

# Board of the Centre

85th Session, October 2021

CC 85/5/3

FOR DISCUSSION AND GUIDANCE

## FIFTH ITEM ON THE AGENDA

### Report of the Chief Internal Auditor for the year 2020

#### I. Introduction

1. The Office of Internal Audit and Oversight (the IAO) of the International Labour Office provides internal audit and investigation services for the Centre. Chapter VIII, article 18(d) of the Financial Regulations stipulates that the Director of the Centre shall maintain an internal financial control and internal audit. The IAO's mandate is established under article 14.10 of the Centre's Financial Rules, which specifies that "the Internal Auditor shall carry out such independent examinations and make such reports to the Director or persons designated by the Director... in order to ensure an effective internal audit in accordance with Chapter VIII of the Financial Regulations."
2. IAO's vision is to enhance and protect the Centre's value to its constituents and other internal and external stakeholders by providing independent and authoritative risk-based assurance, advice, investigations and insight.
3. The IAO does not develop or install procedures or engage in any activity that it would normally review or appraise or which could be construed as compromising either its independence or objectivity. The IAO has full and free access to all records, personnel, operations, functions and other material relevant to the subject matter under review.
4. The IAO's activities conform to International Standards for the Professional Practice of Internal Auditing, the Uniform Principles and Guidelines for Investigations endorsed by the Conference of International Investigators of the United Nations Organizations and Multilateral Financial Institutions, and the IAO's standard operating procedures for investigations.
5. The Chief Internal Auditor confirms his independence and that the IAO's activities have been carried out free from interference by management and other stakeholders.

#### II. Summary of Audit Results

6. In 2020, due to the protracted COVID-19 situation, the IAO could not visit the Centre. However, in late 2020 the IAO began a remote audit of the pavilion renovation works at the Centre and issued the audit report in June 2021. The audit focused on the pre-qualification

phase of the tendering process to select a qualified building contractor to renovate the Africa 10 and 11 pavilions. IAO will report on the results of this audit in the Report of the Chief Internal Auditor for the year ended 31 December, 2021.

### III. Audits Planned in 2021

7. Since the Centre's response to the COVID-19 situation involves adapting its business model to focus more on digital services, the IAO plans to conduct an audit of digital governance in 2021. IAO also plans to conduct a second audit of the pavilion renovation works and will focus on the tendering process and construction elements of the renovation, provided that the project is sufficiently advanced and that the Centre's management agrees it is safe to visit the Centre. Given the high-risk nature of significant capital projects and the tight timeframe to complete the works at the Centre, IAO will conduct further audits of the renovations works.

### IV. Investigations

8. In 2020, IAO received one allegation of misconduct on the part of a Centre official. The fact-finding has been completed and the report is being finalized.

Turin, September 2021