	Chief Pilot AUR	Passenger (s) missing from list	Remarks
7.5.07	Tbilisi - Kutaisi	11	13	UNNOWN	Ground handling company manifest correct (13 passengers)
9.5.07	Kutaisi - Tbilisi	8	9	UNOMIG	No manifest available
14.5.07	Tbilisi - Kutaisi	3	4	NGO	Ground handling company manifest correct (4 passengers)
26.5.07	Tbilisi - Kutaisi	3	4	UNOMIG	Ground handling company manifest correct (4 passengers)
28.5.07	Trabzon - Kutaisi	7	9	1 UNOMIG 1 UNKNOWN	Ground handling company manifest correct (9 passengers)

62. In all cases the pilot's AUR showed more passengers than the MOVCON flight manifest. On request, MOVCON submitted passenger manifest sheets from

the ground handling companies which conformed to those of the pilots. While the reasons for the discrepancies were discovered later, (due to UNOMIG staff and an NGO staff member not completing a Movement of Personnel (MOP) form or a Passenger Movement Request (PMR) form), such discrepancies highlight lax internal controls over the use of MOPs and PMRs. The use of UN aircraft should be tightly controlled as weak internal controls could have serious repercussions if an accident occurred.

Recommendation 14

(14) UNOMIG Management should strengthen the control over the use of UN aircraft to ensure that Movement Control Unit manifests are accurate and only authorized passengers travel on UNOMIG flights.

63. *UNOMIG Management accepted recommendation 14 and stated that, on 5 March 2008 a revised copy of UNOMIG MOVCON SOPs was sent to all MOVCON offices in the mission. GS/MOVCON supervisors have in addition been requested to provide additional guidance/instructions to their staff, especially in areas related to manifests, MOPs and authorization to travel on UNOMIG air assets. Recommendation 14 remains open pending receipt of the revised copy of UNOMIG MOVCON SOPs dated 5 March 2008.*

Flights to Istanbul and Trabzon

64. A review of the MOVCON flight manifests and the AUR from the Chief Pilot for May and June 2007 showed that of the 148 passengers travelling to Istanbul, only 23 were on duty. Similarly, of the 78 passengers travelling to Trabzon, only 21 were travelling for duty. Civilian staff going on Family Visit or Home Leave indicated the purpose of their trips as “Duty” in their MOPs/PMRs.

Figure 9. Costing for Trips to Istanbul and Trabzon in May and June 2007

Statistics	Istanbul	Trabzon
Seating capacity for fixed wing aircraft	32	32
Number of flights	8	16
Total seat capacity	256	512
Total No. of passengers flown to the two locations	148	78
Utilization rate of seat capacity	58%	15%
Duty as per remarks on manifest	23*	21*
Flight hours for calculation of cost	29.67	17.73
Costing		
Ground handling services	\$4,028	\$ 5,551
Fuel, Oil and Lubricants	\$15,167	\$5,055
Flight hours @ \$570 /hr.	\$16,911	\$10,106
Air crew sustenance for overnight stay	\$2,340	-
Total cost	\$38,446	\$20,712
Total cost for Istanbul and Trabzon trips	\$59,158	

* Figures do not include passengers on Home Leave and Family Visit Leave, which are considered as “duty”, according to the CMS.

65. OIOS calculated that the cost per commercial ticket to Istanbul is \$390 one way and \$595 for Trabzon. For 23 tickets to/from Istanbul and 21 tickets to/from Trabzon, the cost to the UN would be \$21,465 rather than \$59,158 spent by the UN for the months of May and June 2007. The Mission could save about \$37,693 (64 per cent) by bringing the staff into Tbilisi by commercial flight. The potential savings for the year is estimated at about \$227,000.

66. In the early days of the Mission, there were only a few international flights operating from Tbilisi. The Mission was operating flights to Istanbul to facilitate staff going on ORB/annual leave/family visit/home leave and CTO. However, most of the major airlines operate from Tbilisi at present. Minutes of the Section Chief's meeting of 31 October 2007 showed that the Aviation Section was exploring the possibility of extending UNOMIG flights to Batumi, Georgia from which there were daily flights to Istanbul.

67. For administrative purposes, Sochi (Russia), Istanbul and Trabzon (Turkey) were considered as Mission areas. However, OIOS was not provided with any documentation or justification on the designation of the Mission areas. OIOS is of the view that there is a need to re-assess and re-define the Mission areas in order to clearly define whether a trip to such destinations is to be considered as duty or not. Staff members from the Mission were allowed to go on ORB to Trabzon and Istanbul only if approved by the CMS.

68. The Chief Aviation Officer explained that some countries sending military observers insisted on sending them to Istanbul rather than Tbilisi. In such instances, the Mission would be responsible for picking up the officers from Istanbul and tasking the aircraft for such a flight would be justified. However, the Mission cannot justify tasking a flight to Istanbul or Trabzon only to facilitate staff going on ORB, CTO or leave.

Recommendation 15

(15) UNOMIG Management should re-assess the organization of its air operations with respect to mandate and operational requirements and discontinue the practice of tasking aircraft to facilitate staff going on Occasional Recuperation Break, Compensatory Time Off and Annual/Home/Family Visit leave. Such a change in practice could result in annual savings of more than \$200,000.

69. *UNOMIG Management accepted recommendation 15 and stated that current flight schedules and destinations would be revised over the next six months which will allow TCC's and staff the time to adapt to the new arrangements, as many have already made plans based on the expectation that present flight destinations will remain in force. Effective October 2008, the Mission would no longer fly to Istanbul on the assumption that the TCC could absorb the change. It should be noted that since 2006, UNOMIG has consistently reduced aircraft usage and travel to Istanbul. Recommendation 15 remains open pending confirmation of revised flight destinations in October 2008.*

ii. Ground transportation

70. There were no SOPs for the Transport Section and staff relied on UNOMIG Vehicle Rules instructions, which were given to each staff member on receipt of their driver's license. These administrative instructions were outdated. For example, they referred to trip tickets which no longer existed with the introduction of the carlog system, and did not take into consideration the new curfew times. The absence of SOPs can result in the inconsistent application of procedures and the lack of control over the use of vehicles.

71. Carlog is installed and operational on all Mission vehicles, and is used to control the use of vehicles, monitor fuel consumption and to detect speeding violations. OIOS found that management reports available from the Carlog system were not systematically generated and used. For example, speeding violations were not reported and were only requested from the Transport Section when an accident had occurred and an inquiry convened.

72. The OIC of the Transport Section informed OIOS that when Carlog was first introduced, speeding violation reports were sent on a monthly basis to the CMS. This review by CMS office appeared to have a positive effect, as during this period, as there were fewer accidents compared to prior years. UNOMIG could not explain why this system had been stopped. In OIOS' opinion, management needs to revive the review process, as total accident costs in the year 2006-2007 about \$18,500 rising to \$27,000 for the four-month period from July to October 2007. Systematic reviews by management may act as a deterrent to poor driving.

73. At the Security Management Team (SMT) meeting on 11 October 2007, the Deputy Special Representative of the Secretary-General commented that six vehicle accidents in 10 days were alarming and asked the Administration and the Security and Transport Sections to implement mitigation measures.

74. The 10 sampled vehicle accident reports reviewed showed that breathalyzer tests were not consistently conducted. Considering the significant number of accidents (14 accidents from July 2007 to October 2007, as compared to 20 between July 2006 and June 2007), in OIOS' opinion there should be no exceptions to breathalyzer tests. The Mission should ensure that breathalyzer test devices are operational, and if necessary, procure additional ones.

75. Some vehicle accident reports were pending with the Transport Section for a long time without referral to the Local Property Survey Board (LPSB). For the period from November 2006 (when the Mission started implementing the Galileo based Write-off Disposal Module to October 2007, there were no write-off requests to LPSB despite the high number of accidents. As of October 2007, LPSB reviewed 15 write off requests, including five vehicle accidents in 2006. The reason for the delay was the lack of knowledge in using the Galileo Disposal Module. After the appointment of a new staff member; accidents were recorded in the system.

Recommendations 16 and 17

UNOMIG Management should:

(16) Develop mitigating controls to reduce the number of vehicle accidents through training, effective monitoring of speeding violations and conducting alcohol tests; and

(17) Ensure that the Transport Section develops detailed Standard Operating Procedures in order to establish proper controls over the use of vehicles in the Mission.

76. *UNOMIG Management accepted recommendation 16 and stated that UNOMIG UNPOL, in cooperation with the Chief Transport Officer, has since run a number of Defensive Driving Courses in the mission area. The Carlog system tracks speeding violations and the reports generated were forwarded to the Chief of Mission Support (CMS) weekly. UNOMIG staff who break the speed limit, risk losing their driving permit. UNOMIG DSS were equipped with breathalyzer equipment and accordingly UNOMIG staff involved in traffic accidents/incidents underwent testing as part of standard investigative procedures. All tests so far have proved negative. Based on the assurance given by UNOMIG Management, recommendation 16 has been closed. OIOS will verify the implementation of the recommendation in its next audit of the Mission.*

77. *The UNOMIG Management accepted recommendation 17 and stated that on 6 December 2007, it issued UNOMIG Administrative Instruction No. 11/2007 – UNOMIG Vehicle Rules. Based on the action taken by UNOMIG Management, recommendation 17 has been closed.*

Liberty trips

78. The controls over the use of vehicles for liberty trips were weak, with vehicles used by staff beyond the 20 miles limit on weekends without approval. For instance, an accident report prepared by the Security Section dated 24.8.2007 revealed that a military observer took a vehicle for four nights outside the area of operation without prior approval from his superiors. The incident would have gone unnoticed if he had not damaged three wheels of the car by driving with flat tyres. The lack of a clear policy on the use of liberty mileage may compromise the administration of the entitlements and lead to misuse of UN assets.

Recommendation 18

(18) UNOMIG Management should improve monitoring of liberty trips by developing a clear policy whereby staff are required to seek approval for any liberty trip beyond 20 miles.

79. *UNOMIG Management accepted recommendation 18 and stated that the Mission issued an Administrative Instruction on 6 December 2007. UNOMIG Administrative Instruction No. 11/2007, UNOMIG Vehicle Rules section 9 states*

that all MOPs submitted with the intention to utilize UN vehicles for liberty purposes will be first cleared with the CTO prior to any CMS (CMS) approval. Based on the action taken by UNOMIG Management, recommendation 18 has been closed.

E. Finance

80. The bank signatories were not up-to date, as the panel list submitted to Sberbank included the name of a staff member who left the Mission in 2007. The names of three other authorized signatories were not on the list.

81. User access levels in the SunSystem granted to staff from the Finance Section did not always match their functions. For example, the staff responsible for processing payments was given both approving and cashier access. Likewise, the budget assistant was given cashier access. This is a breach of the segregation of duties control as the same staff member can create and approve a transaction or create transactions that do not match his/her functions.

Recommendation 19

(19) UNOMIG Management should improve internal controls over financial management by ensuring that the Sberbank signatory panel lists are up-to-date and user access levels in the SunSystem allow proper segregation of duties and are in accordance with staff members' functions.

82. *UNOMIG Management accepted recommendation 19 and stated that it should be noted that the Mission's signatory panel information was up-to-date at the time of the audit. This recommendation refers to the signatory panel of Sberbank which has since been updated. With regard to the user access levels in the SunSystem, details have since been updated in accordance with staff members' functions. Based on the action taken by UNOMIG Management, recommendation 19 has been closed.*

83. For staff accommodations, UNOMIG makes an average monthly lease payment of \$14,700 to the Tourgostinista AITAR Hotel for the use of land and premises. The rooms were in need of renovation, and the UNOMIG Management requested that AITAR Hotel renovate its rooms/premises. AITAR Hotel responded that they did not have the funds to renovate. Consequently, UNOMIG decided to finance the project and provided \$20,000 in April 2005. A loan agreement was signed between the parties indicating that there would be no interest on the loan and monthly deductions of \$1,700 would be made from the UNOMIG's lease payments until the full amount is recovered. The full amount had been recovered within a 10-month period.

84. OIOS questioned this transaction and was of the opinion that considering commercial loans are available locally, a loan should not have been made. In response to OIOS' concerns, Mission management indicated that this was not a loan agreement, but an advance payment. OIOS disagrees since this was not a direct advance payment against the receipt of goods and services, and there was

no agreement or contract specifying how the renovation should be done. While OIOS concurs with the Mission that the renovation was needed for maintaining staff morale and good staff welfare, this transaction should have been made after approval by DFS and DM as there is no Organization policy on such financial arrangements.

85. Furthermore, OIOS has been informed that the electricity cabling of the hotel is very old and needs to be renewed. AITAR Hotel has requested an advance payment of \$60,000 from UNOMIG in order to do the work. In OIOS' opinion, the Mission has to obtain approval from NY Headquarters before launching such projects.

Recommendation 20

(20) UNOMIG Management should seek approval from the Department of Management and the Department of Field Services for any exceptional action, which due to operational requirements of the Mission may warrant a waiver from strict adherence to the UN Financial Regulations and Rules.

86. *UNOMIG Management accepted recommendation 20 and stated that it would seek approval from the Department of Management and Department of Field Services for any exceptional operational requirements that may necessitate straying from strict adherence to the UN Financial Regulations and Rules.* Based on the action taken by UNOMIG Management, recommendation 20 has been closed.

F. Security

87. The Chief Security Officer (CSO) post was vacant for 16 months and was filled in late March 2007. In OIOS' opinion, the absence of the CSO created some gaps in policy development and the overall security of the Mission. However, there were increased efforts in developing important policies and procedures after the arrival of the new Section Chief.

88. The Mission area in Sukhumi (Mission Headquarters) is designated as Security Phase Three, while the two sectors in the conflict zone, Gali and Zugdidi were Security Phase Four. Tbilisi was designated as Security Phase One.

89. OIOS' brief review of security conditions in the Mission area concluded that the security phases in Sukhumi and the two sectors Gali and Zugdidi did not exactly match the conditions of the security phases defined in the Field Security Handbook issued by DSS. As per the handbook, Phase Three indicates a substantial deterioration in the security situation, which may result in the relocation of staff members. Further, Phase Four indicates emergency operations. The Mission did not appear to be operating under such conditions as relocation or programme suspension. Similar concerns were raised in the past in a security assessment of UNOMIG in 2005 performed by a DSS consultant. A recent DSS report in July 2007 also indicated that the current security situation warranted a review of the security phases in the Mission area.

90. At the time of the audit, the security phases in Gali and Zugdidi were lowered to Phase Three after approval by DSS following the recommendation of the Security Management Team (SMT). However; OIOS is of the opinion that the security phase in Sukhumi should also be reassessed. In parallel to the security situation, the conditions in Sukhumi did not appear to warrant the established criteria by the International Civil Service Commission for hazard pay which cost UNOMIG more than \$1.5 million per year.

Recommendation 21

(21) UNOMIG Management, in coordination with the Department of Safety and Security, should review the security situation in the Mission Headquarters in Sukhumi and the two sectors in Gali and Zugdidi to ensure that the Security Phases defined for these areas are commensurate with the existing security conditions.

91. *UNOMIG Management accepted recommendation 21 and stated that based on SMT advice, and in accordance with UN DSS policy, CSO conducted a Security Risk & Threat Assessment mission in respect of Gali, Zugdidi, Sukhumi and Kodori Valley regions with the overall objective of reviewing the respective security phase levels and matching them to ground reality. As a result, security phase levels in Gali and Zugdidi were reduced from Phase IV to Phase III. Kodori Valley remained at the Phase IV level and Sukhumi at Phase III.* OIOS notes UNOMIG Management's comments; but has reservations about the appropriateness of the security phase in Sukhumi, as there was no documentary evidence to justify the Phase III level. Similarly, the conditions in Sukhumi did not appear to warrant the established criteria by the International Civil Service Commission for hazard pay which cost UNOMIG more than \$1.5 million per year. OIOS is keeping recommendation 21 open in its database pending the receipt and review of documentation showing that the security conditions in Sukhumi region are commensurate with the Phase III level. OIOS will also pursue the issue with DSS, DPKO/DFS and DM.

92. The Field Security Handbook requires that a Security Plan intended to maintain the safety and security of UN staff and operations is developed and maintained. The Security Plan, prepared in 2003, has not been up-dated, although there have been the recently efforts to revise the plan.

93. The Minimum Operating Security Standards (MOSS) requires that evacuation exercises and fire drills be conducted every six months. These requirements were not systematically carried out and documented. OIOS noted the following:

- The evacuation plan was tested in April 2006 and the results were documented and shared with DSS. The 2007 exercise was not documented and therefore, could not be independently reviewed and validated by DSS.

-
- As there was no Fire and Safety Officer, two officers were assigned Fire Marshall responsibilities. A fire and safety hazard assessment was conducted in the Mission area, but at the time of the audit the report had not been released. A fire drill was conducted in July 2007, but the results were not documented. Considering the condition of the wiring in the hotel where staff are accommodated, it is essential that the Fire Plan be finalized as soon as possible. There was a small fire at the hotel in May 2007 without any material loss.

Recommendation 22

(22) UNOMIG Management should expedite the completion, approval and implementation of the Security Plan and the Fire Plan, document and evaluate the results of the evacuation exercises and fire drills and take immediate action to address all identified weaknesses in security arrangements.

94. *UNOMIG Management accepted recommendation 22 and stated that the UNOMIG Security Plan was reviewed and submitted to the Designated Official for approval. After this process is completed, the SECPLAN will then be submitted to UN DSS HQ for endorsement. Security and Evacuation Plan, Warden System and Personnel lists are updated regularly to facilitate effective mission evacuation, if necessary. Current plans are to hold the exercise in April 2008. Nevertheless, the Safety & Security Service (SSS) regularly reviews the security situation and conducts internal preparedness checks. Fire safety training and drills were conducted throughout the mission area in July 2007. Periodical training is conducted on a regular basis, and SSS will evaluate and retain current records with a view to capturing and subsequently implementing best practices as per OIOS recommendation. Recommendation 22 remains open pending confirmation that the Security Plan and Fire Plan have been finalized.*

G. Other issues

Administration of Trust Funds

95. The Trust Fund in Support of the Implementation of the Agreement on a Cease-fire and Separation of Forces was established by the Secretary-General in 1994 in support of UNOMIG's mandate. The activities that may be funded through the Trust Fund include: (a) quick-impact projects; (b) projects in support of the Civilian Police; (c) projects in support of human rights; and (d) any other projects in support of the Mission's mandate.

96. Contributions to the Trust Fund for the five-year period from 2002 through 2006 totalled \$2,239,204. For the financial period from July 2006 to June 2007, total expenditures of \$470,928 were approved for 12 projects.

97. Trust fund management needed improvement as shown below:

-
- The previous programme officer left the Mission without leaving proper hand-over notes;
 - For 2005-2006 and 2006-2007, no narrative or financial reports were prepared and submitted to the Controller;
 - The programme officer could not provide OIOS with project files, stating that the former programme officer did not maintain hard copy files. The current programme officer was in the process of building hard copy files from the data available electronically. Further work was required as the files were not well organized and one project file contained no monitoring reports; and
 - The current trust fund programme officer was not familiar with the guidelines on the use of trust funds and had no Terms of Reference. He is performing this function in addition to his other duties as an Administrative Officer.

98. While OIOS appreciates that the programme officer has just taken over the function, poor organization of the trust fund activities could adversely affect project implementation, as project milestones could be missed. As trust funds are to be used for the SRSG to increase the visibility of UNOMIG activities by enhancing stronger contacts with the local population and authorities, it is imperative that projects are carefully selected, their implementation is closely monitored, and completed projects are publicized and reported on in a timely manner.

Recommendation 23

(23) UNOMIG Management should develop guidelines for the management of trust funds defining the responsibilities for the programme officer and other personnel involved in the administration of trust funds.

99. *UNOMIG Management accepted recommendation 23 and stated that the Mission would update and adapt the current edition of 'Use of Trust Funds in Peacekeeping Operations' to be more mission-specific.* Recommendation 23 remains open pending receipt of a copy of the guidelines on the administration of trust funds.

100. OIOS also identified some control weaknesses concerning: (i) lax hand-over procedures, especially during the change of managers; (ii) inefficient recruitment of language teachers; and (iii) inadequate control over payment for vacant rooms in AITAR. The findings and suggested action for improvement were discussed with the respective managers, who agreed to improve internal controls in these areas.

V. ACKNOWLEDGEMENT

101. We wish to express our appreciation to the management and staff of UNOMIG for the assistance and cooperation extended to the auditors during this audit assignment.

STATUS OF AUDIT RECOMMENDATIONS

Recom. no.	C/O ¹	Actions needed to close recommendation	Implementation date ²
1	O	Submission to OIOS of documents showing that the Integrated Mission Plan with an exit strategy has been developed.	September 2008
2	C	Completed.	Implemented
3	O	Submission to OIOS of documents evidencing that market surveys have been used in price negotiations.	
4	C	Completed.	Implemented
5	C	Completed.	Implemented
6	O	Submission to OIOS of a copy of the training programme and the document defining roles and responsibilities of the guards.	December 2008
7	C	Completed.	
8	O	Submission to OIOS of documents evidencing that appropriate support and substantive posts have been converted to NPO and UNV posts.	December 2008
9	O	Submission to OIOS the outcome of the recruitment drive.	
10	O	Submission to OIOS a copy of the finalized SOPs on human resources management.	Ongoing
11	O	Submission to OIOS of documentation evidencing that training on competency-based interviews has been undertaken.	June 2008
12	O	Submission to OIOS of a copy of a training schedule for 2008-2009 and procedures for registration, monitoring and evaluation of the programmes.	Ongoing
13	O	Submission to OIOS of a copy of the outcome of Mission initiatives concerning UNITAR training.	
14	O	Submission to OIOS of a revised copy of UNOMIG MOVCON SOPs dated March 5, 2008.	March 2008
15	O	Submission to OIOS of a copy of revised flight destinations in October 2008.	October 2008
16	C	Completed.	Implemented
17	C	Completed.	Implemented
18	C	Completed.	Implemented
19	C	Completed.	Implemented
20	C	Completed.	Implemented
21	O	Submission to OIOS of documentation justifying that the security conditions in Sukhumi region are commensurate with Phase III level.	
22	O	Confirmation that the Security Plan and Fire Plan have been finalized.	April 2008
23	O	Submission to OIOS a copy of the guidelines on the administration of Trust Funds.	May 2008

1. C = closed, O = open

2. Date provided by UNOMIG Management in response to recommendations.