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Report by the Secretary-General

TENTH ANNUAL REPORT OF THE
INDEPENDENT MANAGEMENT ADVISORY COMMITTEE (IMAC)

I have the honour to transmit to the Member States of the Council a report from the Chair of the Independent Management Advisory Committee (IMAC).

Houlin ZHAO
Secretary-General

TENTH ANNUAL REPORT OF THE
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Summary

This tenth annual report of the Independent Management Advisory Committee (IMAC) to the ITU Council contains conclusions and recommendations for the Council's consideration in compliance with IMAC's terms of reference.

As the External Auditor's report was unavailable for review at the time of the 29th IMAC virtual meeting (3-5 May 2021), IMAC's comments and advice on the External Auditor's Report on the 2020 Financial Statements will be presented as an addendum to this report.

Action required

The Council is invited **to approve** the IMAC report and its recommendations for action by the secretariat.

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References

Resolution 162 (Rev. Busan, 2014); Council Decision 615;
IMAC Annual Reports:
C12/44 (First annual report of IMAC to the Council);
C13/65 + Corr. 1 (Second annual report of IMAC to the Council);
C14/22 + Add.1 (Third annual report of IMAC to the Council);
C15/22 + Add.1-2 (Fourth annual report of IMAC to the Council);
C16/22 + Add.1 (Fifth annual report of IMAC to the Council);
C17/22 (Sixth annual report of IMAC to the Council);
C18/22 + Add.1 (Seventh annual report of IMAC to the Council)
C19/22 (Eighth annual report of IMAC to the Council)
C20/22 Rev.1 (Ninth annual report of IMAC to the Council)

1.   INTRODUCTION

1.1.   IMAC serves in an independent expert advisory capacity to assist the Council and the Secretary-General in exercising their governance responsibilities for financial reporting, internal control arrangements, risk management and governance processes, and other audit-related matters mandated by the IMAC Terms of Reference. IMAC therefore assists in enhancing transparency, strengthening accountability and supporting good governance. IMAC does not carry out audit, nor duplicate any executive or audit functions, internal or external, but helps to ensure the best use of audit and other resources within the ITU's overall assurance framework.

2.   MEMBERSHIP AND ACTIVITIES OF IMAC

2.1.   The current composition of IMAC comprises the following members:

- Mr. Kamlesh Vikamsey (Chair)

- Ms. Sarah Hammer

- Mr. Alexander Narukavnikov

- Mr. Honore Ndoko

- Mr. Henrique Schneider

2.2.   IMAC's last annual report to the Council was presented at the 2nd Virtual consultation of councillors (November 2020). Due to the COVID-19 pandemic resulting in restrictions on travel, the meetings of the Committee for 2021 have been organized virtually, on 15-17 March 2021 and on 3-5 May 2021.

2.3.   The Committee has since the last annual report engaged with all areas of its responsibilities, including internal audit; risk management; internal control; evaluation; ethics; the financial statements and financial reporting; and external audit.

2.4.   In the course of its meetings, IMAC held substantive discussions with the Secretary-General and Deputy Secretary-General, the Director of the Telecommunication Development Bureau, the Financial Resources Management Department, the Internal Auditor, the External Auditor, the Legal Advisor, the Ethics Officer, the Strategic Planning and Membership Department, the Human Resources Management Department, the Building Project Division, and other management representatives as appropriate.

2.5.   All reports of the Committee's meetings and its annual reports, as well as other key documents, are available to the ITU membership on IMAC's area of the ITU public website, accessible also via the ITU Council web page.

2.6.   IMAC virtual meetings had to be compressed in terms of timing, to be able to accommodate all members participating around the globe, therefore additional time will be allocated during the next physical meeting -when the pandemic situation will allow, to ensure in depth follow up study of the topics entrusted to IMAC.

2.7.   IMAC members commend overall ITU management's engagement with IMAC in a fruitful process; the readiness and responsiveness of management to address IMAC's questions, as well as the proactiveness in seeking IMAC's advice in several topics of IMAC's scope and expertise. Specific observations and recommendations on the areas of IMAC's responsibility are included within the relevant sections of this report.

PARTICIPATION AT THE 5TH ANNUAL MEETING OF THE UN SYSTEM OVERSIGHT COMMITTEES

2.8.   The 5th Annual Meeting of the UN System Oversight Committees took place virtually on 8-9 December 2020. IMAC was represented by Mr. Honore Ndoko. IMAC considered some follow-up actions. In particular:

- Following the speed of digitization, accelerated by the situation of the COVID-19 pandemic, IMAC would be looking into the risk management aspects, in particular cybersecurity and how cybersecurity risks are addressed at the ITU.

- Highlighting the importance of alignment and progress towards the achievement of the 2030 Agenda and the SDGs, IMAC would also include the topic in the Committee's agenda, reviewing and advising on ITU's contribution.

- Regarding the assessment and evaluation of the work of the Committee, IMAC agreed on an assessment questionnaire, and considered the possibility for a peer-review and evaluation with another UN organization's Committee. A self-assessment has already been undertaken and the key findings/elements are presented in the section below.

2.9.   IMAC recognizes the importance of the platform for the Chairpersons of the UN system oversight committees and appreciates the continued constructive dialogue taking place during the meetings.

IMAC SELF-ASSESSMENT

2.10.   The Committee undertook a self-assessment questionnaire covering a broad number of themes, following the good practice discussed at the 5th Annual Meeting of the UN System Oversight Committees and the respective JIU Recommendation.

2.11.   The members of the Committee are satisfied that collectively, they have the range of skills and professional credentials to provide oversight and ensure that the Secretary General, the Elected Officials, the Secretariat and the Council receive appropriate independent advice on governance, efficiency, risk management, internal controls, audit and integrity.

2.12.   The key findings regarding areas where further improvements could be envisaged include:

- Reinforcing the process of declaration of any conflicts of interest by the IMAC members, not only on an annual basis via the completed and signed form, but also at the beginning of every IMAC's meeting;

- Establishment of a process for the notification of IMAC when a new formal investigation process for fraud is being launched, as well as information on the conclusion, outcomes and follow-up actions of investigations (respecting the legal framework of the organization and the information required for IMAC to exercise its responsibilities);

- Conducting deep-dive discussions on specific thematic topics with the Chiefs of Departments or Heads of Divisions/Services, on an annual basis.

PROPOSED AMENDMENTS TO THE IMAC TERMS OF REFERENCE

2.13.   The Committee initiated the work to propose amendments to the IMAC terms of reference (ToRs), according to the provisions of paragraph 6 of its ToRs (Annex to Resolution 162 (Rev. Busan, 2014)). These amendments will be provided by IMAC following its next meeting, in order to be submitted well in advance to the 2022 Session of Council for approval and further consideration by Member States at the ITU Plenipotentiary Conference in 2022.

2.14.   For this review, IMAC has been benchmarking its ToRs against the JIU benchmarks and best practice from other UN audit/oversight committees. The findings of the following JIU Reports related to the role and responsibilities of the audit/oversight committees are being considered:

- JIU Report Review of Audit & Oversight Committees in the UN System (JIU/REP/2019/6), containing specific recommendations for consideration by the legislative bodies, on the terms of reference of the Committees;

- JIU Review of the state of the investigation function in the UN System (JIU/REP/2020/1, in particular Recommendation no. 6 related to the role of Audit and Oversight Committees vis-à-vis the investigation function).

STATUS OF IMAC RECOMMENDATIONS

2.15.	In keeping with its standard practice, and to assist the Council on the follow-up of action taken in response to IMAC's recommendations, IMAC reviewed the implementation status of its previous recommendations. This is presented at Annex 1.

2.16.	Up to now, 85% of the IMAC recommendations have been implemented, while 9 recommendations (~15%) remain in progress with the secretariat.

**3.	GLOBAL LEADERSHIP AND ROLE OF THE ITU IN THE POST-COVID-19 WORLD**

3.1.	The Committee appreciated the briefing received on the impact of the current COVID-19 pandemic on the functioning and activities of ITU through a summarized preliminary impact analysis, presenting available facts, underlining the lessons learned, and highlighting key aspects for future consideration.

3.2.	The pandemic has brought out the stark reality of the digital divide in the world. As the world noticed the digital divide, it is of paramount importance that each and every human being on the planet has internet access, making ITU's internationally-accorded mandate to 'bridge the digital divide' more relevant and vital than ever. ITU has championed in bringing out this narrative in what needs to be done to bridge the digital divide. IMAC appreciates the role of ITU in the ever increasing digital world we are living in and would advise ITU to continue seeking ways to get connectivity around the whole world, building on ITU's role as a Champion in digitization.

**4.	FINANCIAL MANAGEMENT**

4.1.	IMAC continued to monitor financial issues and discuss developments with the Financial Resources Management Department. Since its last report to Council, the Committee was informed in particular of the development of the draft Budget for 2022-23, the developments in the discussions on how to fund the After Service Health Insurance (ASHI) liabilities at the UN level, as well as the financial risks related to the COVID-19 pandemic situation.

4.2.	The Committee particularly inquired about the cash flow status of the organization, as well as the longer term financial implications of the pandemic, and highlighted the risks associated with the current situation, in particular liquidity, as well as the process of return of equipment provided to staff to enable teleworking. It should be noted, however, that at this stage the management confirms that almost 96% of contributions due were collected in 2020 and the trend is also confirmed for 2021. This reassures the liquidity risk in the short-term period.

4.3.	On the issue of ASHI, IMAC noted management's decision to include provisions in the budget as of 2022 on the funding scheme for new hires.

4.4.   IMAC will continue to engage on the issues with the Financial Resources Management Department.

5.   EXTERNAL AUDIT

5.1.   IMAC continued to engage with the External Auditor on a regular basis, conducting both *in camera* closed meetings with Corte dei Conti, and sessions with the participation of the ITU management as well. Several points and issues have been discussed in depth with the External Auditor during those sessions.

5.2.   IMAC discussed with Corte dei Conti in particular the follow-up to the fraud case in a regional office revealed in 2018, the follow-up actions undertaken by the secretariat, as well as the progress made in addressing the deficiencies that have led to the External Auditor's qualified audit opinion of the 2018 and 2019 financial statements.

5.3.   In the closed sessions, IMAC inter alia received confirmation from the Corte di Conti of their independence. The request was part of the Committee's own due diligence.

5.4.   IMAC has had the opportunity to review the timeline and the themes/areas in the work programme of the proposed audit plan for 2021, and is looking forward to receiving the External Auditor's Report on the Financial Statements for 2020 when available.

6.   INTERNAL AUDIT

6.1.   IMAC continued to advise on and engage with the internal audit function.

6.2.   The Committee received regular briefings from the Head of the Internal Audit Unit, on the current status of work of Internal Audit, the 2021 Internal Audit Plan, and on the Forensic Audit exercise conducted by PWC.

6.3.   IMAC had previously recommended in its 2020 Annual Report to Council, that the Internal Audit Unit needs to be considerably strengthened from a resource point of view, coverage, and adequacy of processes.

6.4.   The Committee therefore appreciates the strengthening of the resources of the Internal Audit Unit by enhancing the resource to a Senior Internal Auditor post, in place of the retired Audit Assistant's position. IMAC is looking forward to the prompt fulfilment of the post, so that more focus is given to direct audit work. The Committee will therefore continue to oversee the implementation progress of its recommendation on this issue.

6.5.   IMAC further inquired about the process followed for the development of the Audit Plan. The Committee advised to continue following a risk-based audit approach while building the Audit Plan, which involves the assessment of the risks in the internal audit universe, ensuring the audit coverage of the key risk areas over a period of time (e.g. 3-5 years). IMAC suggests that compliance and advisory work should be based on risk assessment and specific oversight needs, and direct audit work should remain the main focus in the determination and implementation of the work programme.

6.6.   At its 8th Annual Report to the 2019 Session of Council, IMAC had highlighted that the secretariat had declined the request for a copy of the full investigation report and all relevant documents following the fraud case in a regional office, which would enable IMAC to discharge its

responsibilities under the terms of Resolution 162 (Rev. Busan, 2014), in advising Council on the effectiveness of the ITU's internal control systems. Finally, IMAC was provided with a redacted version of that investigation report, some 14 months after the fraud had been detected.

6.7.   The Committee appreciates the steps taken by the secretariat in enhancing the timely information sharing process, which will enable IMAC to discharge its responsibilities, while respecting the ITU legal framework.

7.   FOLLOW-UP ACTIONS TO THE FRAUD CASE IN A REGIONAL OFFICE / WORKING GROUP ON INTERNAL CONTROLS

7.1.   The Committee continued to receive detailed briefings on all the follow-up actions related to the fraud case in a regional office, from the Chair of the Working Group on Internal Controls, Director of the BDT, and the senior management team comprising the group.

7.2.   IMAC reappreciated the plan put forward by the group, and the significant mobilization of resources across various entities of the secretariat, supporting a considerable amount of work, with all the actions moving in the right direction.

7.3.   The Committee was pleased to see considerable progress in improving organization-wide internal controls, established at the Telecommunication Development Bureau and the regional setting, and being applied organization wide: from strengthening BDT internal control procedures (strengthening fellowship controls, travel plans, control of consultants' work, strengthening of travel procedures, strengthening of the oversight at the project level – and the creation of a BDT Project Board, asset management for projects), to strengthening the financial and procurement procedures (new procurement procedures for orders less than 20'000 CHF, procurement manual, monitoring of cumulative Purchase Order amounts per vendor, reinforcement of petty cash control, management of bank accounts and cash in ITU's Regional/Area Offices), and measures established on governance, ethics and fraud detection (Policy against fraud, corruption and other proscribed practices, Investigation guidelines, Provision with respect to due process in case of fraud in project agreements, Inspection of Regional Offices' projects, strengthening sponsorship policies, Whistleblower protection Service Order, enhancement of the financial disclosure, Staff Mobility Policy).

7.4.   IMAC commends the involvement of the senior management team in the entire process and observes the improvements resulting from the work undertaken and the controls in place.

7.5.   IMAC notes that the results of this work represent a major step towards the closure of the case and the deficiencies previously identified, and encourages management to expeditiously complete the few pending and ongoing remedial actions.

8.   REGIONAL PRESENCE REVIEW FOLLOW-UP

8.1.   IMAC engaged in comprehensive briefings from the Director of the BDT and the Deputy to the Director, on the Recommendations made by PWC in the Review of the ITU Regional Presence.

8.2.   The Committee appreciates the decision to set-up the Ad Hoc Group of the CWG-FHR to focus on the important subject of ITU Regional Presence. IMAC looked into the Terms of Reference of the Ad-Hoc Group, and followed the work of the group.

8.3.	IMAC would have appreciated if the PWC Report would have focused more on a strategic approach and on providing conceptual responses to the questions regarding the role, the effectiveness and the efficiency of ITU's regional presence.

8.4.	The Committee appreciated management's approach and the internal mechanism set up to promptly respond to the specific recommendations, which support and reinforce the ITU's reform agenda.

8.5.	IMAC would appreciate that the Ad Hoc Group of the CWG-FHR looks into primarily the strategic issues of regional presence of ITU to enhance the delivery of ITU's mandate across the world. Given the importance of the subject, IMAC encourages the Ad Hoc Group to take bold decisions though they may have financial implications.

8.6.	IMAC therefore wishes to invite the Council to engage in the process and review the topic not only from a financial and cost perspective, but also with a strategic approach, in order to take the appropriate pending decisions that will provide strategic guidance to the secretariat and will enable effective implementation of the recommendations that will improve and modernize ITU's regional presence.

## 9.	ITU HEADQUARTERS CONSTRUCTION PROJECT

9.1.	IMAC continued to receive regular briefings from the Head of the Facilities Management and Building Project division, on progress and developments in the ITU's HQ premises construction project.

9.2.	IMAC is pleased to note that the project implementation so far has been under control, and that the financing package has been completed.

9.3.	IMAC will continue to monitor progress, given the importance of the project and the risks involved.

10. DIGITAL TRANSFORMATION INITIATIVE

10.1.	The Committee received a comprehensive briefing by the Deputy Secretary-General on the Digital Transformation Initiative, which was set up as an umbrella project to be carried out by a phased approach on prioritizing "what to transform", and then determining "how to transform it".

10.2.	IMAC also strongly supported the need for ITU to become a leader in this area within the UN system. The Committee noted that the digital transformation should be an ongoing and constant process and focus for the ITU, and highlighted the importance for it to go across the organization.

10.3.	The Committee underlined how the digital transformation is contributing towards the concept of One ITU, and advised that specific resources should be allocated on this initiative.

> **Recommendation 1 (2021):** IMAC recommends that ITU pursue the digital transformation initiative and encourages ITU to mobilize resources for its endeavor to become a leader in this area within the UN System, and set an example for other agencies to follow.

11. ETHICS OFFICE

11.1.   IMAC continued engaging with the Ethics Officer and receiving regular briefings, discussing the developments and progress of work. The topics covered included the handling of the financial disclosure statements from all staff, the role of the Ethics Office in handling the preliminary reviews of allegations concerning misconduct, the focus to strengthen the frameworks and facilitating the reporting process, the ongoing trainings and the new whistle-blower policy.

11.2.   The Committee appreciated the work of the Office and provided advice in terms of the workload related to the processing of the financial disclosure statements.

11.3.   IMAC raised a number of questions regarding the role of the Ethics Office in conducting preliminary reviews of reported allegations, in terms of resources available for normal ethics work, monitoring and follow-up.

11.4.   The Committee would reemphasize the importance of the Ethics function and expects that resources provided would continue to be appropriate to support the full span of the work programme of the Ethics office.

12. INVESTIGATION FUNCTION

12.1.   At its 9th Annual Report to Council 2020 the Committee's had pointed out as a matter of priority, the need to have a dedicated resource on investigation. IMAC appreciates the establishment of the post and is looking forward to its prompt fulfillment and full functioning.

13. RISK MANAGEMENT AND THE ITU COMPLIANCE DASHBOARD

13.1.   IMAC continued to follow closely the developments in the ITU risk management arrangements and the implementation of the action plan to strengthen them.

13.2.   The Committee appreciated the progress and the conclusion of the action plan, and highlighted the need for the risk register and the risk management dashboards to be utilized by a critical mass within the organization, to be actively monitored and to avoid becoming a static tool.

13.3.   The Committee also noted the development of the ITU Compliance Dashboard. IMAC appreciated the development of the tool and highlighted the importance to have clear ownership and buy-in from all managers to make this an actionable tool. The Committee suggested to make an assessment of the use of the tool in a year's time.

14. PROJECT IMPLEMENTATION BY THE TELECOMMUNICATION DEVELOPMENT BUREAU

14.1.   IMAC received a detailed and comprehensive briefing on the establishment of more robust project management practices in the Development Sector, in particular with the establishment of the Project Management Board, the strengthening of the project management skills, and the improved control and monitoring mechanisms. The Committee had the opportunity to also discuss some of the remaining challenges related to evaluation, project closure and application of the new procurement guidelines.

14.2.   The Committee appreciated the efforts undertaken by the secretariat and provided advice on overcoming some of the challenges. In particular, IMAC suggested for the cases of bigger projects to consider introducing assurance processes at the local implementation level, to provide additional

checks and balances and report back on the quality and cost of the project. Similarly, the Committee highlighted the need for a comprehensive evaluation strategy, which would also then need to become an organization-wide initiative, and which would enable the organization to learn from past experience and reassure the donors on the impact of the funded projects. Such undertakings could be incorporated and be part of the project financial envelopes.

15. EVALUATION FUNCTION

15.1.   The Committee reviewed the previous developments and the drafting of the evaluation policy and guidelines in 2017, the progress and the current status of evaluation in the organization.

15.2.   As also highlighted in the previous section, IMAC wishes to reiterate the importance of evaluation and the need for the organization to pursue it in a more focused way, strengthening the evaluation culture across the organization, with tone from the top, and gradually making evaluation part of every major initiative and project.

16. WORKING AS ONE ITU

16.1.   As highlighted in its 9th Annual Report to Council 2020, IMAC will continue to follow up on the concept of "One ITU", in order to provide any advice on enhancing the management processes in this direction.

16.2.   Overall, the Committee has taken note and appreciated initiatives that are organization-wide and contribute to that direction.

## 17. ENGAGEMENT WITH ITU MANAGEMENT / OTHER MATTERS

17.1.   In accordance with its usual practice, IMAC continued to engage with the ITU Secretary-General on the Committee meeting's deliberations and observations, including areas where management may need to pay particular attention. IMAC notes the open and fruitful discussions with the Secretary-General, and highly appreciates his engagement, commitment and reaction to the issues raised by the Committee.

17.2.   IMAC members wish to express their continuing appreciation to the Deputy Secretary-General, the Directors of the Bureaux and the ITU officials for their support, cooperation and positive attitude in supporting the effective functioning of the Committee. In particular the Committee is appreciative of the commendable secretariat support and the teleconference and video facilitation and support provided for its virtual meetings during the COVID-19 pandemic period.

17.3.   The Committee wish to also express their appreciation to the Member States and the Council for entrusting IMAC members with these important responsibilities.

17.4.   IMAC's membership, responsibilities, terms of reference and reports are available on the IMAC area of ITU's public website: http://www.itu.int/imac

ANNEX 1: IMPLEMENTATION OF IMAC RECOMMENDATIONS
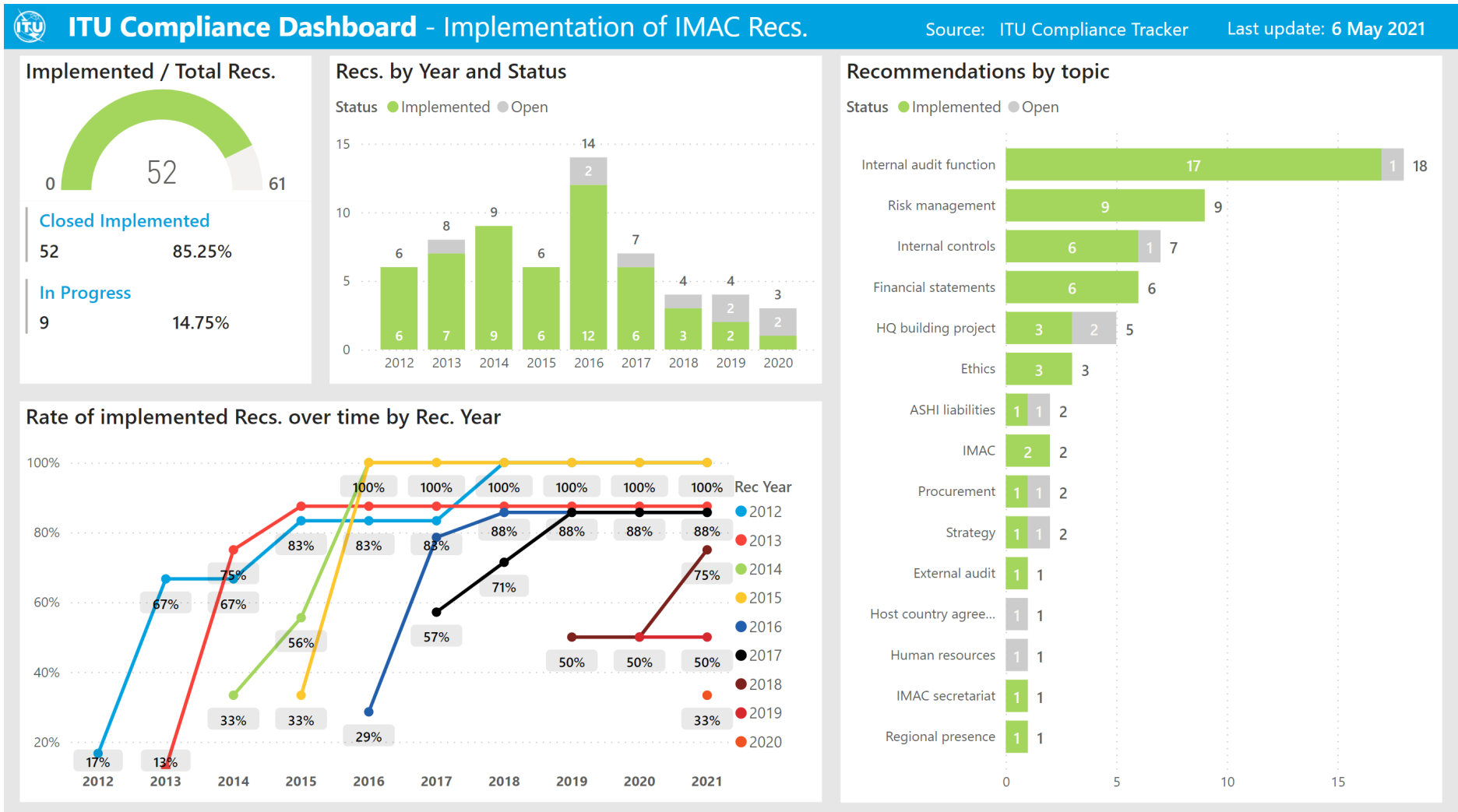
STATUS OF OPEN IMAC RECOMMENDATIONS

Rec. ID	Recommendation	Status	Actions Taken by management	Dept.	Rec. Date
IMAC 2013/6	IMAC recommends that ITU consider imposing and enforcing a clear and well understood timeframe for the negotiation and signature of Host Country Agreements (HCAs) for its regional and Area offices, beyond which alternative measures should be considered.	In Progress	A formal Host Country Agreement for the Area Office in Indonesia (for which there was no formal agreement) has been signed in April 2017 after 8 years of negotiations. A revision of the Host Country Agreement currently in force for the Regional Office in Bangkok may also be finalized soon – the most recent follow up was through a letter to the Tai Authorities by the Director of the BDT. Finally, the negotiations for the conclusion of a Host Country Agreement for the Area Office in Chile are kept pending.	BDT	Jun-2013
IMAC 2016/4	IMAC recommends that the ITU management follow the discussions of the UN working group on the ASHI issues and establish a plan for funding these liabilities for the future.	In Progress	ITU was part of the UN ASHI working group. This topic is finalized and transmitted to the UN Secretary General. All comments received from HLCM members during the review of the draft report have been reflected in the final report to the extent possible. The report has not been presented to the UN assembly as initially forecasted. To replace the UN ASHI working group, there is a current discussion to create a new UN medical health insurance group but no decision has been taken up to now. ITU is still following the discussion in the UN IPSAS task force and will keep IMAC informed on further development. It is worth mentioning here that the ASHI fund was set up as on 01 January 2014 and as at 31 December 2020 balance stands at CHF 13 million.	FRMD	Jun-2016
IMAC 2016/13	IMAC recommends that the ITU consider the benefits of seeking support from an independent professional expert in the process of assessing the market value and negotiating the sale of the ITU Tower. The Committee recommends the acquisition of dedicated internal and external project and risk management expertise for the undertaking of this project.	In Progress	Following Council 16 Decision 588, instructs 11: the market valuation of the Tower for sale will occur at a time after Switzerland's response to ITU's request for the second loan tranche is received and before the potential disposal of the Tower, balancing the earlier availability of such valuation information and its coherence with dynamic market conditions. The valuation will be performed by an independent external expert under ITU's management. Any solicitation of potential acquirers, and disposal of the Tower will likewise be made with independent external expert consultancy. The recruitment of a dedicated project team has been finalised and is in place (a risk register has been developed and maintained, both internal and external resources involved).	FMBP	Jun-2016
IMAC 2017/7	IMAC recommends that ITU considers the merits of engaging auditing capacity with particular expertise in this area and, in due course, conducting an independent audit on the account established for the construction of the building.	In Progress	The project management set-up foresees a global oversight mechanism, including the Member States and internal ITU functions. To this end, a new division called "New Building Project Division" has been created in the Secretary-General's Office and under the supervision of the Deputy Secretary-General. The dedicated project team is headed by the P5 Senior Construction Advisor supervising a team composed of an A&E (Architecture and Engineering) Coordinator (P3) with a construction and technical background and an administrative assistant (G6). The recently externally recruited procurement officer (P4) with specific experience in the area of procurement of construction projects is dedicated to the project but works under the supervision of the head of procurement. The New Building Project Division is effective since 1 April 2019. The External Auditor will focus on the financial audit of the account established, while the project is in the list of items that the external auditors will be considering in their audit plan this year.	IAU	Jun-2017

IMAC 2018/2	IMAC recommends that ITU move towards an alignment of the operating model, people strategy and focus areas, with the Union's strategic vision. This will ensure ITU has a fit-for-purpose organization given the speed of digitalization and the development of the information society. IMAC remains available for advice.	In Progress	HRMD has developed and is implementing the ITU People Strategy 2020-2023 and the HR Strategic Plan. In the context of HLCM, JIU/REP/2019/4 and the disruptive post-COVID, the ITU Skills Gap and Cultural Diagnosis programme and the Leadership Cultural Assessment programme aim at strengthening ITU capacity, to ensure that ITU continues leading the ICT ecosystem. Both programmes they look at internal capacity (ITU managers and staff) and external capacity (the way ITU members and staff interact with external stakeholders and memberships). The ITU Skills Gap and Cultural Diagnosis and the ITU Leadership Cultural Assessment are designed and implemented based on a consultative and inclusive approach across ITU. The Action Plan and Recommendations from the projects will be considered by management beginning of May 2021.	SPM	Jun-2018
IMAC 2019/1	In order to reduce the risk of fraud, irregularities and reputational damage to the organization, IMAC recommends that ITU should establish improved arrangements with sensible control mechanisms to achieve effective supervision, and enforce accountability when adequate supervision and management oversight is neglected. This should be a matter of key priority.	In Progress	The BDT Director convened a Working Group of senior managers to review and strengthen internal controls on governance, ethics/fraud detection and key procedures. Numerous control measures, guidelines and policies were implemented in 2019 and 2020. Measures to be finalized in 2021 include: a new e-recruitment system and procedures; integration of key functions into SAP; declaration of interest and whistle-blower training; and review of accountability framework.	BDT	Jun-2019
IMAC 2019/4	IMAC recommends that ITU rigorously apply the requirements of its procurement guidelines and observe all mandatory architectural guidelines in relation to all sponsorship or donation-funded construction elements of the project.	In Progress	Following Add/Council 19 Decision 619, instructs 10: to continue to abide by the highest standards in terms of ethics and procurement in all bidding procedures organized throughout the project. Procurement process for the establishment of the General Construction Contract (Contrat d'entreprise general) will be performed in line with the instructions following the Procurement Manual and the ITU Financial Rules and Financial Regulations.	FRMD	Jun-2019
IMAC 2020/1	Internal Audit in any organization is the Third Line of Defense providing assurance for the organization's risk management and internal control processes; IMAC recommends that the Internal Audit Unit needs to be considerably strengthened from a resource point of view, coverage and adequacy of processes.	In Progress	VN published on 15 Feb 2021, selection process ongoing throughout Q2 and Q3 2021 according to HR recruitment procedures.	IAU	Dec-2020

| IMAC 2020/2 | IMAC recommends that the management should review the ongoing process of addressing the strengthening of the HRMD ERP system and look into the issue as a matter of priority with the best suitable solution. | In Progress | ITU supports the recommendations on the reinforcement of integrating the existing business processes into the ERP system for reducing manual processing and introducing more automation, with an objective of simplification, reduction of time processing, and reduction of risks. All bug issues (following ICSC changes and new rules) have been fixed. The last ones will be deployed for April 2021 payroll. New functionalities have been deployed: New UNSMIS reports, Automated generation of Letter of appointment and extension of the contract, Education grant HR modules. The Education Grant posting to the accounting module should be deployed before June 2021. The implementation of identified new functionalities continues Implementation of the UNJSPF Universal ID, New version of UNJSPF Yearly reports. New priority projects which were not on the list of 2020 have been launched (deadline end 2021): New ITU Recruitment Management System, New ITU Learning Management System, Migration of the Experts' BDT management system to SAP-ERP. | HRMD | Dec-2020 |

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