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INTEROFFICE MEMORANDUM MEMORANDUM INTERIEUR

INTERNAL AUDIT DIVISION I
OFFICE OF INTERNAL OVERSIGHT SERVICES

TO: Mr. Alvaro de Soto, Special Representative of the
A: Secretary-General
MINURSO

DATE: 6 December 2004

Mr. Jean-Marie Guéhenno, Under-Secretary-General
for Peacekeeping Operations

REFERENCE: AUD- (09165)/04

FROM: Patricia Azarias, Director
DE: Internal Audit Division I, OIOS

P. Azarias

SUBJECT:

OBJET: **OIOS Audit No. AP2004/600/06: Audit of MINURSO**

1. I am pleased to present herewith our final report on the audit of the above subject, which was conducted during March 2004.
2. We note from your response to the draft report that MINURSO has generally accepted the recommendations. Based on the response, we are pleased to inform you that we have closed recommendations 1, 6, 7, 8, 13, 14, 15, 16 and 17 in the OIOS recommendation database. In order for us to close out the remaining recommendations - recommendations 2, 3, 4, 5, 9, 10, 11, 12, 18 and 19, we request that you provide us with additional information as indicated in the text of the report and a time schedule for implementing each of the recommendations. Please refer to the recommendation number concerned to facilitate monitoring of their implementation status.
3. IAD is assessing the overall quality of its audit process and kindly requests that you consult with your managers who dealt directly with the auditors and complete the attached client satisfaction survey form.
4. I take this opportunity to thank the management and staff of MINURSO for the assistance and cooperation provided to the auditors in connection with this assignment.

Copy to: Ms. Hazel Scott, Director, ASD/DPKO
UN Board of Auditors
Programme Officer, OIOS

Office of Internal Oversight Services

Internal Audit Division I



Audit of MINURSO

Audit no: AP2004/600/06
Report date: 6 December 2004
Audit team: Roland Bill, Auditor-in-Charge
Jennifer Pereira, Auditor

EXECUTIVE SUMMARY

Audit of MINURSO

OIOS conducted an audit of MINURSO in Laayoune, in March 2004. The audit results in brief are as follows.

- In cooperation with the United Nations High Commissioner for Refugees (UNHCR), the Tindouf Liaison Office of MINURSO is acting as the centre for the Confidence Building Measures (CBM), which comprises the exchange of family visits, free phone link and mail service between refugee camps of Tindouf and Western Sahara. In that respect, MINURSO has already incurred about \$100,000 in expenditures. Additionally, more than \$600,000 is needed to continue CBM activities in 2004-2005. The audit found that DPKO has not provided guidance to MINURSO regarding the implementation of the CBM, the related costs have not been budgeted for MINURSO, and no formal arrangements and distribution of responsibilities between MINURSO and UNHCR existed.
- By entering into commercial leases for warehousing and logistics requirements totaling about \$1.3 million, MINURSO has not taken advantage of the Status of Forces Agreement (SOFA) between the United Nations and the Government of Morocco. In OIOS' view, MINURSO in coordination with DPKO should take steps to ensure henceforth compliance with the terms of the SOFA and recovery of the lease amounts already incurred.
- The audit noted a number of issues pointing to the need for MINURSO to further improve the documentation of awards to vendors and the procurement process.
- MINURSO was awaiting a DPKO mission to review the Mission's core business and functions and assist it to re-structure and re-size after the downsizing of the Identification Commission and Civilian Police components, and in view of the implementation of the CBM. OIOS is of the opinion that the DPKO mission should be carried out without delay, all the more since the audit found a number of vacancies in core functions, inconsistencies in the staffing tables and between job descriptions and actual functions of the staff.

Other findings concerned the following areas: finance, communications, transport, and air operations. OIOS issued 19 recommendations to improve the management of the Mission, most of which were accepted by MINURSO management and are in the process of implementation.

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I. INTRODUCTION

1. The Security Council resolution 690 (1991) dated 29 April 1991 established the United Nations Mission for the Referendum in Western Sahara Operation (MINURSO), to help resolve the differences between Morocco and Mauritania concerning the territory of Western Sahara. As of 30 November 2003, the total staff strength was 239 uniformed personnel (199 military observers, 27 troops and 13 civilian police), 145 international civilian personnel and 112 local staff. The approved budget for 1 July 2003–30 June 2004 amounted to \$43.4 million.

II. AUDIT OBJECTIVES

2. The main objectives of the audit were to assess (i) the adequacy and effectiveness of the internal control framework; and (ii) whether programme and administrative management operations have been carried out efficiently, economically and effectively.

III. AUDIT SCOPE AND METHODOLOGY

3. The audit covered MINURSO's activities since 2002 in the areas of planning, procurement, personnel, communication, transport, and air operations. The auditors reviewed relevant documentation, conducted interviews with the staff responsible for the operations and visited the Northern Sector camp sites (which included a headquarters camp and four satellite camps) and the Tindouf Liaison office in Algeria. The audit also included a follow-up review of the implementation of recommendations previously made by the United Nations Board of Auditors and OIOS.

4. The audit was conducted in accordance with general and specific standards for the professional practice of internal auditing in United Nations organizations. The exit conference was held at the Mission on 30 March 2004. Audit results were discussed with MINURSO's officials, who generally agreed with our findings and recommendations. In April MINURSO also provided written comments on the preliminary findings and recommendations communicated by the Auditors, which were taken into account in preparing the draft report. The present report incorporates MINURSO management's written comments to the draft report as appropriate. These comments are identified in italics.

IV. AUDIT FINDINGS AND RECOMMENDATIONS

A. Confidence Building Measures (CBM)

5. In its resolution 1238 dated 14 May 1999 the Security Council called on the parties to cooperate with the United Nations High Commissioner for Refugees (UNHCR) and MINURSO to initiate the Confidence Building Measures. This was reiterated in three subsequent resolutions in 1999, 2003, and 2004. The Tindouf Liaison Office of MINURSO is acting as the centre for the CBM which comprises the exchange of family visits, a free phone link and mail service between the refugee camps in Tindouf and the Territory of Western Sahara for an initial period of six months. MINURSO is providing UNHCR with logistical support in the areas of communication, ground and air transportation, and personnel. Family visits commenced only on 5 March 2004.

6. Up to the end of March 2004, CBM expenditures amounted to approximately \$94,000. MINURSO's Chief Civilian Personnel Officer also estimated that seven additional CBM personnel

were needed for the period 2004 to 2005, which represents a budget of \$621,600. However, the MINURSO Finance Section had yet to receive from the Mission's management guidance for the recovery of expenditures incurred by MINURSO for the CBM, and no budgetary planning activities had been undertaken for the CBM.

7. An e-mail communication dated 16 March 2004 addressed to MINURSO by UNHCR expressed concern regarding the financial implications of the CBM, stating that the CBM is a joint project where UNHCR's main input is staffing and protection work while logistics costs would be charged to MINURSO. UNHCR therefore needed clarification as to which organization would have to pay the \$336,000 calculated for kerosene for the United Nations planes carrying the Saharan families.

8. The auditors noted that MINURSO has since taken steps to clarify the responsibilities of UNHCR and MINURSO regarding the CBM. On 19 March 2004, MINURSO sent a letter to DPKO outlining planned activities related to the CBM, its implementation and the cooperation between MINURSO and UNHCR. Subsequently, a draft Memorandum of Understanding was prepared between the Mission and UNHCR dated April 2004. However, OIOS was unable to find any documentation issued by DPKO providing guidance to MINURSO regarding the CBM implementation. OIOS believes that DPKO should urgently address the absence of formal arrangements between MINURSO and UNHCR and the lack of budgetary planning for the implementation of the CBM, all the more since the programme has already been unduly delayed since 1999. MINURSO replied that the implementation of the CBM is a very important development in Western Sahara, and the Mission had to step in to support UNHCR once the parties agreed on the programme. The draft MOU is now under consideration at Headquarters.

Recommendations 1 and 2

OIOS recommends that:

- (i) DPKO provide proper guidance to MINURSO regarding the implementation of the Confidence Building Measures and, in general, fully assume its role as executive manager of peacekeeping missions in ensuring that Security Council resolutions are implemented without delay (AP2004/600/06/01); and
- (ii) MINURSO determine in close cooperation with UNHCR the exact financial and personnel resources needed for the Confidence Building Measures and clarifies the financial implications of the programme for UNHCR and MINURSO respectively to enable a speedy ratification of the Memorandum of Understanding (AP2004/600/06/02).

9. *MINURSO responded that the MOU has been signed and a formal working group on CBM has been established with UNHCR, which meets regularly to plan for operational and financial requirements. UNHCR already started to reimburse the Mission of expenses already incurred.* Based on the Mission's response, OIOS has Recommendation 1. With regard to Recommendation 2, the recommendation will remain open pending OIOS' review of the signed MOU, minutes of the CBM working group and documentation related to the reimbursement of expenses by UNHCR.

B. Status of Forces Agreement (SOFA)

10. The SOFA between the United Nations and the Host Country was signed on 11 February 1999 and states that the Government shall provide without cost to MINURSO such sites and other premises for the conduct of the operational and administrative activities of MINURSO. This was also reaffirmed by the Host Country on 3 March 1992 in an agreement of privileges and immunities with the Organization. However, the audit noted that MINURSO had incurred expenditures for construction of premises in two cases, and was paying rent. In total, these expenditures amounted to \$1.3 million.

Logistics Center Laayoune (LCL)

11. Since its deployment in September 1991 up to 1998, MINURSO was renting a warehouse for storage purposes, opposite the airport, at a monthly cost of \$6,500 (totalling \$513,500 for 79 months). The premises were vacated when MINURSO entered into a commercial lease agreement for the Logistics Center Laayoune (LCL) in May 1998. The LCL's initial rent \$12,500 per month was reduced to \$10,000 as of August 1999. The total cost of renting the LCL until March 2004 amounted to \$597,500.

12. OIOS was informed that MINURSO was in urgent need for premises to accommodate the Pakistani Engineers and Swedish Demining Unit in 1998. The Mission took the initiative to identify the privately-owned Marbre Sahara Complex now known as the LCL as a solution for its accommodation and warehouse problem. In addition to the rent, MINURSO invested a total of \$200,000 for the construction of septic tanks and buildings at the LCL premises. On 16 February 1998 MINURSO had sent a letter related to the need for premises to the Governor of the Host Country. MINURSO's management had also tried during several discussions with officials of the host country to obtain the premises at no cost.

13. However, these attempts took place only after MINURSO had entered into the commercial lease agreement, instead of before. This was confirmed by the minutes of the MINURSO Local Committee on Contracts dated 15 September 2003 which indicated that: "... MINURSO had created a fait accompli for the Government of Morocco by entering into a lease agreement with a local business man"; and "... the Moroccan Authorities had reproached MINURSO and argued that had they been consulted, they could have made other suitable premises available or could have assisted MINURSO in negotiating a lower rent..." The LCC had nonetheless recommended that all rental payments should be made "under protest".

14. Also regarding the LCL, MINURSO made payments to the Lessor in the years 2001 and 2002 in the amount of \$240,000 without a contract in place, and failed to provide the case to the LCC and Headquarters Committee on Contracts. In response to the findings above, MINURSO replied that the LCL: "... the case is currently under deliberations at the Headquarters Committee on Contracts; it does not expect that the host country would put in writing their stand on the issue of provision of premises free of charge; and it has already invested a great deal in the present LCL and there is no other suitable alternative at the present".

New Transport Workshop

15. The Board of Auditors (BOA) issued in June 2001 a recommendation regarding MINURSO's Transport Workshop (TPT Workshop) to the effect that the storage of spare parts,

especially similar type spare parts, should be centralized, and the erection of additional storage space should be considered. MINURSO's response dated 13 September 2001 indicated that it was not possible for MINURSO to construct a permanent building on the particular storage site. However, the BOA's recommendation and security issues were the major considerations which led MINURSO to extend, for the new TPT Workshop, the leased premises at the Western Sahara Complex already used for the LCL.

16. MINURSO's LCC met in 2003 four times on the lease agreement for the new TPT Workshop and recommended that MINURSO should request the Moroccan authorities to: (i) either bear the rental cost, (ii) make alternative premises available, or (iii) assist the Mission in negotiating a lower rent. In its meeting on 22 October 2003 the LCC concurred with the recommendation to enter into a rental agreement for an annual fee of \$36,000 with a local businessmen starting 1 November 2003, while recommending making rental payments "under protest." OIOS did not find evidence that MINURSO had itself researched alternatives other than extending the LCL commercial lease.

17. However, the review disclosed that at the time MINURSO made arrangements for the new TPT Workshop, it was also planning, at the request of DPKO, to phase out the Identification Commission (IDC) by the end of 2003 and vacate premises of 10,000 square meters that included five large housing facilities and a soccer field. In OIOS' opinion, MINURSO should have conducted an evaluation of the IDC vacated premises to determine if they were suitable for the TPT Workshop. Since 2003, MINURSO had moved the Communication and Information Technology Section (CITS) and some military components into the IDC compound, and the CITS already used the IDC facilities as workshop. MINURSO replied that the IDC compound which is a school located in a densely populated residential area was not pursued as an option since it was felt that permission to erect a workshop would not be granted, the grounds requiring extensive excavation works in order to make them suitable for construction. The construction cost of a suitable workshop on the IDC compound would exceed \$200,000, which was considered unreasonable in view of MINURSO's short mandates and the uncertainty about its continuation.

18. In OIOS' view, the former IDC compound appears large enough and suitable for consideration by MINURSO for a new TPT Workshop. Further, when the auditors discussed this issue with MINURSO's Chief Transport Officer, they were assured that the IDC premises would have been suitable for the new TPT Workshop. OIOS therefore believes that this alternative should be re-assessed and brought to the host country's attention.

Recommendation 3, 4 and 5

OIOS recommends that MINURSO:

- (i) In consultation with DPKO, and in accordance with the Status of Forces Agreement, should ensure that a formal written request for the provision of an alternative space for the LCL free of charge be transmitted to the host country (AP2004/600/06/03);
- (ii) In consultation with the host country, assess the suitability of the former IDC compound for a TPT Workshop (AP2004/600/06/04); and

(iii) In collaboration with DPKO, initiate steps to recover from the host country reimbursement for the total amount of \$1.3 million paid for lease and preparation of properties related to the warehouse, Logistics Complex Laayuone and Transport Workshop (AP2004/600/06/05).

19. *MINURSO responded that this matter was thoroughly reviewed between DPKO and the Moroccan Mission and the Mission was advised that no further action was necessary.* OIOS will keep recommendations 3, 4 and 5 open in its recommendations database pending a follow up review of this matter with DPKO.

C. Procurement

20. The auditors noted a number of issues pointing to the need for MINURSO to further improve the documentation of awards to vendors and the procurement process in general.

LCC/MIN/03/07/01 (award of \$61,537 contract to STE SUD PROTECTION)

21. Since 1995, MINURSO has procured fire extinguisher, refilling and maintenance services from the vendor STE SUD PROTECTION, as the sole contractor identified by the Mission. According to the Chief Procurement Officer, a formal bidding exercise involving four vendors including STE SUD PROTECTION was conducted on 21 July 2003 for the purpose of establishing a long-term contract. Only the STE SUD PROTECTION bid was received. In reviewing the procurement file, the auditors found that MINURSO had sent invitation letters (Tender No LTA/MIN-010/03) on 21 and 22 July 2003 to all four prospective vendors indicating the bid closing and bid opening dates as 4 August and 5 August 2003, respectively. MINURSO had also sent a fax dated 24 July to three of the vendors (not including STE SUD PROTECTION) correcting the fax number previously provided and stating that the bid closing date was 25 July 2003 (only 3-4 days after receipt of the invitation to bid). Consequently, MINURSO received on 1 August 2003 one bid only, from STE SUD PROTECTION which was later awarded the contract.

22. MINURSO replied that the fax referred erroneously indicated 25 July 2003 as closing date rather than 5 August 2003. The intention was to inform all the invitees of the correct MINURSO fax number whilst reminding them of the closing date. Unfortunately the date stated in the fax was a different date (an error) than what was indicated in the bid. We acknowledge the unintentional mistake done, but would beg to disagree that the mistake gave due advantage to only one vendor since all invited bidders were sent the said fax. If the intention was to give advantage to only one bidder, the facsimile could have been addressed to that bidder.

23. OIOS reiterates that it found only the copies of the fax addressed to three vendors. This has effectively caused these vendors to withdraw from the competition, due to the excessively short time afforded to prepare a bid. In OIOS' view, MINURSO should provide evidence that the fax in question had also been sent to STE SUD PROTECTION, and justification as to why the STE SUD PROTECTION bid was accepted without proper notice that an erroneous bid opening date was communicated to the prospective vendors.

Recommendation 6

OIOS recommends that MINURSO provide OIOS with a copy of the fax addressed to STE SUD PROTECTION indicating the bid opening date as 25 July 2003, and any documents evidencing that steps were taken to determine the reasons why other vendors did not participate to the bid (AP2004/600/06/06).

24. *MINURSO stated that the mistake was made as a result of an oversight.* OIOS has closed this recommendation in its database.

LCC/MIN/02/09/09, 04/02 and 03/09

25. The food supplier Societe Commercial d'Approvisionnement (SCAB) was awarded an initial contract in February 1998 to provide fresh, frozen, chilled and dry rations. This contract was amended several times. MINURSO conducted a new bidding process in October 2002 for food deliveries in 2003. SCAB was the lowest out of three bidders after it reduced its previous annual price 15 percent from \$744,958 to \$637,200. However, the LCC on 19 November 2002 recommended to shorten the original contract period from one year to six months, and to initiate a second bidding exercise with wider international participation despite the fact that DPKO had approved a local procurement.

26. The second bidding process was conducted in October 2003 with the participation of seven vendors. SCAB was again the lowest bidder, but for a higher annual price of \$734,019 and an increased Ceiling Men Rate from \$5.90 to \$8.22. OIOS was of the view that the LCC's recommendation, which has led to a less economical and efficient procurement, was unjustified.

Recommendation 7

OIOS recommends that MINURSO's LCC should be more aware of the financial implications of its recommendations (AP2004/600/06/07).

27. *MINURSO replied that the current LCC was informed of this recommendation and has duly noted the auditors concern.* Based on the Mission's response, OIOS has closed this recommendation in its database.

LCC/MIN/03/06 (Provision of photocopiers for \$105,361) and LCC/MIN/03/09 (Purchase of spare parts and consumables for Canon copiers and fax machines for \$93,000)

28. In May 2003 MINURSO changed the criteria for selecting a vendor after the reception of bids related to photocopiers. The auditors noted that the vendor selected offered a brand (Canon) which was not stipulated in the invitation for bid (ITB). The price for the Canon photocopiers was \$23,737 more than the price offered by the lowest bidder. In October 2003, MINURSO issued another bid for Canon spare parts which was also awarded to the vendor supplying the Canon photocopiers, accumulating his contract value up to \$198,000. MINURSO replied that the use of the Canon photocopiers in the mission was technically justified for reasons of durability and reliability. Also MINURSO believes that the award is based on the principle of best value for money. The additional costs that would be incurred to maintain several types of

equipment, to purchase and store many types of spare parts and to train technicians in the repair and maintenance of various copiers would be by far greater than the price difference of \$23,737. The requirement for the purchase was budgeted in the 2002-2003 financial year while the establishment for the systems contract for provision of Canon spare parts was planned during 2003-2004. OIOS took note of the Mission's comment but is of the view that bid selection criteria should not be changed halfway through the bidding process. There is a need for MINURSO to improve procurement planning to avoid such a situation from reoccurring.

Recommendation 8

OIOS recommends that MINURSO should not change selection criteria halfway through the bidding process in future bidding exercises, and take steps to improve the procurement planning process (AP2004/600/06/08).

29. *MINURSO accepted the recommendation and agreed that bid evaluation criteria should not be changed during the bidding process.* OIOS has taken note of the Mission's comments and closed this recommendation.

Vendor Roster

30. The MINURSO vendor approval process was initiated in early 2003. OIOS reviewed the roster and noted that out of 202 vendors 84 or 42 percent were approved vendors. While OIOS noted the efforts made in this area, they also expressed the view that the vendor registration process should have been more expeditious. MINURSO replied thanking the Auditors for acknowledging that pre-qualification of vendors in MINURSO had improved and undertook to exert more efforts to improve the pre-qualification and approval process of its vendors.

Recommendation 9

OIOS recommends that MINURSO accelerate the approval procedure for the rest of its vendors and ensure that by the end of the year 2004 all vendors in the roster are qualified (AP2004/600/06/09).

31. *MINURSO indicated that this recommendation will be implemented by the end of the financial year.* Recommendation 9 will remain open in OIOS recommendations database until verification of its implementation by OIOS.

D. Personnel

Staffing Table

32. In August 2003 MINURSO conducted a comprehensive analysis of the status of its administration and concluded that with the downsizing of the Identification Commission (IDC) and CivPol, the administration support to these components was minimal, at best. On the other hand, financial and personnel resources are needed to guarantee effective implementation of the Confidence Building Measures (CBM). Furthermore, since MINURSO's inception more than thirteen years ago, DPKO has not carried out a thorough review of MINURSO's staffing and financial resources.

33. However, in August 2003, a representative of DPKO Personnel Management Support Service undertook a field mission related to MINURSO's personnel situation. The main recommendation resulting from this mission was that a high level management team composed of representatives of DPKO Personnel Management Support Service, Office of Operations and Financial Management Support Service should travel to MINURSO without delay to review the Mission's core business and functions, and assist the Mission to re-structure and re-size accordingly. At the time of the audit DPKO's implementation of this recommendation was still pending.

34. OIOS reviewed the IMIS staffing table dated 18 February 2004 and the actual staff list provided by MINURSO on 16 March 2004, and found a number of discrepancies between the two tables. The staffing table as prepared by the Chief Civilian Personnel Officer in March 2004 in accordance with the Field Personnel Management System (FPMS) requires 44 changes to correct inconsistencies in the current IMIS table. Furthermore, OIOS noted the following:

- Since MINURSO's inception the post of Assistant-Secretary-General (ASG) has been occupied only for 20 months in 1998-1999. Also, three Senior Political Affairs Officer's posts at the P-5 level are presently vacant. Currently there are no vacancy announcements for these posts. MINURSO replied that the SRSG is of the view that the ASG and the three P-5 posts be retained in the staffing table to be advertised once there is a political breakthrough. Downgrading or cancellation of the posts will send a negative signal politically to those parties who are enthusiastic about making progress in the Western Sahara issue.
- The Post of Chief Administrative Services has never been filled and no vacancy announcements were prepared.
- In the CAO's office, the functions of personnel were not consistent with the staffing table. Four posts were borrowed from other offices. Six former IDC staff members were transferred to MINURSO without any competitive selection process. MINURSO replied that only six posts have been authorized in the budget for security officers despite repeated requests by the Mission to increase security staff. In order to properly control access to MINURSO Headquarters compound, 4 former IDC staff members were reabsorbed in Administration to act as Security Assistants at the HQ entrance. As there were no vacant posts in the CAO's Office, four posts were borrowed from other sections for this purpose.
- Five staff members were recommended for special post allowance (SPA) for over two years. MINURSO replied that these are all local staff members on temporary assignment from other parent organizations or missions, who have been placed in higher-level posts and performed functions higher than their level in their own parent offices. Since there is no way to promote them while they are on mission assignment, SPA is the only avenue to recognize and reward them. At the same time, as the mission has invested a lot in training these staff members to undertake specific types of work at higher levels, it would be a pity to repatriate them after two years of service to their parent offices where they may not further utilize these newly acquired skills.

- The post of the outgoing CCITS is being advertised as Chief Communications Officer at the FS-6 level. The incumbent would be supervising IT staff at the P-3 level. MINURSO replied that the Communication Section and IT Unit have been integrated into CITS since October 2001 following DPKO's instruction and yet the revised structure has not been reflected in the budget. As a result, PMSS did not agree to advertise the CCITS as the P-4/FS-7 level unless there was an actual vacant P-4 level post budgeted in the Communication Section. This unfortunately would not facilitate the teamwork and the operational requirement on the ground. MINURSO agreed with the auditor's recommendation that the budgetary strength of the mission should reflect the actual staffing situation and the adjustment should be made in the budget proposal.

Recommendation 10

OIOS recommends that DPKO conducts without delay a management review of MINURSO taking into account MINURSO's analysis of its administration to ensure that an appropriate staffing table and budget are in place (AP2004/600/06/10).

35. *MINURSO responded that DPKO would take appropriate action to implement this recommendation.* OIOS will keep recommendation 10 open in its database until it has verified its implementation by DPKO.

Gender balance

36. The female representation for locally recruited and international staff was 25 and 33 percent respectively for the first quarter of 2003, and decreased slightly throughout the year. Furthermore, the MINURSO Focal Point for Women was not an ex-officio member of MINURSO recruitment review panel. MINURSO agreed to include the Focal Point for Women in the future.

Recommendations 11 and 12

OIOS recommends that:

- (i) MINURSO's focal point for women or alternate should be an ex-officio member of the Mission's review panel for recruitment (AP2004/600/06/11); and
- (ii) DPKO should issue a directive to all peacekeeping missions that focal point for women should be ex-officio member of recruitment and promotion panels (AP2004/600/06/12).

37. *MINURSO took note of recommendations 11 and 12 and will include the Focal Point for Women or alternate in its future panel for recruitment as stipulated in the ST/SGB/2002/6.* OIOS will close these recommendations upon receiving evidence that they have been implemented.

E. Finance

Bank reconciliation

38. The auditors had noted that the bank reconciliations for four bank accounts were up to three months late, but were subsequently informed that all reconciliations had been completed. They were also informed that steps were being taken to change the bank in order to remedy the problem of the late provision of bank statements by the current bank. MINURSO agreed with this recommendation.

Recommendation 13

OIOS recommends that MINURSO take into account, while choosing another bank, the capability of on-line access for speedier retrieval of bank statements (AP2004/600/06/13).

39. *MINURSO stated that the recommendation has been taken into account while choosing the new bank. Two new bank accounts have been already opened with CITIBANK MAHGREB, online access has been granted to all those finance staff with functions related to bank activities. Based on the Mission's response, OIOS has closed this recommendation.*

F. Communications

40. When visiting the liaison office in Tindouf, OIOS was informed that the Tindouf office had been experiencing problems with its communication systems since October 2003, in particular the HF interference and propagation problem. While on patrol more than 50 km away from the team site, communication was hampered or broke down completely. The Chief CITS that CITS was planning to overcome this interference by installing high power VHF repeaters in May 2004. MINURSO replied that CITS had made several efforts to overcome the interference problem in the heavily military area. Military, high power HF broadcast stations and radars are the factors for noisy HF communication between the base and mobile stations in the Tindouf area. As a step forward CITS is planning to use 100 W VHF repeaters to cover areas affected by interference. CITS is also procuring short range NVIS whip antennas for HF mobile sets in the Tindouf area.

Recommendation 14

OIOS recommends that MINURSO eliminate interference in its communication in Tindouf without delay (AP2004/600/06/14).

41. *MINURSO responded that the requisition has been raised to procure two repeater stations MTR 2000 with 100 watts power output to cover areas affected by the interference and blank spots. To provide stability in the communications, two Immarsat terminals are going to be provided immediately to Tindouf, one will be installed at the base and the other in the Patrol Vehicle. Based on the Mission's response, OIOS has closed this recommendation in its database.*

G. Transport

42. The CARLOG system has been in place since November 2003. A memorandum was sent to all MINURSO staff dated 12 November 2003 informing them of the CARLOG policy. The CTO

confirmed that all cars in his fleet were now fitted with carlog. OIOS concluded that CARLOG is adequate to monitor the fuel consumption, over-speeding and liberty mileage. In addition, the auditors made the following recommendations to further improve the CARLOG monitoring system. MINURSO replied that the Mission CTO will implement these recommendations.

Recommendations 15-17

OIOS recommends that:

- (i) The swiping of a metallic card be made mandatory for refuelling all MINURSO vehicles; a proper log of monthly fuel consumption be maintained and the blue slips of the fuel coupons be reconciled once a month with this report by the Transport Section (AP2004/600/06/15).
- (ii) The CTO follow the procedure stipulated in the CARLOG policy and issue warnings to speeding violators with copies to the Section Chief and the Chief Administrative Officer, and if necessary, follow this up with suspension of the driving permit (AP2004/600/06/16).
- (iii) The Vehicle Utilization Report for vehicles exceeding the 50 KMs per day, with the exception of the military patrol vehicles, be regularly signed by the Section Chiefs to ensure that they are being used for official purposes and there is no misuse of official vehicles (AP2004/600/06/17).

43. *MINURSO accepted recommendations 15, 16 and 17 and stated that they had been implemented.* Based on the Mission's response, OIOS has closed these recommendations.

H. Air Operations

44. OIOS reviewed the checklist for maintenance schedule for the helicopter MI8 UNO 953 and noted that some equipment required for certain scheduled maintenance was missing, rendering complete maintenance impossible. When questioned, the company informed MINURSO that since they expected their contract with the United Nations to be terminated, they did not bring the necessary equipment from Ukraine to Laayoune. Furthermore, the same delay for this particular maintenance occurred in February with helicopter MI8 UNO 952. MINURSO followed up with the Company who then produced a certificate dated 19 March 2004 from the Aviation authorities, allowing extended flying hours for both helicopters. All maintenance schedules were written in the Russian language.

Recommendations 18 and 19

OIOS recommends that DPKO ensure that:

- (i) All maintenance schedules for UN aircrafts are in English so that UN officials are able to effectively monitor the maintenance done by the company (AP2004/600/06/18).

(ii) DPKO Aviation Safety Officer reviews the maintenance procedures of Chayka company (AP2004/600/06/19).

V. ACKNOWLEDGEMENT

45. We wish to express our appreciation to the Management and staff of MINURSO for the assistance and cooperation extended to the auditors during this assignment.



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