

**Governing Body – 341<sup>st</sup> Session, March 2021**  
**Programme, Financial and Administrative Section**  
**Audit and Oversight Segment**

**Workers' Group Comments**

**Document for Ballot by Correspondence**

**GB.341/PFA/8**

**Report of the Independent Oversight Advisory Committee**

We thank the IOAC for its annual report. We welcome the Committee's satisfaction on the timely submission of the 2019 consolidated financial statements, the completion of the external audit with an unmodified audit opinion, the streamlined risk management framework and the content of the statement of internal control.

We also noted that the IOAC complimented the ILO management for swiftly activating the business continuity and crisis management plan in response to the pandemic.

We support Recommendation 1 and trust that the skills-mapping exercise being undertaken by HRD and the Business Innovation Unit will allow the Organisation to fill gaps through upskilling and external recruitment. It will also be important to consult the staff union in this regard.

We endorse Recommendation 2 to make the process of reporting wrongdoings less bureaucratic as well as recommendations 3 that deals with enhancing the clarity of the ILO response to the recommendations made by the External Auditor with a view to better assess their implementation.

With reference to Recommendation 4 and the External Auditor's report concerning improvement on the controls and procedures in engaging external collaborators and on human resources management, in particular in the areas of recruitment and staff mobility, we understand that the Office is following up on these recommendations. We understand that the Office has undertaken a comprehensive review of the external collaborator contract procedures in 2019 and that the revised draft version of the Office Directive has addressed the recommendations on the determination of fees, improvement of terms of reference, and the need for a competitive selection process. We are looking forward to the results of the specific performance audit on external collaboration contracts that the Internal Auditor conducted in 2020 following which the Office Directive will be finalized.

We are glad that the IOAC is satisfied with progress made on the three outstanding recommendations from the 2019-20 report.

We thank the IOAC for the consultations held in 2020 on the proposed amendments to the IOAC's terms of reference in response to the recommendations of the JIU to reflect current best practices within the UN system.

Concerning the changes in paragraph 2 c), we wish to recall that the Workers' Group has always been opposed to give the oversight of the evaluation function to the IOAC as evaluation has political implications that need to remain within the remit of the

Governing Body. Therefore, we agree with the amendments on the clear understanding that the IOAC will not have oversight of the evaluation function and that the work plans of the evaluation unit will only be used to ensure coherence between internal oversight functions.

We understand that the deletion of “*conflicts of interest*”<sup>1</sup> in paragraph 3 g has been proposed to ensure that the reference to “*ethical conduct*” is not only limited to conflicts of interests, but also includes other types of ethical conduct. We can support this and other changes aimed at ensuring the independence of the ethical function.

Our Group welcomes the proposed induction programme proposed in paragraph 25 which would ensure quicker and more efficient guidance to the members. These briefings should be provided at no financial costs.

We agree with paragraph 30 that proposes to increase the number of meetings to up to four, if necessary, with the fourth meeting being virtual unless the budget allocation allows for an in-person meeting. We can support the reference to the three official languages of the ILO, namely English, French and Spanish rather than to working languages. (the Office has seven working languages.)

We support the proposed changes in paragraphs 37 and 38 dealing with self-assessment and review of the Committee’s terms of reference.

We agree with the additions in paragraph 42, which reflect the current practice of including the budget of the IOAC in the ILO biennial budget.

We can therefore agree with the revised terms of reference.

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<sup>1</sup> Office guideline IGDS Number 68 (Version 1) 17 June 2009 Conflicts of interest  
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