

From: Ezio Testa
Sent: Monday, May 02, 2005 8:24 AM
To: Alex Quinteros
Cc: Angelita Quinteros
Subject: UNOB

RECEIVED
MAY 02 2005

BY: _____

Alex,

for your info and the file .

Ezio Testa

President & CEO

IHC Services, Inc.

192 Lexington Avenue, Ste. 600

New York, N.Y. 10016

Telephone (212) 252 0700

Facsimile (212) 252 9139

Mobile (917) 579 6783

e-mail: Ezio.Testa@ihcservices.com

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Da: Andy Seiwert [mailto:Andy.Seiwert@ess-global.com]

Inviato: lun 5/2/2005 12:49

A: Ezio Testa

Oggetto: FW: UNOB

Dear Ezio

FYI

Best Regards

Andy

From: Andy Seiwert

Sent: Friday, April 29, 2005 6:49 PM

To: 'Steve Kemp'

Cc: 'len.swain@compass-group.co.uk'

Subject: UNOB

Steve,

I just had a phone conversation.

5/2/2005

For Burundi it is of the utmost importance that we give a precise and to the point comprehensive reply which will include all previous performance reports and relevant correspondence.

We should also ask very clearly, how it is that they would not recommend ESS and all this in the last 30 days.

You were there in Burundi, we are a phone call away, how come all this comes up.?????????????

I am fairly convinced that this is a very well coordinated effort by our usual competitor who has started a wide scale attack .

I would not be surprised if something else pops out, so let's be cautious.

On another note, the amendment to SGS for another inspection in UNMIL will be signed next Tuesday. Please alert the Mission .

All the best,

Andy

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From: Ezio Testa
Sent: Thursday, April 28, 2005 1:51 AM
To: Alex Quinteros
Cc: Angelita Quinteros
Subject: FW: ONUB - Contractor Performance Report and Performance Meeting Minutes

RECEIVED
APR 28 2005
BY: [Signature]

Ezio Testa

President & CEO
IHC Services, Inc.
192 Lexington Avenue, Ste. 600
New York, N.Y. 10016
Telephone (212) 252 0700
Facsimile (212) 252 9139
Mobile (917) 579 6783
e-mail: Ezio.Testa@ihcservices.com

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From: Andy Seiwert [mailto:Andy.Seiwert@ess-global.com]
Sent: Wed 4/27/2005 11:57 PM
To: Ezio Testa
Subject: FW: ONUB - Contractor Performance Report and Performance Meeting Minutes

Dear Ezio,

Please see attached FYI - I am not sure of the magnitude of this as yet but I am trying to get hold of Steve Kemp.

Regards

Andy

From: Andy Seiwert
Sent: Thursday, April 28, 2005 7:55 AM
To: 'Steve Kemp'
Cc: 'len.swain@compass-group.co.uk'
Subject: FW: ONUB - Contractor Performance Report and Performance Meeting Minutes

Steve

See attached for your urgent attention - the issues are

- Overall performance is rated poor
- that we are not fully mobilized
- there are serious supply chain issues with items short and other issues related to cold-chain, etc.

4/28/2005

The recommendation of the local team is not to use ESS as a food-rations contractor again.

Your urgent attention to this would be appreciated - please formulate an official reply to the UN (sent via myself to Alex Yakovlev) and comment by this weekend in detail on all the items with agreed actions and deadlines and assigned responsibilities on items which may not have been solved to date.

IN New York, when UNOB came up Len and I said there were no major issues as we were not aware of anything major.

Regards

Andy

-----Original Message-----

From: Alex Yakovlev [mailto:yakovlev@un.org]
Sent: Wednesday, April 27, 2005 11:23 PM
To: Andy Seiwert
Subject: ONUB - Contractor Performance Report and Performance Meeting Minutes

Dear Andy,
For your urgent comments, pls.

ay

----- Forwarded by Alex Yakovlev/NY/UNO on 27/04/2005 03:21 PM -----

DPKO MARS@UNHQ-
Sent by: To: Alex
Yakovlev/NY/UNO@UNHQ Sebastien cc: Vevine Stamp/United
Nations@UNHQ-DPKO Billon@UNHQ-DPKO Subject: ONUB - Contractor
Performance Report and Performance Meeting Minutes

03:15 27/04/2005
PM
Please respond
to Sebastien Billon

4/28/2005

FYI,

SB

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4/28/2005

UNITED NATIONS



NATIONS UNIES

 Progress Evaluation
 Final Evaluation

CONTRACTOR PERFORMANCE REPORT

STRICTLY CONFIDENTIAL, NOT FOR RELEASE OUTSIDE OF THE UNITED NATIONS

For use in evaluating performance of prime contractors who signed the United Nations contracts and have a legal contractual relationship with the United Nations. (For specialists such as architects, consultants, etc., use SSR PD.1 (10-00))

REPORT DATE: (d/m/y) 22/02/2005

CONTRACTOR'S NAME: Eurest Support Services

P.O. NO./CONTRACT NO.: _____ CONTRACT PERIOD: 01/08/2004 to 30/06/2005

CONTRACT TITLE AND BRIEF DESCRIPTION: Provision of food and warehousing

RECEIVING OFFICER AND OFFICE: Sebastien Billion

Where appropriate, attach a supplementary sheet, related documentation or correspondence giving details.

A. CONTRACT COMPLIANCE		Yes	No
1	Was the service completed according to the schedule contained in the contract?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2	Did the contractor and its sub-contractors, if any, provide a sufficient work force to undertake contracted work at all times?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3	Were problems resolved quickly and in accordance with the contract?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4	Did all material and equipment arrive on time? If not, please provide details.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5	If changes in scope/schedule were required by the UN, were they handled by the contractor to avoid or minimize delays?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6	Was the contractor's field representative responsible in accordance with the contract?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
B. ADHERENCE TO SCOPE OF WORK, SPECIFICATIONS, DRAWINGS, ETC.		Yes	No
1	Were the scope of work, specifications, drawings, etc., complied with?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2	Did substitutions of personnel, material and/or equipment create any problems? If yes, please provide details.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3	Did the contractor maintain records, print-outs, or drawings, etc., as required under the contract?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4	On completion of contract, did the contractor submit all required records, print-outs, drawings, etc.?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
C. QUALITY OF WORK AND MATERIAL		Yes	No
1	Were the personnel used by the contractor and sub-contractors adequately qualified in accordance with the contract to ensure quality of work? If no, please provide details.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2	Did materials used meet all specifications?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3	Did field tests of results of the work, if any, yield satisfactory results in accordance with the contract?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4	Were operational tests made of all tangible work product before being released to the UN, as required under the contract?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5	Were all manuals and operating procedures delivered to the UN in accordance with the contract?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7	Were discrepancies, omissions or poor workmanship, if any, corrected promptly, satisfactorily, and in accordance with the contract?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

D. GENERAL		Yes	No
1. Would you use the contractor again? If not, attach an explanation.		<input type="checkbox"/>	<input checked="" type="checkbox"/>
E. COMPLIANCE WITH SECURITY/ACCESS REQUIREMENTS (where applicable)		Yes	No
1. Did the contractor submit for review all sub-contractors, materials and equipment in accordance with the contract?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Did the contractor submit requests for passes for all sub-contractors and vehicles in ample time for the UN Project Manager to process the request with UN Security in accordance with the contract?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Was the contractor present when all sub-contractors were obtaining their passes and did the contractor adequately inform all sub-contractors of the security conditions and requirements in accordance with the contract?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. If required under the contract, were all workers wearing uniforms and/or identification cards?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Did the contractor give the United Nations the contractually required number of hours or days notice of all changes in personnel and/or working hours?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Did the contractor keep his equipment and material in designated areas?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
COMMENTS, IF ANY			
UN Project Manager _____ Name and Signature _____ Date _____			
Comments by the Requisitioning Office, if different from those of the UN Receiving Officer: A/4: After six month operation ESS has not yet finished mobilizing. B/2: Lead time from Dar Es Salam port closest port to Burundi can go up to 57 days, with a 42 days contractual notice ESS can't comply with the contract.			
Menielle d'Hauthuille Eloi <i>E. d'Hauthuille</i> Name and signature of the evaluating official		22/02/2005 Date	
E. PROCUREMENT DIVISION ACTION			
Reviewed by PD Officer: _____ Name _____ Signature _____ Date _____			
Comments, action if any _____			
Noted by PD Section Officer: _____ Name _____ Signature _____ Date _____			
If required due to unsatisfactory performance, date of review by Supplier Review Committee: _____			
Action taken _____			
_____		Chief, Procurement Division: _____ Date _____	
Specialist records updated by Supplier Roster Officer _____ Name _____ Signature _____ Date _____			

United Nations  Nations Unies

UNITED NATIONS OPERATION IN BURUNDI
OPERATION DES NATIONS UNIES AU BURUNDI

ONUB

Reference: Contract PD/C0128/04

Date: 22/03/2005

PERFORMANCE MEETING MINUTE

This Performance Meeting was held in the presence of Steve Kemp ESS Managing Director UN Missions
Warehouse

DELIVERY

- Milk One 40' container awaited tomorrow; one 20' container on Friday; 2 x 40' containers next week; 3 x 40' containers following. The problem of shortage of milk will sorted out and contingents back delivered. ESS to build a reserve of milk to avoid shortages in critical items.
- Fresh Fruits and Vegetables (FFV) should be segregated from frozen food for deliveries to contingents located outside Bujumbura (NepBatt/Bubanza; PakBatt/Cibitoke; KenBatt/Makamba; EthioBatt/Gitega). ESS had again a meeting with SDV Regional Director, a deadline has been given to SDV, if no additional truck is provided to ESS within two weeks, ESS will sign a contract with another transport company.
- All ESS purchase tasks are centralized in Holland even "local purchase" (Kenya, Uganda, etc) this delays ESS capacity to deliver on time. ONUB Ration Cell suggest ESS to consider the establishment of a centralized control point for all logistics and purchase tasks in support of its contract with the UN. This control point should ideally be based in Eastern Africa (Dar Es Salam or Mombassa). Within the framework of a better Corporate Social Responsibility, 74% of the food will be purchased in the region, ESS Burundi Project Manager will be entitled to purchase without referring to ESS main Office in Cyprus (previously Holland).
- What is solution that ESS can bring to Dar Es Salam port congestion? After ESS meeting with SDV Regional Director, if ESS containers are not cleared within one week, ESS will look for another agent to speed up the process.

DOCUMENTS:

- ESS Stock balance to be given to ONUB Ration Cell not later than two days after end of period of consumption. ESS will provide monthly a stock balance and forecast so that we can follow up their pipeline.

PROJECTS:

- ESS to build a reserve of dry and frozen food. This will be done within one month.
- ESS to build a reserve of bottled water (14 days X 6,768 pax). This will be done within one month.
- Substitution only after ONUB Ration Cell clearance. A list of every possible substitution will be given to ONUB Ration Cell each week for approval.

FORECAST

- Three forklifts, 2x 2T and 1 x 2.5 T will arrive in Bujumbura by mid April.
- Warehousing capacity to improve as soon as racking lost in Dar Es Salam is found and shipped to Bujumbura. Racking have eventually reached Bujumbura, they are being assembled, the installation will be completed by mid April.
- A chiller room will be built due by end of May.

MANAGEMENT:

- To ensure continuity in management to teams will be organized, one comprising the Project Manager and one of the Warehouse Managers, another one with the Senior Warehouse Manager and the Accountant.
- Finally William Glew after having resolved his personal problem in England will stay permanently in Burundi.

cost reduction

- ESS has made a cost reduction proposal in NY, back in October 2004, the counter part was to have a fuel tax exemption provided by ONUB to ESS and ONUB to provide ESS with Requisitions for food 60 days in advance instead of 42 as per contract. NY to up date ONUB Ration Cell on this matter.



Steve Kemp
Project Manager



Steve Kemp
Managing Director
UN Missions worldwide

Eloi Meniolle d'Hauthuille
ONUB / OIC Ration Cell



United Nations  Nations Unies
INTEROFFICE MEMORANDUM MEMORANDUM INTERIEUR

TO: Mr. Christian Saunders, Chief
A: Procurement Service

DATE: 27 April 2005

REFERENCE: 2005-UNHQ-041372

THROUGH:
S/C DE:

FROM: Ian Robert Divers, Chief Supply Section
DE: SSS/LSD/OMS



SUBJECT: ONUB - Contractor Performance Report and Performance Meeting
OBJET: Minutes

1. The purpose of this memorandum is to forward to Procurement Service (PS) several documents submitted by ONUB.
2. These documents relate to certain cases of performance failures by the Contractor. The company ESS has failed to fully mobilise, as per the terms of the Contract PD/C0128/04 (major equipment are still missing and absence of adequate delivery vehicles for frozen items) and to deliver ordered quantities of food items (notably water and milk), which have caused major disruptions. It should be noted that due to the nature of the problems, one of the ESS managers, Mr. Steve Kemp, visited Burundi
3. The first document is the Contractor Performance Report (form PD3). In light of the issue raised by ONUB in this document, we requested the Mission to provide additional comments and details, which are also attached. The documents also include the minutes of the performance meeting held in Bujumbura in the presence of Mr. Kemp dated 22 Mar 05. ONUB will be requested to establish an Action Matrix to progress all issues.
4. PS is requested to revert on the ESS' cost reduction proposal October 2004 at the last paragraph of the performance meeting minutes..

Best regards

cc:

United Nations  Nations Unies

UNITED NATIONS OPERATION IN BURUNDI
OPERATION DES NATIONS UNIES AU BURUNDI

ONUB

TEL: 1 212 963 28 39/42 FAX: 1 212 963 28 40/44
TEL : (257) 21 51 22 FAX : (257) 21 08 69

COMMENTS AND DETAILS PD3

Reference: PD/C0128/04, ESS Rations and Warehouse Management.
Contractor's name: Eurest Support Services.
Contract period: 01/08/2004 to 30/06/2005.

A. CONTRACT COMPLIANCE:

4. Did all material and equipment arrived on time?

The Contractor's schedule to complete its mobilization is two month from the beginning of its operation with ONUB. Three forklifts, a chilled room, two reefer trucks (one positive, one negative) to deliver the Contingents, racking to upgrade ESS warehouse capacity were part of mobilization. Seven month after starting their operations in Burundi none of these equipments are on the field.

B. ADHERENCE TO SCOPE OF WORK AND MATERIAL:

2. Did substitutions of personnel, material and /or equipment create any problems?

a- Personnel:

ESS current Project Manager was not sure to stay at his post in the month of November/December. When he left on leave to resolve personal problems and bargain with his Directors, no hand over note were given to both of the temporary Project Managers ESS sent in replacement. Due to this lack continuity in ESS Management, lots of substitutions and shortages even in critical food items (water, milk) occurred.

1. Milk: past five weeks: 5, 6, 7, 8, 9. (from 24/01/2005 to 27/02/2005).

Despite lots of shortages occurred during week 7, ESS has begun to back deliver. It is

expected that we come back to normal after two more weeks.

Contingent	Quantity ordered (liters)	Quantity delivered (liters)	Discrepancies (liter)
KenBatt (Makamba)	18,161.70	18,164	+ 2.3
KenHQ (Bujumbura)	2,681.14	2,538	- 143.14
MozBatt (Bujumbura)	2,125.00	1,983	- 142
NepBatt (Bubanza)	17,977.50	14,382	- 3,595
NepSF (Bujumbura)	510.00	254	- 256
PakBatt (Cibitoke)	16,022.29	9,637	- 6,385.29
EthioBatt (Gitega)	16,217.80	13,214	- 3,003.8
RSA Batt (Bujumbura)	20,506.25	20,446	- 60.25
PakAv (Bujumbura)	2,157.00	1,377	- 780
JordHosp (Gitega)	903.13	510	- 393
PakHosp (Bujumbura)	1,808.38	2,004	+ 195.62
PakEng (Bujumbura)	2,925.68	1,635	- 1,290.68

2. Water: past 5 weeks: 5, 6, 7, 8, 9. (from 24/01/2005 to 27/02/2005)

Water deliveries came back to normal on Thursday 03/03/2005.

Contingent	liters	strength	Average delivery per man per day	Discrepancies per man per day (liters)
KenBatt	60,522	814	2.65	1.85
KenHQ	10,830	135	2.86	1.64
MozBatt	16,814	180	3.33	1.17
NepBatt	88,860	846	3.75	0.75
NepSF	9,846	80	4.39	0.11
PakBatt	52,976	647	2.92	1.58

b- Equipment:

Delivering frozen and chilled food in a same positive reefer truck can cause damages to the items and get them dangerous for human consumption (time to reach Makamba the most remote Contingent location is four hours, with the Burundian heat even if the food leaves Bujumbura at a temperature of -18 C it cannot reach Makamba frozen). Even though ESS was asked to resolve this problem as soon as possible, only one reefer truck is still delivering chilled and frozen food to the Contingents.

ESS lack of forklifts delays deliveries. Even if UN forklifts are used, if MovCon section cannot release any, it will put ESS and the Contingents in a very uncomfortable situation.

D. GENERAL:

In regard to the two above stated subject, I would not recommend using this contractor again.