

**GB 340, PFA 9, Report of the Chief Internal Auditor for the year ended 31
December 2019
FINAL IMEC statement, 14.10.2020**

1. IMEC would like to thank the Office for the report of the Chief Internal Auditor for the year ended 31 December 2019, PFA 9, and also the virtual briefing held on 25 September. This was a very useful session which helped to supplement the report and we would welcome such briefings again in the future. Like in previous years, we would like to express our appreciation for work of the Chief Internal Auditor and the Office of Internal Oversight and Audit (IAO) that is so vital for the overall health of an organisation. Therefore, we encourage the Office to implement all audit recommendations in a timely manner. However, we draw attention to the following areas in particular.
2. IMEC is pleased the mandate of the IAO has expanded to include the authority to conduct investigations into allegations of Sexual Exploitation and Abuse and also retaliations against whistle-blowers. IMEC would like to underline the importance it places on timely and transparent investigations of such allegations. Whilst we note the backlog of investigations has reduced we remain concerned that a number of investigations are still to be resolved. In line with the recommendation made by the Internal Oversight Advisory Committee we encourage management to ensure adequate staffing and resourcing are dedicated to address this backlog.
3. Risk management at all levels is key for improving the transparency of ILO work and internal control. The IAO encourages further monitoring and updating of risks on a regular basis as a recurring managerial task. Strengthening and further integrating risk management into each manager's strategy and planning is essential. The strategic risk register is a practical tool for assessments of the risks that the Organization faces in its operations. By documenting risk assessments at the early stages of project formulation would help to inform decisions on project design and follow up of the implementation. In addition to IAO recommendations, we encourage the Office to review a recent report from Joint Inspection Unit (JIU) on *Enterprise risk management: approaches and uses in United Nations system organizations* and consider JIU recommendations as appropriate.
4. IMEC would like to welcome the focus on IT security that is noted several times in the report, both at field and HQ level. Given the current context and an increasing reliance on IT the recommendations are even more critical and we would urge the Office to implement fully the recommendations of the IAO without delay.

5. IMEC notes positively the conclusion of the external review of the building renovation project and would support the recommendation in relation to the type of bank guarantees provided by contractors for future projects.
6. IMEC would like to share the concern of the IAO relating to the rapid growth in development cooperation projects. Rapid and large increases place additional pressure on internal control measures and may result in high risks. IMEC would like to support the recommendations raised in paragraph 44.
7. IMEC notes that in 2019 the IAO begun a performance audit dedicated to contracting of external collaborators. External contracting makes up a sizeable amount of expenditure for the Office and plays a large role in the delivery of services at both headquarters and in the field. IMEC looks forward to learning more about the findings of this audit at the earliest appropriate moment.
8. IMEC supports the point for decision.