

AUDIT

Audit of the project to clear the former Armed Forces ammunition depot in Mitholz

General Secretariat of the Federal Department of Defence, Civil Protection and Sport

KEY FACTS

During the Second World War, an underground ammunition depot was built in Mitholz, in the canton of Bern. In December 1947, there were several explosions, yet experts estimate that there are still up to 3,500 gross tonnes of ammunition and several hundred tonnes of explosives in the collapsed sections of the plant and in the immediate vicinity. An investigation carried out in 2018 on behalf of the Federal Department of Defence, Civil Protection and Sport (DDPS) found that the risks to the local population and the environment were greater than previously thought.

In its dispatch of 16 November 2022 on a guarantee credit for clearing the former Mitholz ammunition depot, the Federal Council requested a guarantee credit of CHF 2.59 billion. In 2023, the National Council and the Council of States approved the requested guarantee credit. The General Secretariat of the Federal Department of Defence, Civil Protection and Sport (GS-DDPS) is responsible for the project to clear the site.

The Swiss Federal Audit Office (SFAO) carried out an audit to check whether the project and its related projects were being managed and controlled in a targeted manner. The audit findings present a positive overall picture. Nevertheless, the SFAO sees room for improvement, especially with regard to risk and quality management. The culture of the project should also be strengthened. The uncertainties and assumptions within the project remain high over the next few years, and the risks will only reduce slowly over the course of the project.

The management and control mechanisms are appropriate, but the project values are not sufficiently embedded

Management and leadership tools, committees and reports have been set up and are being used appropriately by the project participants. The strategic management and decision-making body is in place, along with the steering committee. With the support of a committee of skilled and accomplished experts, it can make well-informed decisions and strategically manage the project.

The heterogeneity of the project organisation, which spans different administrative units, reveals, in some cases, strongly disparate, culturally driven ways of working and thinking, as well as varying degrees of proximity to the project. This was also one of the reasons for the noticeable feeling of discord within the project. The greatest of attention must be paid to these circumstances as part of the overall project management. Practised values, such as mutual respect and strong cooperation, contribute significantly to the success of the project. A shared understanding of how to achieve the objectives should strengthen motivation and support efficiency in the project.

Consistency in risk management not yet assured, overarching quality management concept planned

The project's risk management system has been in place and active since the beginning of 2024, but the measures currently being taken as a result have not yet been finalised. It is not yet possible to carry out a comprehensive impact assessment. However, not all of the risks are fully traceable. In particular, some modifications are required for risks that are consolidated and managed at the overall project level, in order to ensure traceability and consistency and to avoid duplication with risks at the sub-project level.

So far, quality management has been decentralised in the sub-projects and is ensured by the project management team and the project management's planning coordination at a higher level. There is currently no overarching quality management concept in place and this will be developed from 2025.

Total costs and deadlines will be revised in 2025; risks and uncertainties will remain until the site has been cleared

The objectives set for clearing the site are achievable based on the current state of knowledge. Major uncertainties and risks will nevertheless remain until the clearance of the site is actually completed.

The project schedule will be completely revised by mid-2025. This will involve the sub-projects verifying the assumptions and dependencies that have been included so far. From the SFAO's point of view, tight schedules and short deadlines without back-ups mean that scenario planning, which has not yet been carried out, is necessary in order to be prepared for future developments. This will allow possible bottlenecks and dependencies to be seen. Cost risks and deadline risks can be minimised. Furthermore, there is currently no centralised overview of project progress to the planning approval procedure for the clearance of the former Mitholz ammunition depot.

The project costs are managed consistently, and are up-to-date and traceable. The methods and processes are described in the relevant project documents and are appropriate. Selective cost adjustments have already been made in sub-projects. However, a full cost review that takes into account all dependencies has not yet been carried out. This is planned for 2025, after the documents for the planning approval procedure have been prepared.

Inflation and offsetting will be calculated pragmatically. The SFAO can agree to this approach as long as transparency regarding inflation trends, including accruing inflation and inflation forecasts, is guaranteed. This will require further written clarification in consultation with the Federal Finance Administration.

Coordination with the protective structures of the railway and motorway is guaranteed.

The railway and motorway protection projects are fully integrated into the clearance project as sub-projects in their own right under the leadership of experienced specialists from BLS and the Federal Roads Office. Thanks to close integration in the main project bodies, coordination is currently ensured.

Timely implementation of the two sub-projects is important, as the start of the clearance depends on it. The project management team will also have to guarantee and govern good levels of cooperation in the future in order to minimise the risks of delays.