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| **English only** |
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| Report by the Secretary General |
| IMAC REVIEW OF ITU INTERNAL OVERSIGHT UNIT CHARTER |
| I have the honour to transmit to CWG-FHR the review of the Independent Management Advisory Committee (IMAC) of ITU Internal Oversight Unit Charter.Doreen Bogdan-MartinSecretary-General |

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| INDEPENDENT MANAGEMENT ADVISORY COMMITTEE’S REVIEW OF ITU INTERNAL OVERSIGHT UNIT CHARTER |
| **Purpose**This document represents the Independent Management Advisory Committee’s opinion regarding the proposed Oversight Charter, CWG FHR - 16/14.(Prepared by IMAC and transmitted to the Secretariat on 3 November 2023)**Action required**The CWG-FHR is invited **to consider** the report.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**References***Council and CWG documents,* [*C23/5*](https://www.itu.int/md/S23-CL-C-0053/en)*3,* [CWG FHR – 16/14](https://www.itu.int/md/S23-CWGFHR16-C-0014/en) |

In its preliminary comments of the concept note, IMAC recognized that the creation of an oversight department will help ITU enhance its ability to detect, prevent, investigate frauds, malpractices, misconduct, misbehavior and to promote integrity, economy and effectiveness in its programs and operations.

Observations, remarks, and suggestions regarding the draft charter are grouped around the following:

* The composition of the oversight office
* The challenge of independence and conflicts of interest
* The role of IMAC
* Budget and resources
* Form of the charter

**I – Composition of the Oversight Office**

While the principles of complementarity and synergy of resources may make sense, IMAC has advised to ensure that Internal Audit, Investigation and Evaluation are established and distinct practices with functional and ethical separations.

Internal Audit

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve ITU’s operations. It helps ITU accomplish its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of risk management, control, and governance processes.

The internal Oversight Office (OIO) shall conduct its internal audit work in accordance with the Internal Professional Practices Framework (IPPF), including the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing, promulgated by the Institute of Internal Auditors (IIA)and adopted by the Internal Audit Services of the United Nations organizations and with the ITU-OIO policies, standards and guidelines.

Investigations

An investigation is a formal fact-finding inquiry to examine allegations of, or information concerning, misconduct or other wrongdoing to determine whether they have occurred and, if so, the persons and entities responsible.

OIO shall assess and investigate allegations of misconduct involving ITU staff, such as: fraud and corruption; abuse of privileges and immunities; sexual exploitation and abuse; sexual harassments; workplace harassment and abuse of authority; retaliation against staff and whistleblowers and other conduct not in conformity with Standards of Conduct for the International Civil Service.

OIO shall assess and investigate allegations of fraud and other sanctionable actions involving ITU partners, vendors and other third parties.

OIO shall conduct its investigation in accordance with the Uniform Principles and Guidelines for Investigations endorsed by the investigative offices of international organizations and multilateral financial institutions, and with the ITU Guidelines for Internal Investigations and any other applicable administrative provisions including OIO policies, standards, and guidelines.

Evaluation

OIO shall ensure that a learning loop is derived from evaluation findings and recommendations.

Assessment and quality assurance

The Chief Oversight Officer shall develop and maintain a quality assurance and improvement programme that covers all aspects of internal audit and investigation activity and includes both internal and external assessments. An external assessment of each practice shall be conducted at least every five years. [IMAC would recommend having the first series of external assessment of practices under OIO in 2026-2028]. The Chief Oversight Officer shall communicate the results of internal and external assessment and action taken in response to any related recommendations to the ITU SG and IMAC.

**II – Addressing the challenges of independence and conflict of interest.**

Appointment of the Chief Oversight Officer

The chief Oversight Officer’s tenure will be a non-renewable term of seven/eight years without the possibility of employment within ITU at the end of the term.

The Secretary General appoints a technically and professionally qualified individual with relevant experience in internal oversight, preferably in an international environment.

The appointment will be made on the advice of IMAC and after consultation with the Chairperson of the Council. The appointment of the Chief of Oversight can only be terminated for cause after consultation with IMAC and the Chairperson of the Council.

Accountability and Authority

The Chief Oversight Officer functionally reports and is accountable to the Secretary General without prejudice to operational independence in discharging his/her/their responsibilities under this charter.

In discharging his/her duties and responsibilities the Chief Oversight Officer takes advice from IMAC.

The Chief Oversight Officer shall develop an internal oversight strategy that is aligned to ITU’s strategy and the decisions of the Council.

Based on the oversight strategy, the Chief Oversight Officer shall develop a risk based biennial oversight plan considering any risks or control concerns identified by management. The plan shall be updated at least annually and shall be flexible and adaptable to emerging needs and issues. The Chief Oversight Officer shall submit the proposed plan and annual update to IMAC for review and the Secretary General for concurrence. The requirement for concurrence does not prevent OIO from auditing any other area within the purview of its mandate that the Chief Oversight Officer deems necessary.

The Chief Oversight Officer shall report to the Secretary General and IMAC on OIO’s performance against the approved oversight plan and agreed key performance indicators.

Independence and conflict of interest

The Chief Oversight Officer shall exercise operational independence in the conduct of his/her/their duties and shall remain free from any interference, including regarding the selection, scope, procedures, frequency, and timing of OIO’s activities, access to records and the communication of results.

The Chief Oversight Officer shall have free and unrestricted access to IMAC, the External Auditor and the Chairperson of the Council.

The Chief Oversight shall confirm the operational independence of OIO internal audit and investigation activity to the Council on an annual basis.

The Chief Oversight Officer OIO personnel shall not have operational responsibilities for activities subject to OIO’s review.

The Chief Oversight Officer and OIO personnel shall refrain from auditing specific operations for which they were responsible during a period of up to three years preceding the audit.

Allegations of misconduct against the Secretary General shall not be investigated by OIO.

Such allegations should be reported to the Chief Oversight Officer or The Deputy Secretary General who will promptly refer the matter to the Chairperson of the Council. The Chairperson of the Council will decide in consultation with IMAC chairperson to arrange for a preliminary review by an independent external investigative entity.

Allegations of misconduct against the Chief Oversight Officers and the elected officers shall not be investigated by OIO.

Allegations of misconduct against other staff of OIO shall not be investigated by OIO.

The Chief Oversight Officer and OIO personnel shall avoid situations of actual, perceived, or potential conflict of interest that may otherwise impair their judgment in relation to the responsibilities assigned to them. OIO personnel shall disclose any actual, perceived, or potential conflict of interest to the Chief Oversight Officer and/or the Ethics Officer.

Other advisory services should remain within the scope of internal audit, investigation, and evaluation and must avoid any situation of actual, perceived, or potential conflict of interest.

The Chief Oversight Officer shall bring any impairment to OIO’s independence, objectivity, and professionalism to the attention of IMAC.

IMAC provides input to the Chief Oversight Officer ‘s performance evaluation.

**III- IMAC's role**

Highlighted in the above sections I and II

**IV- Budget and resources**

The Secretary General shall ensure that OIO is provided with the necessary resources in terms of appropriate staffing, adequate funds, and appropriate training to achieve its mission and maintain its independence. IMAC advises the Secretary General and the Council on OIO staffing and financial resources.

The Chief Oversight Officer shall have managerial responsibility and control over OIO’s human and financial resources in conformity with ITU regulations and policies.

The Chief Oversight Officer shall select and maintain a cadre of audit, investigation and evaluation personnel with sufficient knowledge, skills, and experience to meet the requirements of this charter.

**V- Form**

The form of the draft charter could be tightened and simplified around the following sections:

1. Mission and scope
2. Internal audit
3. Investigation
4. Evaluation
5. Appointment of the Chief Oversight Officer
6. Accountability, authority, and independence
7. Reporting
8. Resources
9. Cooperation
10. Approval and revision

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