



Summary Report of the 30th IMAC (virtual) meeting

Present: Mr Kamlesh Vikamsey (Chair), Ms. Sarah Hammer, Mr Honore Ndoko, Mr Henrique Schneider, Mr Alexander Narukavnikov

1 Introduction

- 1.1 The thirtieth IMAC meeting was held virtually from 4 to 6 October 2021.
- 1.2 In this summary report the terms IMAC and Committee are used interchangeably.

2 Declaration of absence of any conflicts of interest

- 2.1 Members of IMAC declared the absence of any conflicts of interests during the internal IMAC session at the beginning of the meeting.

3 Review of Status of IMAC Recommendations

- 3.1 IMAC reviewed the status of implementation of the IMAC Recommendations. Up to now, ~84% of the IMAC recommendations have been implemented and closed (52 in total), while 9 recommendations (~14.5%) remain in progress with the secretariat. One (1) recommendation has been reported as implemented by the secretariat and IMAC will review its implementation status at the next IMAC meeting.

4 Proposed amendments to the IMAC Terms of Reference

- 4.1 The Committee discussed the proposed amendments to the IMAC terms of reference (ToRs), which were submitted for Council's consideration back in 2018, in advance to the 2018 Plenipotentiary Conference (PP-18). At PP-18, no amendments to Resolution 162 were made, as no formal proposal to revise Res.162 had been submitted by any Member State.
- 4.2 IMAC, as per the provisions of its ToRs, will share with the Council these proposed amendments well in advance to the 2022 Session of Council, for approval, and further consideration by Member States while preparing their proposals for the ITU Plenipotentiary Conference in 2022 (PP-22).

5 Financial management issues

- 5.1 IMAC received a briefing from the Financial Resources Management Dept. (FRMD) on the key financial management issues.
- 5.2 The Committee received a briefing on the process for the elaboration of the Financial Plan for 2024-2027, as well as discussed some further developments on the budget implementation.
- 5.3 The Committee expressed its interest to follow-up and receive specific briefings on the elaboration of the 2024-2027 Strategic and Financial plans, as the process is moving forward, and expressed the availability of the members for an additional IMAC session on this important topic.

5.4 The Chief of FRMD presented the current status of the documents previously shared and reviewed by IMAC: a) the ITU Accountability Framework, and b) The In Kind Contribution Guidelines, and discussed with the Committee the specific comments previously received.

5.5 The Committee also held a private (closed) meeting with the Chief of FRMD.

6 Update from the Ethics Office

6.1 IMAC received a regular briefing from the Ethics Officer and discussed the developments and progress of work. In particular, the topics covered included the implementation of the whistle-blower policy in ITU and the handling of the financial disclosure statements from all staff.

6.2 On the whistle-blower protection policy, the Ethics Officer informed IMAC that the new policy is operational since last September. No formal reports of retaliation cases have been reported, while the Ethics Office continues to respond to inquiries from staff who seek clarifications and advice. The training and awareness raising process is also ongoing.

6.3 On the processing of the financial disclosure statements, the Ethics Office reported that 99% of the statements had been collected, while it would worth looking into outsourcing and working on a new online system as of next year, as this has been a challenge for the current internal resources. The Committee was pleased with the high percentage of participation and discussed the benefits of a mechanism that would keep records and report back.

6.4 The Committee discussed the need to build an entire organizational speak-up culture, which should not only depend on the openness of staff, but should be supported by organizational processes that enable that culture.

7 Update from the Internal Audit Unit

7.1 IMAC received a briefing from the Head of the Internal Audit Unit, on the current status of work of Internal Audit.

7.2 IMAC noted the advancements in the staffing situation, with the fulfilment of the Senior Internal Auditor position, and the intention to fill-in the now vacant P3 post at the earliest possible. The Committee appreciated the efforts of the Secretary-General to ensure the strengthening of the Internal Audit Unit, responding also to the recommendation previously issued by IMAC, and noted that it would further monitor the situation to advise on the Internal Audit capacity and the results produced.

7.3 The Committee noted the two Internal Audit reports on the *'Inspection of Employees Entitlements'* and on *'Audit of Programmes, Projects, and Supplementary Activities (PPSA) funded by Voluntary Contributions and Funds'*. IMAC highlighted the importance of the key findings of the reports and emphasized the necessity to take up the Recommendations with ITU management, and look at the follow-up actions for their implementation.

7.4 Members of IMAC were looking forward to the articulation and organization of the Internal Audit plan for next year and made themselves available to Internal Audit for any urgent topics.

8 Update on the Forensic Audit Report

8.1 The Head of the Internal Audit Unit provided an update on the submission, status and follow-up to the Forensic Review Report. IMAC was also briefed on the discussions related to the Report during the meeting of the Council Working Group of Financial and Human Resources in September 2021.

8.2 The Committee expressed their will to hear more from ITU management and the various functions on the follow-up actions and the status of their implementation at its next meeting.

9 Briefing with the External Auditor

9.1 IMAC received a briefing from Corte dei Conti (External Auditors) on the status and progress towards concluding the External Auditor's report for the 2020 Financial Statements.

9.2 The External Auditors explained the reasons why their Report for the Financial Year 2020 had not been yet completed, and expressed their intention to present it before the end of the year for the consideration by the 2022 Session of Council.

9.3 Corte dei Conti also shared with IMAC their views on the PWC Forensic Review report and discussed some elements they would have expected from this report, including a physical visit to the regional office where a fraud was discovered in 2018, a more detailed quantification of the fraud and further investigative work related to this case.

9.4 IMAC highlighted the need to conclude the External Audit as soon as possible and within 2021, as ITU had not yet concluded the External Audit following the Covid-19 pandemic situation.

9.5 IMAC had also a closed confidential session with the External Auditors. In this closed session IMAC inter alia established the independency of the Corte dei Conti as part of the committee's own due diligence.

9.6 After their private session with Corte dei Conti, IMAC members extended an invite to the External Auditors for members of the Committee to meet the External Auditors in person during their following visit to the ITU premises in Geneva.

9.7 IMAC delegated one of its members to have an on-site conversation with the External Auditor.

10 Update on agreed process of information about investigations

10.1 IMAC received a briefing from the Chief of the Legal Affairs Unit and the Chief of the Human Resources Management Dept. on the process of communicating to IMAC information on cases of investigation.

10.2 The Committee appreciated the process put in place, which involves three steps:

- First step: The Head of the Investigation Unit will inform IMAC as soon as a case of fraud involving a potential financial exposure for the ITU has been detected, provided that the allegations have been deemed credible after a prima facie examination by the Ethics Officer. At this stage, a written note limited to a general contextualisation will be provided to IMAC. At the request of IMAC, the Committee will be able to hear, in an "in camera" meeting, the Head of the Investigation Unit who can provide additional explanations on the case. During the first step of the process, and unless the Secretary-General decides otherwise, the Head of the Investigation Unit will be the sole interlocutor with the IMAC.
- Step 2: IMAC will be Informed by a note from the Head of the Investigation Unit of the findings of the formal investigation report and, if it reveals systemic or control failures or even suspicions of such failures, the redacted investigation report will be provided to IMAC. At this stage, and at their request, the IMAC will be able to hear, in an "in camera" meeting, the management member(s)/investigator(s) who can provide additional explanations on the findings.
- Final step: IMAC will be informed by a written note from a focal point designated by the Secretary-General of the administrative and, if applicable, disciplinary measures taken as a result of the fraud.

11 Update on Human Resources Management issues

11.1 IMAC received a briefing from the Chief of the Human Resources Management Dept. (HRMD), who had been appointed earlier in the year. The Committee was briefed on the key issues related to the human resources management and was informed of the plan put in place and the actions undertaken to implement all the unresolved recommendations previously issued by the internal and external oversight bodies.

11.2 IMAC noted the ongoing work, in particular the development of the new recruitment management system, and the efforts to strengthen the controls on the management of external consultants.

11.3 The Committee highlighted the importance to prioritize among the required actions, based on what could be addressed quickly and where more resources need to be dedicated, and discussed different options that could be explored in the implementation, including the option to outsource some of the required activities.

11.4 IMAC will continue to follow up on the implementation of the high-priority open recommendations, and will then look forward to discuss other important elements to be further undertaken, such as succession planning and talent management.

12 Closing Session with the ITU Secretary-General

12.1 In accordance with its usual practice, IMAC met with top management and briefed the ITU Secretary-General on the Committee meeting's deliberations and observations, including areas where management may need to pay particular attention.

12.2 IMAC had an open and fruitful discussion with the Secretary-General, and highly appreciated his engagement, commitment and reaction to the issues previously raised by the Committee.

13 Next meeting of the IMAC

13.1 The Committee will meet again in the beginning of 2022, to review and advise on the findings of the External Auditor's Report for the 2020 financial statements, and to draft the Committee's Report to the 2022 Session of Council that will take place in March. IMAC's Report to Council will also include the proposed amendments to the Committee's ToRs, for endorsement by Council, and further consideration by Member States while preparing their contributions for PP-22.

13.2 The Committee would like to convey many thanks to all the participants for their contributions and to the IMAC Secretariat for the helpful support during the 30th meeting.
