



Summary Report of the 37th IMAC meeting

Present: Mr. Kamlesh Vikamsey (Chair), Mr Honoré Ndoko (Vice-Chair), Mr. Henrique Schneider, Ms. Sarah Hammer

Absent: Alexander Narukavnikov

1. Introduction:

The 37th IMAC meeting took place from October 30 to November 1, 2023, in Geneva, Switzerland with remote video connection. Throughout this summary report, the terms IMAC and Committee are used interchangeably.

2. Agenda and Planning for the Meeting:

The Committee approved the agenda for the current meeting and the summary of the previous 36th IMAC meeting. The quorum was verified and confirmed. There was no declared conflict of interest.

3. Session with ITU Management:

The opening session featured a review of the ITU's priorities by the Deputy Secretary General, emphasizing the Transformation Program and Financial Statements' Submission. The Committee underscored the need for resource provision and external expertise to meet the March 2024 deadline for the financial statements. Additionally, the Committee requested to continue to be kept apprised of developments of the whole process of transformation and advocated for the involvement of young emerging talents from within the organization to champion digital transformation. Transformation and Change Management should remain one of the regular core agenda items of IMAC in the coming year.

4. Update by IMAC Chair on the Council 23 Meeting and Outcomes:

The IMAC Chair presented a comprehensive overview of the discussions held during the Council 23 meeting, emphasizing the significance of the Transformation Program and the finalization of financial statements. The IMAC Vice Chair and the secretariat provided updates on the discussion during the Council Working Group Finance and Human Resources and the Additional Session of the Council 23.

The focus of the information was on the discussion related to the Transformation Program and finalization of the financial statements and the External Auditors report.

5. Overall Status of IMAC Recommendations:

IMAC thoroughly reviewed its recommendations, redistributing responsibilities to ensure effective implementation, primarily emphasizing the roles of the Transformation Team and the Oversight Unit.

6. Private Session on IMAC's Role and Responsibilities:

The Committee dedicated a private session to reflect on how to continue to provide high quality assurance and advisory support to ITU Management and Council. The committee examined its role and responsibilities regarding the new Oversight Unit (with its internal audit, investigation, and evaluation distinct functions) as well as the Ethics Office and the Accounting, Finance and Controller's functions within FRMD. In line with the protection of their independence, the Committee will suggest including a process of consultation of IMAC in the recruiting and terminating procedures of the head of the Oversight Unit and the Ethics Office. The Committee appreciates the value and quality of its engagement with the Council and the Council WG-HRF

7. Session with New IMAC Members:

New IMAC members were introduced, with one new member attending in person and the rest participating remotely. The new members expressed the need for an induction session in November/December 2023 concerning administrative and legal issues, to which the ITU agreed to organize. The first meeting of the year 2024 will have one additional day to dedicate enough time for the induction of the new members.

8. Update on Financial Management Issues:

The Committee appreciated the presentation of the implementation of the 2023 budget and noted that ad hoc broad efforts were made to absorb the budget operational deficit and to project a year end quasi balanced budget. The Committee commented on the risks and stress of recurrent structural budget deficits and noted that the new biennial budget cycle starting in 2024 may have enhanced margins of maneuver. The Committee looks forward to receiving an update on the budget at its next meeting and will include a deep dive review of the sources of income in its current annual work plan.

Chief FRMD and the SG's Senior Adviser provided clarifications on the finalization of the financial statements for 2022. The Committee stressed the necessity of allocating resources and developing a clear action plan to prevent similar issues from arising in the future. Until internal competencies will be developed the usage of external experts, as in 2023, is recommended.

9. Proposed amendments of Financial Regulations and Rules

The Committee noted efforts to incorporate its earlier comments about the realism and relevance of the scope of changes and amendments. The Committee reiterated its advice about the realism of the scope and the clarity of the objectives. Only essential and relevant changes should be requested with a clear distinction between financial regulations and financial rules. The Committee advised proceeding with a phased approach. The first phase will reflect straightforward updates such as the inclusion of the Oversight Unit role and Telecom. Two concept notes on budget modernization and fund accounting could be reviewed by the Council WG-HRF prior to the proposal of relevant changes and amendments in the second phase of the revised approach. The Committee remains available for further guidance.

10. Update from Internal Audit:

The Head of the Internal Audit Unit shared valuable insights into the recent activities and structural changes within the unit, following the official approval by Council23 of the Oversight Unit's establishment. IMAC emphasized the significance of maintaining the distinct functions of internal audit, investigation, and evaluation within the Oversight Unit. The Committee's perspective will be duly incorporated in the opinion to be submitted for the OU Charter. Additionally, the Head of Internal Audit presented the 2024 Audit Plan, based on a comprehensive risk assessment, as well as the audit results from the Africa region. The committee provided feedback on the annual plan and recommended some adjustments and changes. With the changes incorporated, the 2024 audit plan would be ready for approval.

11. Update on the HQ Building Construction Project:

Representatives from the Facilities Management Division offered a comprehensive update on the status of the headquarters building construction project. During the discussion, the Committee expressed apprehensions about the adequacy of resources, the economic (post COVID supply-chain difficulties and inflation) impact analysis, and the feasibility of the timeline put forth by the project team. Underlining the necessity of transparent communication, the Committee emphasized the importance of ensuring updated technical expertise at both the managerial and governance level by member states.

Additionally, the Committee recognized the urgency in reaching a timely decision regarding the way forward, understanding that delays result in significant additional costs.

12. Update from the External Auditors (UK National Audit Office)

An Oral update on the status of the External Auditor's Report for 2022 was presented by the UK National Audit Office. The Committee noted with appreciation the stepped-up active collaboration between the ITU management and the External Auditors towards the finalization of Financial Statements and the completion of the 2022 audit. The Committee emphasized the expectation and strong importance of a completed audit opinion and report on ITU 2022 Financial Statements by the end of December 2023. The Committee underscored the need for robust commitment, plans and resources to ensure a timely completion of the audit of ITU 2023 Financial Statements consistent with the Council calendar.

13. Special Session with ITU Management:

A special session was held with the ITU Secretary General, Ms. Doreen Bogdan Martin, where the IMAC Chair shared the key points of discussion and the Committee's recommendations. The Secretary-General commended the outgoing members for their contributions and presented them with certificates of recognition.

14. Session on Risk Management:

The secretariat introduced a document focusing on the integration of risk management and compliance activities, utilizing the Maturity Model for Risk Management in the UN System to improve risk management efforts.

15. Update from the Ethics Office:

The Ethics Officer provided a detailed briefing on the progress of work, emphasizing training initiatives highlighting the new ones related to teleworking, frustration at the workplace, and general ethical concerns. IMAC encouraged the Ethics Officer to continue fostering a supportive work environment while addressing resource challenges.

16. Update on Human Resources issues

The Chief HRMD provided a comprehensive briefing to the Committee regarding the progress made in implementing the recommendations. The Committee encouraged the team to maintain focus and allocate appropriate resources accordingly.

The Committee advised expanding the endeavor to assess the organization's current skill sets and determine the necessary adjustments and staff development to align with the future needs of the organization.

The Committee also suggested setting a two-year cycle of Employment Engagement Survey, the first of which should be run by early Summer 2024.

17. Updates on ongoing cases

Updates on the ongoing cases were discussed during a private session with the Legal Adviser, where outstanding legal matters were reviewed. It was agreed that there will be a follow-up on these discussions to ensure timely and effective resolution.

18. Special Session with BDT Director

During the discussion, the BDT Director presented a comprehensive strategy update, highlighting new opportunities and addressing challenges and risks. Emphasis was also placed on controls, fraud prevention, and oversight within the development sector.

Several key points were raised and thoroughly discussed by the committee. These included defining success metrics for the development sector and establishing measures for progress. The discussion also touched upon the expansion of capacity-building initiatives, particularly in the context of statistics for reliable data connectivity. The importance of intersectoral coordination with other bureaus and alignment with the Union's overarching goals, as well as potential collaborations with development banks and UN agencies, were also deliberated.

While commending BDT remarkable increase of trust funded technical cooperation the Committee encouraged continuing efforts to exercise selectivity, reduce fragmentation and ensure appropriate cost recovery.

The BDT Director provided comprehensive clarifications for all the raised issues, ensuring a strong commitment of BDT leadership team managers and staff. The committee expressed their gratitude for the valuable contributions of the BDT representatives during the meeting and acknowledged the clarifications provided by the BDT Director.

19. Closing session with ITU Management

The IMAC Chair reported the outcomes of the recent meetings with various sector representatives and GS departments, highlighting the committee's key findings and offering recommendations to the ITU management in the discussed areas.

During the discussion, the DSG emphasized the need for increased innovation in ITU's approach, particularly in the upcoming year, including strategies for aligning the budget with revenue levels effectively.

After receiving positive feedback on the Committee's meeting with the Development Sector, the DSG suggested the implementation of regular sessions with sectors and departments to discuss their respective visions, programs, and risk management.

In closing the DSG expressed sincere appreciation for the year's work and praised the efforts of the outgoing IMAC members, beginning with the IMAC Chair. The DSG assured the incoming Chair of the full support and cooperation of the ITU Management.

20. Conclusion

The Committee compliment and thank the Secretary General, ITU Management and staff as well as its executive secretary for their contribution and assistance.

IMAC 38th Meeting will take place in Geneva, the week of March 11, 2024.

The Committee agreed to eventually hold a special virtual meeting in December 2023 after the completion of the 2022 external audit to review the findings of the external audit report on ITU 2022 Financial Statements.

Members complimented their colleague Kamlesh Vikamsey who will soon complete his second term for his leadership and stewardship of the Committee over the past four years including during the challenging times of COVID. They also extend their appreciation and compliments to their colleagues Sarah Hammer and Alexander Narukavnikov who are also completing their terms.