
**AUDIT
OF
THE CANADIAN EMBASSY**

ABU DHABI

February 2000

Audit Division (SIV)

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EXECUTIVE SUMMARY

An internal audit of the International Business Development (IBD), Political and Economic Relations and Public Affairs (PERPA) and the Consular and Administration Programs was conducted in Abu Dhabi during the period May 15 to 19, 1999. An audit of the Consulate in Dubai was conducted simultaneously and the HOM in Abu Dhabi was briefed on the findings of both audits. No previous audit had been conducted at these Missions.

The Embassy in Abu Dhabi was reopened in 1996 and staffed with a Head of Mission (HOM) and two Locally Engaged Staff (LES). In 1998, CIC made the decision to move its regional operations from Riyadh to Abu Dhabi and a new Chancery was identified, leased and fitted up. A Trade Commissioner position and a Commercial Assistant position were established that year and a Commercial Officer position was moved from Dubai. LES to support the Immigration Program were hired. In October 1998, the Chancery moved to its present location.

MISSION MANAGEMENT

The Mission faced a number of challenges as it grew from a very small office of one Canada-Based Staff (CBS) and two LES in 1996 to a larger office of four CBS and 15 LES in October 1998. While it initially functioned extremely well with a primary mandate of Trade promotion, becoming a full-fledged Embassy with other programs and the need for more complex management structures was a difficult transition. To further complicate this change, there was no resident Management Consular Officer (MCO), and, as these services were being provided from Riyadh, the Mission lacked the on-site management advice it required. The April 1999 change of responsibility from the MCO in Riyadh to the MCO in Dubai will bring immediate improvements.

The Mission must now begin the planning process for the move of the MCO position from Dubai to Abu Dhabi in the summer of 2000. Decisions must be made on the distribution of duties between the two offices and the resulting resource requirements. The Mission needs to develop a detailed plan for the move which will include time frames and resource requirements.

ADMINISTRATION PROGRAM

Given that there was no on-site MCO and that the Mission is very new, it is not surprising that there is little administrative structure, and that few policies, procedures or systems are in place in Abu Dhabi. The MCO in Dubai has been working to set up the required systems, but as he was only given this new mandate in April 1999, much work remains. Over the next year, the MCO in Dubai will put these

systems in place and ensure that the LES tasked with Administrative and Consular services are appropriately trained. The Audit Team was impressed with the knowledge and confidence levels of the LES, even though most of them have been in their positions for only eight months.

The move to the new Chancery was not seen by staff to have been carried out efficiently. Renovation of the office was overseen by the Physical Resources Project Manager in HQ and by the MCO in Riyadh but the move itself was not well organized. Had there been on-site administrative attention from start to finish, the problems experienced might have been reduced. Due to these problems and the difficulties programs had getting up and running, there is lingering frustration which some staff have had difficulty putting behind them. There is little that can be done about the move now but there are lessons to be learned to avoid similar problems elsewhere.

The Audit Team found the Chancery facilities to be appropriately finished and provide a good working environment for staff. There exists some space for possible future expansion, although limited.

There was particular concern about the Mission's lack of preparation to manage Year 2000 risks.

CONSULAR PROGRAM

Consular services, for the most part, are provided from Dubai. The Receptionist in Abu Dhabi provides forms for passports and citizenship, advice to applicants and instructions on how to complete forms. She advises Canadian citizens to contact the Mission in Dubai to receive additional information or to set up an appointment with the MCO during his visits to Abu Dhabi, which generally take place once a week. Passport and citizenship applications, along with fees and documentation, are forwarded to Dubai by the Receptionist and completed documents are returned to Abu Dhabi to be collected by clients.

INTERNATIONAL BUSINESS DEVELOPMENT PROGRAM (IBD)

The transition from two Locally-Engaged Program officers reporting to the HOM to an IBD Section reporting to the CB Program Manager was not smooth; nor was the functioning of the Program following the division of IBD responsibilities between Dubai and Abu Dhabi. The internal problems in Abu Dhabi and the differences between the two offices need to be resolved for the Program to achieve its potential.

POLITICAL & ECONOMIC RELATIONS, AND PUBLIC AFFAIRS PROGRAMS (PERPA)

Riyadh has responsibility for most political and economic reporting on the UAE (and Kuwait). While it recognizes that the resources of the three Missions are limited, the Division in DFAIT responsible for the area, GMG, would like to see more economic reporting on the Gulf. To effect this change, Riyadh should complete a Memorandum of Understanding (MOU) for Political and Economic reporting on Kuwait and the UAE, in consultation with GMG, and the Missions in Kuwait and Abu Dhabi. Inter alia, the MOU should cover "who is responsible for what", reporting priorities and the consultation process which would take place before reports are sent to Ottawa.

MISSION MANAGEMENT

1.1.1 The Mission grew from three staff to 17 within a short period. The transition from a small, mainly single purpose (IBD) Mission to a full fledged Embassy, staffed with all new employees was still on-going at the time of the Audit. In 1996, Riyadh was given the responsibility to provide Hub administrative services to Abu Dhabi. The Management Consular Officer (MCO) in Dubai was responsible for the provision of Consular services in the Emirates, including Abu Dhabi. Effective April 1, 1999, a decision was taken by RAM, in consultation with Abu Dhabi, Dubai and Riyadh, that the MCO in Dubai would take over the responsibility for the Administration Program in Abu Dhabi and that consideration would be given to moving the position to Abu Dhabi in the summer of 2000, at the conclusion of the incumbent's assignment. Pending the move, he spends approximately one day per week in Abu Dhabi providing Consular services and reviewing administrative items with the HOM and the LE Office Manager (OM).

1.1.2 The HOM has instituted weekly and monthly staff meetings. The weekly meetings include all staff except the LES in CIC, as they are attending to clients. The monthly meetings include all staff. A review of the minutes of these meetings and interviews with staff indicated that they are not fully effective, as they do not have a fixed agenda, touch on subjects of little interest to most staff and tend to be long and without apparent structure. Most of the subjects discussed were in the area of general administration and there was very little program discussion.

1.1.3 Other Mission committees were only recently formed and had not had formal meetings prior to the Audit. For example, the Housing Committee and the LES committee were both formed in May 1999. In initial interviews with staff, the Audit Team was advised that not all staff nominated to the Housing Committee were aware that they were on the Committee and the HOM was a member of both these committees. HOMs are not normally members of committees that will make recommendations to the HOM for final approval. The Housing Committee includes all CBS and spouses, which may not be necessary and which may result in a committee that is too large to be effective.

Recommendation for Mission

1.1.4 The Mission committee structure should be reviewed to ensure it meets the needs of the Mission and provides effective tools for information sharing and decision making.

Mission Response

- 1.1.4 The new HOM has reshaped the CMM to include only Program Managers, and is scheduled once a week. There is a monthly staff meeting for all staff. The Housing Committee now consists of only 2 CBS other than the MCO, as other staff and spouses declined to join. Additional efforts will be made to include a spouse. The original list was only distributed as an invitation list to possible members last May. Other Committees meet as required. The HOM is not a member of the Housing Committee or the LES Committee.**

Organization Chart

- 1.1.5 The current organization chart does not correctly reflect the position establishment or organization of the CIC section. The Program Manager had provided his input but it was not accurately reflected in the final product.

- 1.1.6 The organization chart shows the LE Driver/Messenger reporting directly to the HOM. This Driver also provides general chauffeur, messenger and clerical services to the office. The OM advises that for the most part, the Driver reports to her and she assigns his work in close cooperation with the HOM secretary to ensure the HOM's schedule is taken into consideration. The Driver is a Mission resource and service should be available to all programs. Nevertheless, it is noted that the HOM has been very flexible with this Driver and whenever he was not available, has either driven himself in the second Mission vehicle or has taken a taxi. The Mission has authority for a second Driver position, which is currently being staffed. It is hoped that this second position will relieve some of the pressure on the current Driver since he is carrying the load of driver and messenger services for the entire Mission.

Recommendation for Mission

- 1.1.7 The Organization Charts should be updated to reflect the correct reporting relationships for all Mission staff.**

Mission Response

- 1.1.7 The Chart reflected the CIC structure at the time the Program Manager was asked for his input. It now reflects his latest version. Changes to the driver position have also been made. A second driver has been employed.**

ADMINISTRATION PROGRAM

2.1 Management of the Program

2.1.1 Until March 31, 1999, the responsibility for administrative services for Abu Dhabi was with the MCO in Riyadh. Consular service responsibility for the Emirates has always been with the MCO based in Dubai. Effective April 1, 1999, the MCO in Dubai was given responsibility to manage administration in Abu Dhabi as well. The RAM e-mail which notified the Missions of this decision also notes that in the spring of 2000 the situation regarding the location of the MCO position will be determined, after consultation with all parties concerned. The MCO completes his posting in the summer of 2000, so this is an opportune time to transfer the position to Abu Dhabi.

2.1.2 Prior to April 1, 1999, the MCO in Dubai was often asked for administrative advice by Abu Dhabi. As this was not part of his mandate, it was discouraged by the MCO in Riyadh. Since April 1, the MCO has been very active in training and advising administrative staff in Abu Dhabi. Much has been accomplished in a short period. The MCO spends one day a week in Abu Dhabi conducting his consular functions and dealing with administrative matters. While systems are being established and training continues, it will be necessary for the MCO to spend more time in Abu Dhabi. Additional training and travel funding may be required from RAM.

2.1.3 It is the view of the Audit Team that the MCO position should be located in Abu Dhabi. This is the Embassy for the United Arab Emirates and it has more CBS and considerably more LES than Dubai (total staff in Abu Dhabi will be 20; staff in Dubai, 10). Other reasons for the move include policy matters, which should originate from the Embassy as it has contacts with local National Government officials, and the increased risk for Abu Dhabi for cash transactions as Immigration visa fees are processed in there. The direct reporting relationship of the MCO to the Ambassador would also be clear.

2.1.4 Over the next six months it will be necessary for the MCO to prepare a detailed plan for the move of the position. This should include resource implications, time frames for the move, training requirements for staff in both Missions and the associated costs involved. Decisions will be required on the location for passport and citizenship processing, banking arrangements (it may not be necessary to maintain bank accounts at both Missions) and the impact on the workload of each office with these and the other changes. The Audit Team supports a move of passport and citizenship processing to Abu Dhabi. It should not be necessary for the MCO to spend much time in Dubai because the LES Consular/Administrative Assistant in Dubai is capable of conducting prisoner visits and providing normal, day-to-day Consular assistance. An analysis of the ROCA registrants revealed that approximately 60 percent are in the Dubai area and 40 percent in the Abu Dhabi area. It was pointed out to the Team that there are more consular cases in the Dubai area than Abu Dhabi but

the Team believes that the LES can handle routine cases and, in an emergency, the resident Consul in Dubai could manage a case or the MCO could travel to Dubai, a one hour 40 minute road journey. There are many areas which need to be examined and RAM/JPD should be kept advised of proposed decisions so that they can evaluate the effects from a HQ and resource point of view. Once the plan is developed and agreed upon, the MCO, with the assistance of RAM, should formalise an MOU between the two Missions for the Consular and Administration Programs. This should include any responsibilities for the Immigration Program, because at present, the MCO devotes approximately 10 percent of his time to this activity in Dubai. Significant time is devoted to answering visa enquiries and ensuring the transshipment of deportees through the Dubai airport. This latter function should normally be conducted by Immigration staff.

2.1.5 Until the position is moved, the MCO will have to work at instituting policies, procedures and systems for the office and provide the appropriate training and guidance for administrative staff in both Abu Dhabi and Dubai. With a clear workplan and objectives, the OM in Abu Dhabi should be able to provide effective administrative services pending the move of the MCO position.

2.1.6 Note that the foregoing and recommendations 2.1.7 and 2.1.8 are also included in the Dubai Audit Report.

Recommendations for Mission

2.1.7 The MCO should develop a detailed plan for the proposed move of the MCO position to Abu Dhabi, including time frames and resource requirements.

2.1.8 There should be a formal MOU between Abu Dhabi and Dubai setting out the roles and responsibilities for each Mission with respect to Consular, Immigration and Administration Program activities.

2.1.9 The MCO should elaborate a workplan and objectives for the development of administrative policies, procedures and systems and the provision of administrative services and provide the appropriate training and guidance to administrative staff in Abu Dhabi.

Mission Responses

2.1.7 Options for the location of the MCO and accompanying programs are under consideration by the Missions involved, taking into account costs, impact on program delivery and personnel issues. The Embassy in Abu Dhabi was in a state of transition when the audit team arrived. Since that time, the MCO has spent two days a week in Abu Dhabi and the Office Manager has been trained by the

Accountant in Riyadh and by the Accountant in Dubai. Administration in Abu Dhabi now conforms to Departmental standards and methodology.

- 2.1.8** The MCO began spending two days a week in Abu Dhabi in April, and two weeks in the summer in Abu Dhabi fixing the administration, property and personnel issues of the mission. Also, a week after the Audit Team left, the Office Manager's long sought visa to Riyadh appeared, and she has now received financial training. The MCO is now able to restrict his time in Abu Dhabi to once a week on average, depending on the consular load.

After consultations with staff, the HOM and the Consul and Senior Trade Commissioner in Dubai have agreed upon an appropriate division of responsibilities between the Embassy and the Consulate.

- 2.1.9** Workplans have been in place since May with respect to personnel files, property management, and financial systems. Most systems have been in place since the summer.

Recommendation to RAM

- 2.1.10** The Mission should be adequately funded so that the MCO can carry out his dual mission responsibilities in an effective manner. (Travel funds and funds to train Abu Dhabi administrative staff.)

RAM Response

- 2.1.10** RAM shall ensure that the mission has sufficient funds to enable the MCO to travel between Dubai and Abu Dhabi in order to fulfill his duties as agreed to, and that there shall be sufficient funding for the training of Abu Dhabi administrative staff.

2.2 Human Resources Management

- 2.2.1** The Mission established an LES Committee on May 5, 1999, just prior to the arrival of the Audit Team. Some initial changes to its operating procedures and processes were discussed with the HOM during the audit. These changes were suggested by the Audit Team to ensure that the agenda for the Committee is established by the LES staff and that membership on the Committee does not include CBS.

Back Up

2.2.2 The OM has responsibilities for daily administration activities such as finance, procurement, staffing and other general program support. Because of the recent shift in Hub responsibilities from Riyadh to Dubai, the OM has had to take on greater responsibility in the financial area and these duties are being learned on-the-job. In addition, the HOM Program Assistant, who previously provided back-up to the OM, has also taken on increased responsibilities which restrict her availability to provide back-up. As the range of duties of the OM expanded, it became difficult to provide an alternate back-up for the position because there were no other similar positions with a corresponding range of duties or knowledge requirements. This situation has, in part, made it very difficult for the OM to be away from the office and as a result, she has only taken one week of annual leave since October 1998.

Recommendation for Mission

2.2.3 Initiate a plan to train more than one employee in Mission-critical administrative functions to provide back-up services for the OM position.

Mission Response

2.2.3 The receptionist has been working throughout the summer with the Office Manager and has already replaced her during the Office Manager's leave in August. As well, the Mission has an Administrative Assistant on contract who assists the Office Manager half days. She too has the ability to fill in for the Office Manager on most issues.

Training

2.2.4 As the Mission has not prepared written goals, objectives and workplans for staff (see recommendation 2.1.9); they have not elaborated a training plan. Little training has been given to staff, many of whom have only been on strength since October 1998. Certain positions, such as the OM, have not been given appropriate training, allegedly because of heavy demands on their time from their current duties as well as difficulty in identifying appropriate training opportunities.

2.2.5 The OM has not had formal training in any area of Administration despite having worked for the Mission since 1996. With the shift of responsibility for financial matters from Riyadh to Dubai and Abu Dhabi effective April 1, 1999, the OM needs, at least, some financial training. Riyadh has tried to bring her there for financial and other training for some time but has been unable to secure a visa. If possible, Riyadh would still be the first choice for training since the Abu Dhabi accounts are processed there. If not, other options should be explored which could include, in the short-term, training in

Dubai, another neighbouring Mission, or possibly HQ where training in other areas of Administration (property management, MITNET, Softel, etc.), could be included as well.

Recommendation for Mission

2.2.6 The Mission should develop a training plan for all staff.

Mission Response

2.2.6 As mentioned above, the Office Manager has now received Financial and Administrative training in Riyadh. The Consular/Administrative Assistant in Dubai has also made several trips to Abu Dhabi to provide further training and assistance. It is hoped that the Office Manager will be able to take the property management Course in Ottawa if it is offered next spring.

Staff have been trained on the phone systems by the RMO in Amman and received SIGNET training et al in August.

Job Descriptions

2.2.7 Staff received drafts of their job descriptions on May 14, 1999, one day before the audit commenced. However, copies of job descriptions reviewed during the audit were not dated and had not been signed by the supervisor nor the employee. In addition, Letters of Offer were not provided to staff at the time of their engagement.

Recommendations for Mission

2.2.8 Review all job descriptions and ensure they are signed and dated.

2.2.9 Issue Letters of Offer of employment to each staff member to ensure there is a complete employment history for all staff.

Mission Response

2.2.8 All personnel files have updated and job descriptions signed as of September 1, 1999.

2.2.9 All personnel files have letters of offer, duly executed.

Travel Assistance Benefits to LES

2.2.10 LES receive an annual travel benefit of a return trip to their country of origin, as declared by the employee. The employee, spouse and up to three dependant

children up to age 19 are included. It covers a return air fare by the lowest fare possible booked through the Mission's authorized travel agency. The OM reviews the estimate when presented and discusses routings and costs with the travel agent. When approved, payment is made direct to the travel agency. Upon completion of the travel, the employee must submit the ticket stubs to prove the trip was taken. There is no cash value.

2.2.11 The employee handbook states that "after 12 months of employment an employee will be eligible for travel assistance entitlement". The Mission requires clarification as to whether employees can use this benefit during their first year of employment or they earn it and can only use it during their second year of employment. The application of this benefit will have to be clarified by SPSA during the course of the next benefit review.

2.2.12 The Mission allows employees to use this benefit to travel elsewhere than to their home country as long as the amount does not exceed the cost of a ticket to the home country. This interpretation should be clarified by SPSA.

2.2.13 The travel benefit year is currently the fiscal year which makes application difficult since benefits begin accruing from the first day of employment. Although close tracking will have to be instituted, a more logical application would be to tie the travel benefit year to the employee's individual increment year.

Recommendations for Mission

2.2.14 In consultation with SPSA, the Mission should gather and analyze detailed information on this benefit from marker organizations with a view to writing a clear statement of the benefit and its application.

Mission Response

2.2.14 The same issue regarding the destination of the plane ticket was brought up in the Dubai Audit Report, and was addressed by the MCO with marker information. HRL reviewed the benefit package, including the plane ticket and destination, last spring.

The travel assistance benefit is not normally provided until 12 months have been served, unless, for operational reasons, the Program Manager requests otherwise. The Mission has undertaken to revise the Employee Handbook to clarify the application of this benefit.

SIV Comment

The spring review of this benefit by HRL was inconclusive. The application of the travel assistance benefit will be assessed when the complete benefit package is reviewed in the spring of 2000.

2.3 Financial Management

2.3.1 Since opening in 1996, the Mission has been financed through a standing advance in the name of the current HOM. Large and recurring payments, including LES salaries, are made by Riyadh and all other payments are made from the standing advance. Accounting for the standing advance is sent to Riyadh for audit, input into FINEX/IMS and replenishment. The OM is responsible for all financial transactions and for preparing the accounts to send to Riyadh.

2.3.2 The Mission is in transition because Riyadh will continue to do FINEX/IMS input for the Mission although financial responsibility has been transferred to the MCO in Dubai. The OM has not had any formal financial training and the Audit Team spent significant time coaching her on budget preparation, costings, planning, the need for estimates and purchase orders, proper authorities, etc. The MCO will have to institute proper procedures, systems and checks and balances. The OM has a good sense of value for money.

Bank Account

2.3.3 The Mission has been financed through a standing advance and an account was established in the name of the HOM for this purpose when the office was opened in 1996. The name of the account was changed from that of the HOM, to the Canadian Embassy in January 1999. The Mission requested authority to operate an official bank account which was approved in May 1999, following the audit. The Mission had not required replenishment of the standing advance from Riyadh as Immigration cost recovery funds have been sufficient to provide operating funds. LES salaries, rents and large FSD payments continue to be paid by Riyadh.

2.3.4 Pending the official approval for the bank account, no financial data had been forwarded to Riyadh since April 1, 1999 and therefore, no FINEX/IMS input had been done except for Canadian dollar cost recoveries which are forwarded to HQ on EXT 20s. The OM has maintained a record of payments and deposits which will be forwarded to Riyadh for input into FINEX.

2.3.5 With the official bank account in place, signing authorities for Sections 33 and 34 will no longer be the responsibility of Riyadh and they will simply provide financial input services. The MCO will have to work out procedures between Abu Dhabi and Riyadh and Abu Dhabi and Dubai. These should include FINEX/IMS reports on financial transactions, budget status reports as well as reconciliation procedures.

2.3.6 The OM is not keeping a record of the balance in the bank account and therefore cannot be sure that sufficient funds are available to cover expenditures. When she has to write a large cheque, she calls the bank to determine the balance. This does not take into consideration any outstanding cheques which have not been negotiated so there is no certainty that funds are sufficient. The Audit Team spent time with the OM outlining the necessity to know the exact amount of the funds in the account and made suggestions as to an appropriate cheque and deposit register system. The MCO in Dubai will have to set up a formal system and ensure it is in place and monitored.

Recommendations for Mission

2.3.7 Ensure that all financial transactions made since April 1, 1999 are entered into FINEX.

2.3.8 Ensure the OM keeps a running total of the balance in the bank account.

Mission Responses

2.3.7 The bank account was approved by Treasury Board in June 1999. All transactions have been entered.

2.3.8 The Office Manager keeps a running total of the bank balance using deposit and cheques records as well as weekly contact with the bank and monthly bank statements.

Cost Recovery

2.3.9 The handling of Immigration revenues was reviewed and found to be in good order. Proper controls exist on the Immigration side as well on the DFAIT side. Immigration has POS Plus but does not make use of it due to past problems with the system. The system is to be changed as it is not Y2K compliant. Immigration is using a cash register which is sufficient for their current operations and which provides the essential controls.

2.3.10 The OM receives Immigration revenues on a daily basis and deposits them into the bank account the same day. Although she is verifying the numerical sequences on the cash register tape, she is not verifying the sequential numbers on the form 1203. All other processes were found to be in order.

Recommendation for Mission

- 2.3.11 Ensure sequential numbers are verified on both the cash register tapes and on form 1203.**

Mission Response

- 2.3.11 Sequential numbers are now verified on both documents.**

Travel Authorities

2.3.12 Travel advances are issued at the Mission based on an oral request by the traveller. There is no formal approval process and the amounts requested are not vetted for appropriateness.

Recommendation for Mission

- 2.3.13 Travel Authority forms should be completed and approved by the Program manager and HOM for all travel and maintained with the Mission financial accounts.**

Mission Response

- 2.3.13 Travel Authority forms with necessary approvals are now being used.**

Supporting Documentation

2.3.14 A review of the January to March 1999 financial accounts was undertaken. The accounts were obtained from Riyadh by the Audit Team as prior to April 1, 1999, all original documentation was forwarded to Riyadh. In many cases, documents attached to a voucher were not adequate to support the payment. Some examples are:

- a) A reimbursement for tuition fees to one of the CBS with no explanation or supporting documents.
- b) A purchase of 'wood furniture' with a value of approximately \$1,200 with no explanation as to what the furniture was or where it would be placed. Had a purchase order been utilized all explanations would have been evident, as would prior purchase approval.
- c) A high value invoice, paid to the Intercontinental Hotel for a breakfast buffet without explanation as to what the event was or why the Mission was paying for

it. The OM explained that it was for a MINT visit but this was not evident from the voucher.

The need for proper explanations and substantiation was explained to the OM.

Recommendation for Mission

2.3.15 Ensure that full explanations and documentation are attached to all financial vouchers.

Mission Response

2.3.15 Explanations are given on the Finex input form which includes an attached invoice or receipt that explains the transaction. When the attached documents are not fully detailed, a separate sheet is attached by the OM that details the transaction.

Contracting

2.3.16 The Mission currently has an Education Marketing Officer (EMO) working on a contractual basis. The Mission is in the process of establishing a position for this function.

2.3.17 The current contract for the EMO specified Terms of Payment as "*Her Majesty shall pay to the Contractor a sum of *** per day of work, from May 1, 1999 to the date of appointment of a permanent employee to staff the Education Centre*". The per diem basis of this payment is of concern because the contract has no real calendar end date. Because the end date of the contract is noted as "the date of appointment of a permanent employee to staff the Education Centre", any delay in filling the position prolongs the contractual obligation to make payment to the EMO on a per diem basis.

2.3.18 The contract termination clauses state that "*If at any time of termination of the work, the Contractor has been paid an amount that in the opinion of the Minister, exceeds the value of the work performed by the Contractor to the date of termination, the Contractor shall, upon demand by the Minister, refund the excess to Her Majesty.*" In the opinion of the Audit Team, this clause is in all likelihood, unenforceable due to the basis of payment being time rather than specified deliverables.

2.3.19 It was noted in other instances that the Mission does not generally use the Departmental contracting templates which, if used, would ensure that all required clauses were included. All contracts must contain a wide range of mandatory clauses, including clear statements of work and maximum values.

Recommendations for Mission

- 2.3.20** **Seek guidance from the SBR web site on the appropriate forms, templates and clauses for inclusion in future professional services contracts.**
- 2.3.21** **Until such time as the EMO position is regularized, the Mission should seek guidance from SBR and JUS on mechanisms to change the basis of the contract to a deliverables-based contract.**

Mission Responses

- 2.3.20** **The Contract in question is the standard Department short form contract, with the Terms of Payment, and Work Description added by the Mission. The clause in question is enforceable, as the Job Description of the position has percentages attached to each item of her job. The daily rate can also be used for absences from the office.**
- 2.3.21** **The contract had no real calendar end date because it was not supposed to. The deal worked out between the Mission and RAM/SPSA was that she would remain in her position, on contract, until a permanent position was created and it was staffed. If there was a delay in the creation of the position, she would indeed have been on contract longer. That was the intention of RAM, SPSA and the Mission. The deal was designed to keep the centre staffed until the position was regularized. The Position was created in June, and the matter is now concluded.**

SIV Comment

The contract to which the Audit Report refers was written in such a manner that rendered it to be an employment contract and therefore inappropriate as a personal services contract. Contracts must have start and end dates and clear deliverables. This was not the case with this contract. Given that the contract is now no longer in force and the contractee has now been converted to an LES, this comment is for future reference by the Mission.

Official Hospitality

- 2.3.22** **On May 5, 1999 the HOM issued a memorandum to staff related to increases in Hospitality per capita rates. The memorandum references the increased cost of living over the past year in Abu Dhabi as the basis for the revised rates.**

2.3.23 The Hospitality rates should be determined by tracking the actual costs of at least two representative events and basing the rates on an average of these costed events. The Dubai Audit Report suggests that, given the size and proximity of the two Missions in UAE, consideration could be given to establishing common Mission guidelines.

2.3.24 In addition, the rates listed on the memorandum list only a fixed rate, rather than a range of generally accepted expenses for lunches, dinners and receptions. A reference in the memo to a rate of 25 percent for indirect hospitality expenses, suggests that the Mission may not be familiar with the latest version of the Foreign Service Official Hospitality Directive in which the percentage allowable for indirect hospitality expenses is 10 percent effective April 1, 1999.

2.3.25 During a review of the hospitality records, it was noted that Section 34 of the Financial Administration Act (i.e. the receipt of goods and services) was being signed by the HOM for his own hospitality expenses. Chapter 28 of the Manual of Financial Management (Ministerial Delegation of Signing Authorities) states that no employee may approve a disbursement from which he will personally benefit.

Recommendations for Mission

2.3.26 Review the Mission Hospitality Guidelines to ensure consistency with the April 1, 1999 version of the Foreign Service Official Hospitality Directive.

2.3.27 Consider having one set of Official Hospitality guidelines applicable to both Abu Dhabi and Dubai.

2.3.28 The requirements of the FAA should be followed by having an employee with knowledge of the work to be done as well as the appropriate delegated signing authority, other than the payee, authorize expenditures.

Mission Responses

2.3.26 The directive was not received by the Mission, as all Small Missions were left off the distribution list. The same was true for Dubai. The Signet Service Centre dealt with the problem when the system was switched to Signet 2000. The Mission has changed its directive to be in line with the new policy.

2.3.27 The matter was considered. Due to the variance in prices for several hospitality items, in some cases a substantial variance, it was decided to continue to have each mission set guidelines that reflect their own cost environment.

2.3.28 This has become Mission Policy.

2.4 Physical Resources Management

Staff Quarters

2.4.1 Tours were conducted of the four Staff Quarters (SQ). The SQ assigned to the HOM (note that Abu Dhabi is a Category 3 Mission and as such, does not have an Official Residence) is a four bedroom, two storey apartment with a representational area on the main floor and the living quarters on the second floor. The residence is approximately eight km from the office.

2.4.2 The SQ is leased yearly and the renewal is scheduled for September 1999. The SQ is located in the downtown area and has adequate entertaining area. The current HOM is leaving this summer and some consideration will have to be given to the suitability of the residence for his replacement and his family. Currently, the marble staircase and wide balusters are not suitable or safe for a family with young children. The space between the bottom of the stair railing and the stairs is sufficient to allow a young child to fall through. Modification would be needed to make it safe for young children. Another environmental issue is the lack of an outside balcony which means that access to the outside for children would be limited to the street outside the SQ, a street busy with vehicular traffic.

2.4.3 Of the remaining three SQs, the primary concern in two of them, both villas, relates to long-standing, unresolved maintenance problems with the quality of drinking water and air conditioning. The specific details of each SQ were discussed with the staff concerned and the HOM during audit briefings at the Mission. The fourth SQ is located in an apartment building and is in generally good condition.

2.4.4 Staff and spouses interviewed indicated that the duration of these problems has now contributed to generally poor relations with the owners of the buildings from whom the SQs are leased (annually). These issues have been exacerbated by on-site maintenance workers who do not speak English or French and are unable to understand the problem being described by the residents.

Recommendations for Mission

2.4.5 The Mission should document the maintenance requirements for the two problem SQs and devise alternative solutions which ensure (where possible) a timely resolution of maintenance problems by the building owners.

2.4.6 The Mission should ensure that when lease contracts are written that responsibilities with respect to maintenance are clearly specified for the Mission as tenant, and the building owners.

Mission Responses

2.4.5 The MCO met with the CBS in the two SQs in question after the Audit Team left. Neither confirmed the concerns attributed to them by the draft report. All Villa problems are documented in the Property file for each, and the owners, where possible, are held responsible for the maintenance under the leases.

2.4.6 Abu Dhabi personnel have executed two new leases since assuming responsibility for administration in April, 1999. The two new leases have as much maintenance listed as is the practice in the real estate market in Abu Dhabi. The Landlords completed all structural fit-up on both villas.

Relocation of the Chancery

2.4.7 The relocation of the Chancery to its present location, which took place in October 1998, was generally described by staff as being poorly conducted.

2.4.8 Problems encountered during the relocation included:

- i) SIGNET 2000 components shipped to wrong Mission (i.e. Abidjan);
- ii) furniture loaded into the wrong offices, thus delaying the set up of work stations; and
- iii) a lack of local contractors knowledgeable on how to assemble the work stations.

2.4.9 As a result of the above problems, the SIGNET installation team was extremely pressured for time to complete the required work because the components arrived on the last day of their scheduled visit.

2.4.10 An overall comment on the relocation made by staff was that the time frame for the relocation was overly optimistic. As well, the Mission attempted to provide full service at both the old and new locations simultaneously.

Parking

2.4.11 The Mission has limited space available for vehicle parking. There are four spaces directly in front of the Mission, inside the front security gate. Other parking on the street directly in front of the Mission is available, but not under the control of the Mission. In addition, it should be noted that the Mission also has two fleet vehicles. The availability of parking has caused concern at the Mission among the LES and CBS who are all contending for the available spaces.

Recommendations for Mission

- 2.4.12 Allocate spaces for the two Mission fleet vehicles inside the compound. The remaining two spaces should be allocated giving due consideration to security risks and program needs.**

Mission Response

- 2.4.12 Two spaces are allocated to mission vehicles. The other spaces are for CBS vehicles only.**

Mission Maintenance

2.4.13 There are ongoing problems with the air conditioning in the Chancery due to an imbalance in temperatures throughout the building. The temperature imbalance is, in part, caused by thermostats, which have been set too low by staff. On two occasions the thermostats were set so low that the water lines froze and then burst. Staff have uncontrolled access to the thermostats and are able to make adjustments at will to regulate various offices.

Recommendations for Mission

- 2.4.14 Install protective "cages" over the thermostats to restrict staff access.**
- 2.4.15 In consultation with SRD, the Mission should take measures to address problems related to the imbalance in the temperature throughout the building.**

Mission Responses

- 2.4.14 Cages were installed in June.**
- 2.4.15 Problems are related to the sole air conditioning unit left from the old building before refit. After several maintenance visits to fix the compressor, the problem has not resurfaced for the last two months.**

2.5 Information Management

2.5.1 The Mission has grown extremely rapidly and had many problems on start-up with SIGNET installation, despite the best intentions of all involved. The LES SIGNET Support Assistant (SSA) possesses the skills to troubleshoot and provide excellent user software support. She does not have, nor was she expected to have, the technical expertise to provide hardware support and has felt very frustrated by this.

She will be coming to HQ in June 1999 for SIGNET 2000 training and the Mission will be migrated in late July. The Mission is ill-prepared for Year 2000 and has only recently starting working on completing the Y2K compliance kit. The MCO has now taken over responsibility for the file and will have to work hard to bring planning up-to-date.

SSA Workload

2.5.2 The SSA is the Commercial Assistant (CA) and it was expected that her SSA duties would comprise 30 percent of her time. She notes that 30 percent would be the absolute minimum spent under normal conditions, something that has not been experienced in this Mission since it opened. Her SSA duties are taking up a considerable amount of her time to the detriment of the IBD Program.

2.5.3 The Mission currently has 17 SIGNET users plus two additional stand-alone users for which the Mission has requested SIGNET access. A new CB Immigration officer position is being established in the summer of 1999 which will bring the user total to 20. A review should be undertaken to determine if 30 percent of an FTE is adequate to service the Mission's needs given its rapid growth. Options which could be explored are the establishment of a full-time position, increasing to more than 30 percent but less than a full FTE, or contracting for these services from a local company. The Mission believes this type of support is available on the local market.

2.5.4 There was no formal IT training given to employees in 1998 when they were hired, except for CIC staff who were given specific training in CIC Programs. LES were expected to learn the software packages on the job. The SSA has had to spend considerable time coaching employees and has not had the time to run formal training courses.

Recommendation for Mission

2.5.5 A review of systems support should be conducted and, in consultation with SXD, it should be determined if changes need to be made to the current SSA structure.

Mission Response

2.5.5 Since the installation of SIGNET 2000, the current SSA structure has proven to be adequate.

Immigration Phone Calls and Visitors

2.5.6 The Immigration Section will only accept phone calls during a prescribed two hour period in the afternoon. The Mission Receptionist informs CIC clients to call back during this period but the client will often not accept this response. When the

prescribed period arrives, the switchboard lights up very quickly and Immigration staff are unable to field all the calls.

2.5.7 The Immigration Section is not yet making use of Octel and the four dedicated CIC phone lines are presently connected directly to the Mission switchboard. The Immigration Program Manager (IPM) has developed and is finalizing the Octel trees and, when implemented, it is hoped that this will respond to some of the typical requests for information that the Section receives. Softel could be used to analyse the call volumes in an effort to find solutions.

2.5.8 As is the case in many missions with Immigration Sections, the Mission Receptionist often has to absorb the complaints received from Immigration clients concerning access to Immigration staff. Volume precludes the Section from responding to the large number of phone calls they receive.

2.5.9 The Audit Team spoke with the IPM to explore other ways whereby the pressure could be taken off the Mission Receptionist to deal with Immigration clients. Although there is no 100 percent solution, the IPM was willing to explore options but cautioned that none of the proposed solutions would eliminate the problem.

Personal Phone Calls

2.5.10 The Mission has not been monitoring phone usage and as such, has not been billing employees for personal phone calls. Softel is installed in the Mission but the OM has not been trained in its use. Pending receipt of this training, steps must be taken to ensure recoveries are made for personal phone calls. It was suggested that the MCO consult with the Regional EL to ensure that, during his next visit, sufficient time is allocated to provide the necessary training to the OM.

Recommendations for Mission

2.5.11 The OM should receive training in Softel.

2.5.12 Recoveries for all personal phone calls should be made.

Mission Responses

2.5.11 Due to a lack of computer unit work stations supplied to the mission by HQ, the Softel computer has been disconnected.

- 2.5.12 Recoveries are made of employees making personal long distance calls by a review of charges sent by the telephone company every month.**

Purchases and Maintenance

2.5.13 The Mission has undertaken maintenance or purchase of EDP equipment without the involvement of the SSA. Although the SSA admits she does not have the competence to comment on hardware purchases and maintenance, she should be aware of what is being done and have input into the process. She can always seek guidance through the SA network or from the Regional Systems Administrator (RSA).

Recommendation for Mission

- 2.5.14 Ensure that a management structure is implemented to ensure the SSA is involved in all EDP maintenance or purchase decisions.**

Mission Response

- 2.5.14 All EDP equipment requests are now coordinated by the SSA.**

Website

2.5.15 The Mission developed a Website in 1997 (www.canada.org.ae). The site was designed and implemented by a local student at the Higher College of Technology and was done free of charge. The Education Counsellor is responsible for keeping the site up-to-date. The contents of this site have not been vetted or approved by the Departmental Web Advisory Committee which would ensure that it was in accordance with Department and Government policies on communications, publishing and the use of the Internet. These would include legislation on Official Languages and the Federal Identity Program among others. The Audit Team noted that the site was in English only. It was also noted that the site was not linked to the Departmental Internet site.

Recommendation for Mission

- 2.5.16 The Departmental Web Advisory service (see <http://intranet.lbp/department/wac/menu-e.asp>) should be contacted to determine the approval process for the Mission's Website and changes which would be required to bring it into line with Departmental and Governmental policies.**

Mission Response

- 2.5.16 The Mission is redesigning the whole site.**

Year 2000

2.5.17 The Mission is generally aware of problems related to Y2K but is not taking the situation seriously. It is the view of the HOM that there should be little fear of what is to come in 2000 and that it will probably work itself out. This view has filtered down to most staff.

2.5.18 The CB Trade Commissioner has been attending meetings of G8 countries for the United Arab Emirate's Y2K preparedness. He shared his file with the Audit Team. There are concerns in the community as to the preparedness of the UAE outlined on this file. Since the MCO has now taken over responsibility for Y2K, the Audit Team apprised him of the existence of this committee and the Trade Commissioner's file which may assist him in his preparation.

2.5.19 None of the staff interviewed was aware of what the Department has been doing in preparation for Y2K. Materiel being distributed to Missions on Y2K was not distributed to Abu Dhabi until January 1999 and at the time of the audit, this materiel had still not been reviewed by the Mission. The Y2K office in HQ had asked the Mission to submit inventories which were required to prepare for the SIGNET 2000 installation in July 1999. The Regional Systems Administrator (RSA) from Paris visited the Mission in November 1998 to assist in the set-up of their systems. At that time, he conducted Y2K compliance testing on the computer equipment (excluding 5 units - see 2.5.21) and all machines were found to be compliant. This information, however, was not entered into the Departmental Y2K inventory at that time.

2.5.20 The initial inventory that was completed did not include laptops. The Mission has five laptops, one for the Mission, two for Immigration and two for portable CAIPS. The IPM has certified that the two CAIPS laptops are not Y2K compliant and has requested guidance from CIC. The remaining two Immigration laptops were purchased while the program was based in Riyadh and were included in the Riyadh inventory with yellow stickers (work-around). What is not known is what the work-around will be and if hardware or software must be shipped to the Mission to remedy these problems. The SSA plans to pursue this issue and to undertake testing on the Mission laptop.

2.5.21 The Mission also has five PCs that were in the Mission prior to upsizing in late 1998. It is believed they were purchased locally as they do not have SIGNET barcodes. These units are assigned to the HOM, his Secretary, an LE Commercial Officer, the Receptionist and the EMO. These units have not been tested for Y2K compliance but have been included in the inventory recently sent to HQ. When the SSA tried to run the Department's Y2K diagnostic test, it did not work and she was awaiting instructions from the RSA in Paris. If these machines are found to be non-compliant, there may be insufficient time to ship replacement units to the Mission in advance of the migration in late July

2.5.22 The SIGNET 2000 servers and equipment arrived during the audit and will be installed when the SIGNET team arrives in late July. The equipment will be installed in the CAIPs room with the approval of CIC and HQ. Electrical modifications must be made before the end of July to accommodate the equipment. The SSA and the OM had this well in hand.

2.5.23 The SSA was not aware of the Departmental requirements in the compliance kit related to off-the-shelf software packages. There are three machines with software other than the SIGNET suite. This software had been included in the inventory that had been forwarded to Ottawa.

2.5.24 The OM has sent letters to landlords requesting certification of building systems. Responses have been received and forwarded to SXP. The Mission had not done any research on other office systems such as photocopiers, fax machines, printers (all but two are local purchases), cellular phones, etc.

Recommendation for Mission

2.5.25 Bring all areas related to Y2K compliance and readiness up-to-date immediately.

Mission Response

2.5.25 The Mission completed the Mission readiness program in early September. All Contingency plans, etc., were drafted by August. The Mission is now implementing the contingency plan measures.

Education Marketing Officer

2.5.26 The LE EMO, on contract at the time of the audit, operates from the lobby of the Mission which provides excellent access for her clients. The Mission has requested SIGNET access for her but given that her work station is in a public area, this will not be possible. If SIGNET access is essential for this employee to accomplish her tasks, the Mission will have to look at another location within the Chancery which would satisfy the security requirements for SIGNET use.

CONSULAR PROGRAM

3.1 Management of the Program

3.1.1 Responsibility for the Management of the Consular Program is with the MCO in Dubai. Passport and citizenship services, as well as all notarial services, are provided by Dubai and by the MCO during his weekly visits to Abu Dhabi. Therefore, there is little consular activity in the Mission beyond the provision of information, referrals and mailbox services. All consular cases are referred to Dubai.

3.2 Service to Canadian Citizens

3.2.1 The Receptionist provides general information, passport and citizenship forms and instruction for completion. She undertakes these tasks very efficiently and provides excellent client service in both official languages as well as Arabic. Passport and citizenship applications are forwarded to Dubai for processing and only general information is provided from Abu Dhabi. Although the bulk of the work related to the Consular Program is undertaken in Dubai, there is time spent on the provision of information to Canadian citizens from this Mission. However, the Mission does not keep any statistics of time spent by staff on the delivery of the Program.

Recommendation for Mission

3.2.2 Ensure that statistics are maintained for time spent by staff on the delivery of consular, passport and citizenship services and that this time is entered into COMIP.

Mission Response

3.2.2 Most services are sent to Dubai for processing, and the time is entered there. Statistics for matters completed in Abu Dhabi are also included in the Dubai numbers. JPDP is aware that the Dubai time is for the UAE in total.

3.3 Passport and Citizenship Services

3.3.1 The Receptionist receives completed passport and citizenship applications, original documentation and cash for fees and places them into envelopes with an inventory of the contents and the name of the client on the outside. Every few days these envelopes are sent by commercial courier service to Dubai for processing. When Dubai completes the processing, they are returned to the Mission for retrieval. Official receipts are not issued upon receipt of the passport and citizenship fees. The

fees are sent to Dubai with the file and the official receipt is issued in Dubai and returned to the client along with the processed documents.

3.3.2 Once the official bank account is set up in Abu Dhabi, fees collected should be processed through the Mission bank account and an official receipt issued immediately upon receipt of the cash. This will cause a change in the administrative workload in the Mission but it will cut down on risk of shipping cash between missions and will also provide clients with an immediate receipt for fees paid. One copy of the receipt could accompany the application to Dubai to certify the fee was collected. The Receptionist could also note any official documents sent along with the application, such as birth certificates, marriage certificates, custody docs, citizenship papers, etc., on the official receipt thus providing the client with confirmation of the documents submitted.

Recommendation for Mission

3.3.3 Issue Official Receipts upon receipt of consular, passport and citizenship fees and process these fees through the Mission bank account instead of forwarding to Dubai.

Mission Response

3.3.3 The Receptionist issues a receipt to the client listing the documents and cash received by the Embassy. The MCO has set consular service hours on Wednesdays. Document services are now done in Abu Dhabi by him, a receipt is issued and fees are processed in Abu Dhabi.

INTERNATIONAL BUSINESS DEVELOPMENT PROGRAM (IBD)

4.1 Overview

4.1.1 The Mission, closed in 1987, was reopened in 1996 with a resident HOM and two LE support staff. The most important part of the HOM's mandate (70 percent) was the IBD Program. Nevertheless, the major part of this Program continued to be carried out from the Consulate in Dubai and the Consul's IBD mandate covered all of the UAE. In the late spring of 1998, a LES Commercial Officer (CO) position and the incumbent were transferred to Abu Dhabi from Dubai. The reporting relationship for this position was direct to the HOM; as it was for an Education Marketing Officer (EMO), who had been hired in 1997 under a personal service contract. Later in the summer of 1998, a CB IBD Program Manager position and a Commercial Assistant (CA) position were established in Abu Dhabi and staffed. The reporting relationship for all IBD staff in Abu Dhabi then changed from the HOM to the new Program Manager. As well, responsibilities of the Consulate in Dubai and the Mission in Abu Dhabi for the IBD Program were redefined so each had exclusive jurisdiction in certain areas.

4.2 Management of the Program

4.2.1 The transition from two LE Program officers reporting to the HOM to an IBD Section reporting to the CB Program Manager has not been smooth; nor has the functioning of the Program following the division of IBD responsibilities between Dubai and Abu Dhabi. The internal problems in Abu Dhabi should be solved first and then the differences between the two offices should be resolved. Thereafter, to ensure these problems do not recur, there should be regular Program coordination meetings, chaired by the HOM, that include staff from both offices.

4.2.2 The IBD Program is well covered in the HOM's 1998/99 accountability document in both the strategic and operational priorities sections. There are also separate sections therein on Investment, Tourism and Education Marketing. The IBD section has sectoral goals for 1999/00 and is working on its service standards document. The IBD Program manager has a written accountability document which complements that of the HOM and has goals for the current appraisal year. The CO, CA and EMO all have up-to-date job descriptions. However, some appraisals for these LES are overdue and should be completed as soon as possible. There is a weekly IBD section staff meeting.

4.2.3 The Canadian Business Council, which represents the interests of a number of Canadian businesspeople in Abu Dhabi, has high praise for the HOM and the IBD section and believes Canadians are well-treated by the Mission.

4.2.4 To replace the current contract and effective April 1, 1999, the Mission was provided with a full-time position for the EMO. Her present work station is in the main

entrance lobby, the other half of which is the visa waiting area. Visa clients must pass through her work area to use the lobby washrooms. The unsuitability of this space is exacerbated because it will not be possible to install SIGNET in this public area. There are a number of options to provide appropriate space and the Mission should begin consultations with SRD as soon as possible.

4.2.5 Thirty percent of the CA's time is spent on SIGNET and informatics support for the Mission. A recommendation to review alternatives to provide this service are discussed in section 2.5.5.

Recommendations for the Mission

- 4.2.6 The internal problems in Abu Dhabi should be solved first and then the differences between the Abu Dhabi and Dubai should be resolved. Thereafter, to ensure these problems do not recur, there should be regular Program coordination meetings, chaired by the HOM, that include staff from both offices.**
- 4.2.7 Overdue appraisals for LES in the IBD section should be completed.**
- 4.2.8 Options to provide appropriate space for the EMO should be discussed with SRD as soon as possible.**

Mission Responses

- 4.2.6 Discussions within the IBD section in Abu Dhabi and with the IBD section in Dubai have been held by the new HOM with a view to ensuring complementary and cooperative relationships. The work programme and division of responsibilities have been addressed. It has been agreed that the two IBD sections should meet on a regular basis and the first meeting has been held.**
- 4.2.7 All IBD LES appraisals have been completed.**
- 4.2.8 Consideration is being given to the issue.**

POLITICAL & ECONOMIC RELATIONS AND PUBLIC AFFAIRS (PERPA) PROGRAMS

5.1 Management of the Program

5.1.1 The HOM's accountability document, dated July 3, 1998, has sections on "Démarches", visits-incoming and outgoing, "Reporting-Generally" and "Culture" but these activities are scattered throughout the document making it difficult to get a clear view of the PERPA Program. These sections should be reorganized to clarify Program activities and goals.

5.1.2 While the Mission manages visits and carries out advocacy activities (démarches and representations), there is little political or economic reporting. GMG would like to see economic reporting increased.

5.1.3 Riyadh is responsible for political and economic reporting for its own areas of accreditation (Saudi Arabia, Yemen, Oman and Bahrain) as well as for the UAE, Kuwait and the countries of non-resident accreditation of those two Missions. Riyadh has written a "Hub and Spoke" paper for its regional reporting responsibilities which lists some of the problems with, and suggestions to improve, these activities. As well, Riyadh has written Political and Economic Program objectives for 1998/99 that include priorities for the other countries of responsibility, including the UAE. Riyadh should use these papers as the basis for discussions with GMG and the two "spoke" Missions and to prepare a formal MOU for political and economic reporting. *Inter alia*, the MOU should cover "who is responsible for what", reporting priorities and the consultation process which would take place with Abu Dhabi and Kuwait before reports are sent to Ottawa. For its part, GMG needs to be more specific in defining to the Missions the reporting priorities for each of the Gulf countries so Riyadh and the two "spoke" Missions can determine what resources are required to fulfil their mandates.

5.1.4 Riyadh was not aware that Abu Dhabi had facilities to receive classified material so was sending information to Dubai for "By-Hand" delivery to Abu Dhabi. This was clarified to Riyadh during the audit but GMD should note this as well.

5.1.5 The 1997/98 Personnel Utilization Profiles are inaccurate regarding the HOM's Program with 0.7 FTE in the "ECO" Program instead of the IBD Program.

5.1.6 The Ambassador expressed a desire to expand Canada's visibility through a number of public affairs activities including sponsoring high-profile, Canadian entertainers in the "Mass Entertainment" business. This subject was subsequently raised with representatives of other "western" Embassies, all of whom cautioned that "Mass" Cultural or Information events sponsored by Embassies have little impact or influence on the Emiratees, who make up about 20 percent of the population of the UAE, as few of them are interested or will attend. If the Mission plans such events, they

must be carefully assessed beforehand to judge how they will influence the Mission's target audiences. On the other hand, the publicity surrounding the desert trek through the "Empty Quarter" by a group of Canadians raised Canada's image and gave the Mission access to Emiratees at the highest political level because it struck a sensitive chord with their nomadic culture and history.

5.1.7 The Audit Report for Riyadh contained a recommendation that stated that, in consultation with GMG, and the Missions in Kuwait and Abu Dhabi, Riyadh should complete a MOU for Political and Economic reporting on Kuwait and the UAE. *Inter alia*, the MOU should cover "who is responsible for what", reporting priorities and the consultation process which would take place before reports are sent to Ottawa.

Recommendation for the Mission

5.1.8 **The Mission should review the figures in the PUPs allocated to the Political, Economic and Public Diplomacy Programs to reflect current allocations of time. Changes to the PUPs should be made where required.**

Mission Response

5.1.8 **With the arrival of a new HOM and a new PERPA officer in Riyadh, the allocation of time and setting of objectives is underway. The PERPA officer has visited Abu Dhabi and discussions were fruitful. The PERPA MOU has been redrafted and is under discussion.**

Recommendation for GMD

5.1.9 **The PERPA section of the accountability document for the HOM should be revised to make it clearer.**

GMD Response

5.1.9 **GMG is committed to assist in the finalization of accountability documents in the context of accountability dialogue in 2000.**

MISSION RESOURCE FACT SHEET

Personnel (FTEs)

	CBS	LES	Total
HOM	1	1	2
International Business Development	1	**2	3
CIC	***2	7	9
Administration/Consular	****0	5	5
Total	4	15	19

**Mission is in the process of establishing an LE Education Marketing Officer position, which is not included in this total

***A new CB Immigration Officer position will be added in the summer of 1999 which is not included in this total

****The MCO in Dubai is responsible for the Administration/Consular Program in Abu Dhabi

Physical Resources

ASSETS	OWNED	LEASED
Chancery		1
OR		
SQs		4
Vehicles	2	

Financial Information FY 1999/2000

LES Salaries (CV 017)	\$383,790
Operational (CV 014)	701,222
CB Overtime (CV 015)	13,000
Capital (CV 050)	107,900
Total	\$1,205,912