ANNUAL ACCOUNTABILITY REPORT OF THE INTERNAL OVERSIGHT OFFICE (IOO) FOR 2023

EXECUTIVE SUMMARY

This report focuses on the activities of the Internal Oversight Office (IOO) during 2023, and any subsequent events of significance. The report also considers information discussed and suggestions made at the 42nd session of the Audit Committee.

During 2023, IOO continued to receive full cooperation from WMO management. D/IOO confirms during the year, the internal oversight activities were free from interference in determining the scope of internal, performing work, and communicating results. Regular and substantive support from the management is also acknowledged. Further there was no instance of impairment to independence or objectivity during the period.

Annual Opinion

D/IOO provides an annual assessment on the adequacy and effectiveness of the Secretariat's processes for controlling its activities and managing its risks in the areas set forth under the mission and scope of work. The opinion provided to the S-G is given below:

Based on the findings outlined in the engagement reports, assessment of risks, assurances from other oversight bodies, received complaints, and analysis of external sources, the IOO can only offer limited assurance regarding the effectiveness of the internal control system in operation throughout 2023.

The risks stemming from senior management transition, ERP Implementation, and a deficient Control Environment were noted to have escalated over the course of the year. Internal audits conducted during this period highlighted instances of non-compliance with established rules and deficiencies in financial controls within operational processes.

Management attention and action are imperative to address these identified weaknesses. Implementing remedial measures and enhancing oversight mechanisms are essential to mitigate risks, strengthen internal controls, and bolster overall organizational resilience.

The opinion of D/IOO complements the SIC,[1] issued by the SG together with the financial statements.

Orientation and Scope of Activities of IOO

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[1] Statement on Internal Control

The focus and thrust of assurance activities remained as per the approved Plan of Work (PoW) for 2023.[2] Six (6) assurance reports were issued in 2023, whereas two reports where finalized in 2024.

Internal Audit
- o Report 2023-01: Internal Audit - IT Services
- o Report 2023-02: Internal Audit – Enterprise Risk Management
- o Report 2023-03: Internal Audit – Travel
- o Report 2023-04: Internal Audit – GCF Grant
- o Report 2023-05: Internal Audit – Education Grant
- o Report 2023-06: Internal Audit – SSA Contracts

- **Follow-up.** IOO conducted a follow-up of its recommendations during March-24. The implementation rate was 69.7 % with 33 open recommendations. Recommendations more than 12 months old are kept at Annex – A.

Investigation

During this year, IOO received seven (7) complaints and issued four (4) investigation/fact-finding reports.

Evaluation.

Evaluation of HIGHWAY project, from IOO's plan of work, was completed and the issued in 2024. Decentralized evaluation reports issued during the period were:

- i. Mid-Term Evaluation of CREWS Togo;
- ii. Mid-Term Evaluation of CREWS Chad;
- iii. Mid-Term Evaluation of FOCUS-Africa

Quality Assurance & Improvement

Self assessment of IA activity will be carried out and results submitteed to the AOC in November. Inter-alia it will include a readiness assessment for adoption of new IIA standards coming into force in 2025.

Coordination. Coordination between IOO and the External Auditor (Corte dei Conti) was continued at the level of risk assessment, planning and individual engagements and issues. IOO also consulted relevant JIU engagements in its engagement planning to ensure completeness of risk coverage.

JIU Focal Point. IOO actively provided support to the Joint Inspection Unit (JIU), as the focal point for working arrangements between WMO and the JIU. Management response to the recommendations from JIU reports are reviewed by the AOC, before submission to the governing bodies. A report on JIU recommendations being submitted separately.

RESOURCES. IOO has been assigned additional responsibilities like secretariat of the AOC, certain activities earlier performed by the Controller. AOC has requested that S-G provides additional resources to meet these additional requirements.

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[2] The PoW of IOO is approved by the AOC.

IMPLEMENTATION OF PROGRAM OF WORK FOR 2023

2. The following table summarizes the reports issued during 2023 and progress in implementation of the plan of work for 2023:

CODE	SUBJECT	STATUS	REPORT#	RATING	
2022-IAS-01	IT Services	Issued	2023-01	Some Improvement Needed	🟨
2022-IAS-03	ERM	Issued	2023-02	Some Improvement Needed	🟨
2023-IAS-01	SSA Contracts	Issued	2023-06	Major Improvement Needed	🟧
2023-IAS-02	Education Grant	Issued	2023-05	Unsatisfactory	🟥
2023-IAS-03	Travel Process	Issued	2023-03	Some Improvement Needed	🟨
2023-IAS-04	Building Management	Issued	2024-01	Unsatisfactory	🟥
2023-IAS-05	Regional Offices – Africa	Issued	2024-02	Major Improvement Needed	🟧
2023-IAS-06	Readiness for new initiatives	Postponed	_	_	
2023-EPAS-01	HIGHWAY Project	Field Work	2024-03		
2023-IAS-07	Green Climate Fund - Grant	Issued	2023-04	NA	

3. **Changes to the Plan of Work.** An engagement on certification of a grant from Green Climate Fund was included in the plan of work and completed following a request by the management. No other changes to the plan of were made.

Standards of Practice

4. Assurance engagements (Internal Audit, Performance Audit, and Inspections) are conducted in conformance with the International Professional Practices Framework of the IIA. Investigations are performed as per the "Uniform Guidelines for International Investigators." Evaluations are conducted as per the UNEG Norms and Standards.

I: INTERNAL AUDIT

5. The internal audits were rated in accordance with IOO's rating criteria which considered the significance of results, including reportable deficiencies. The following ratings have been in effect during 2023:

Effective/Satisfactory	The assessed <<governance arrangements, risk management practices and controls>> were adequately << established and functioning well/ designed and operating effectively >> to provide reasonable assurance that the objectives of the audited entity/area should be achieved. Issue(s) identified by the audit, if any, do not affect the achievement of the objectives of the audited entity/area.
Some Improvement Needed	The assessed <<governance arrangements, risk management practices and controls>> were adequately << established and functioning well / designed and operating effectively >> but need some improvement to provide reasonable assurance that the objectives of the audited entity/area should be achieved. Issue(s) identified by the audit do not significantly affect the achievement of the objectives of the audited entity/area. Management action is recommended to ensure that identified risks are adequately mitigated.
Major Improvement Needed	The assessed <<governance arrangements, risk management practices and controls>> were generally << established and functioning / designed and operating >> but need major improvement to provide reasonable assurance that the objectives of the audited entity/area should be achieved. Issues identified by the audit could significantly affect the achievement of the objectives of the audited entity/area. Prompt management action is required to ensure that identified risks are adequately mitigated.
Ineffective/Unsatisfactory	The assessed <<governance arrangements, risk management practices and controls>> were <<not adequately established and not functioning well / not adequately designed and not operating effectively>>to provide reasonable assurance that the objectives of the audited entity/area should be achieved. Issues identified by the audit could seriously compromise the achievement of the objectives of the audited entity/area. Urgent management action is required to ensure that the identified risks are adequately mitigated.

Internal Oversight Office's Opinion on Internal Controls – 2023

6. Management is responsible for ensuring a sound system of internal control that supports the achievement of the WMO's objectives and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system.

7. Internal Oversight Office is responsible for providing an independent and objective assurance on the system of internal controls.

8. The purpose of the annual opinion is to contribute to the assurances available to the Secretary-General to underpin the statement of internal control. The opinion expressed does not imply that IOO has reviewed all risks and assurances relating to WMO.

9. This opinion presents an overall assessment of the systems of governance, risk management, and internal control, in WMO including a comparison with the prior year where applicable. It is based upon:

   - The results of internal oversight engagements completed during the year and ongoing, including assessment of the framework and processes for the management of risk.
   - The results of the follow-up of recommendations of IOO and other oversight bodies.
   - The results of external oversight exercises undertaken by the external auditor, Joint Inspection Unit etc.
   - Other events during the year which have a bearing on internal controls in the organization.

10. The internal audit work in 2023 was conducted in conformity with the International Professional Practices Framework for Internal Audit of the IIA. There was no impairment to independence or objectivity in the conduct of internal oversight activities during the year.

11. To the stakeholders this means that the assurance provided by the Internal Audit Activity of the IOO is of high quality and reliable.

Opinion

Based on the findings outlined in the engagement reports, assessment of risks, assurances from other oversight bodies, received complaints, and analysis of external sources, the IOO can only offer limited assurance regarding the effectiveness of the internal control system in operation throughout 2023.

The risks stemming from senior management transition, ERP Implementation, and a deficient Control Environment were noted to have escalated over the course of the year. Internal audits conducted during this period highlighted instances of non-compliance with established rules and deficiencies in financial controls within operational processes.

Management attention and action are imperative to address these identified weaknesses. Implementing remedial measures and enhancing oversight mechanisms are essential to mitigate risks, strengthen internal controls, and bolster overall organizational resilience.

The key issues that merit further attention are given in the succeeding paragraphs.

Assurance Engagements

12. IOO uses a four-tier rating scale for the Internal Audit reports to classify them according to the observed risk levels in the processes reviewed. Following chart depicts a trend of ratings given to the reports and overall assurance from Internal Audit reports.
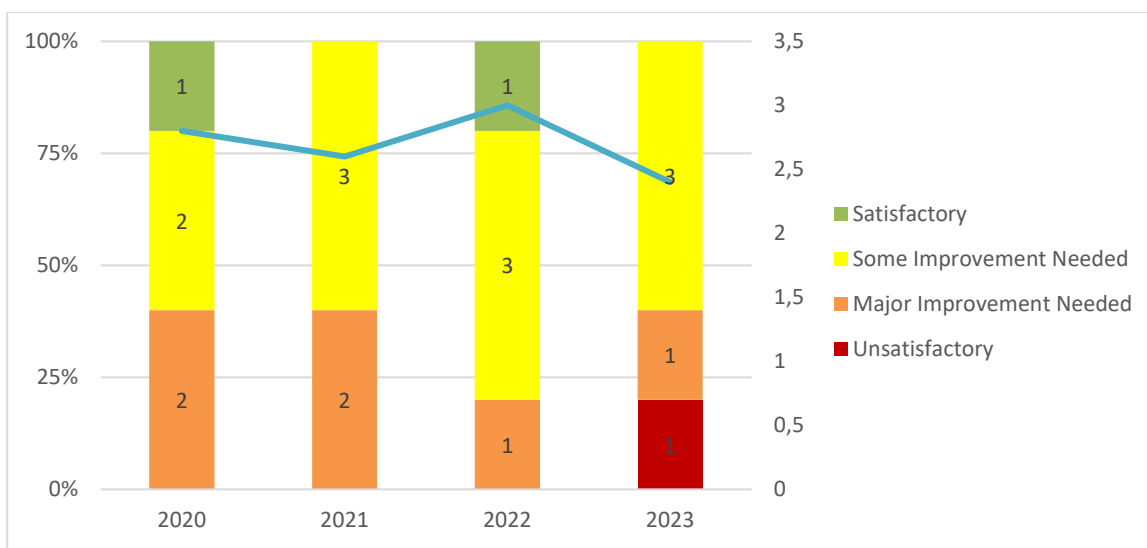
Issues from Assurance Engagements

- **IT Services.** The audit on IT services covered service evolution, shadow IT, and financial management. The audit revealed a portfolio including workspace services, tools like ELIOS and Oracle ERP, and services for WMO constituents and the public. Approximately CHF 500,000 in annual savings was achieved through the implementation of IOO recommendations from 2018. Recommendations for improvement include creating a configuration management database, a shadow IT policy, and establishing a chargeback/show-back mechanism for IT services.

- **Enterprise Risk Management.** The audit assessed the progress of ERM practices in WMO, using the Reference Maturity Model for risk management (RMM) and benchmarks from the Joint Inspection Unit (JIU). WMO has shown significant progress in ERM implementation, including the development of supplemental guidance and training of over 100 staff. The identification of risks is integrated with the organizational structure and Result-Based-Budgeting. However, ERM oversight needs more attention from Senior Management, and project-level risk management remains ad hoc. Staff awareness and capacity for risk management should be strengthened.

- **Travel.** The audit focused on evaluating WMO's travel policy and processes from 2019 to 2022. Key findings include the absence of a lump-sum option for statutory staff travel, the cumbersome submission of claims with boarding cards, low compliance with the 21-day advance purchase requirement, and redundant review processes. The use of Online Booking Tool (OBT) saved CHF 7,000 in 2022, with potential for more significant savings through expanded OBT usage (The Travel Agency has had an office in the WMO premises since mid-2023). Streamlining processes, including security clearance checks, could enhance efficiency. WMO has an outstanding debt of CHF 325,000 from third-party travelers, including CHF 196,000 written off in accordance with standard accounting practices.

- **Green Climate Fund Grant.** IOO audited the revised financial statements (dated 25th March 2023) of Grant Number PPF-002, covering the Budget and Expenditure Report from 1 January 2017 to 30 June 2021. In IOO's opinion, the financial statements present fairly, in all material respects, the financial performance of the Grant for the mentioned period.

- **Education Grant.** The audit assessed the processing of education grant claims, evaluated guidance and monitoring effectiveness by the HR department, and examined fraud risk management. It revealed a lack of rigorous application of rules and policies, leading to unduly paid amounts of CHF 360,087 for inadmissible expense items, particularly in special education and education travel grants for the school years 2021/22 and 2022/23. The findings emphasize the need for stricter adherence to rules and policies to prevent unwarranted payments and enhance the overall management of education grants within WMO.

- **Special Services Agreement.** The audit highlighted various issues, including inconsistencies in the regulatory framework, lack of monetary thresholds for contract approvals, inadequate handling of conflicts of interest, and superficial evaluation of CVs. Other concerns included the absence of an age limit for consultants, missed deadlines for SSA requests, and non-competitive contract amendments. The report concluded with recommendations to enhance efficiency, value-for-money, and overall quality in the hiring process, emphasizing the need for effective implementation to optimize resource usage and consultant performance.

- **Building Management** (Report issued in 1Q2024). The audit focused on ensuring effective controls in the maintenance and operation of the WMO building and Common Services, including the management of the trust fund allocated for special works. The report revealed foregone revenue of approximately CHF 700,000 from tenants and highlighted a payment of over CHF 300,000 for the maintenance of a non-functional CCF for nearly five years, despite no actual maintenance being conducted. The management, despite being aware of the non-functional status, continued the payments. Additionally, projects exceeding CHF 13 million were approved from the trust fund without proper project governance, posing a risk to the value for money from these projects.

- **WMO Offices in Ethiopia and Kenya** (Report issued in 1Q2024). The audit identified discrepancies in the involvement of Regional and Representative Offices (RROs) in project implementation, highlighting a misalignment with guidelines set by the EC in 2022. Consolidating the two offices into a single location should be given consideration. This potential consolidation is part of the ongoing review by the Task Force on the

Comprehensive Review of the WMO Regional Concept and Approaches. Audit recommended a strategic approach to partnerships in Africa for increased impact and visibility. Additionally, it called for improved transparency in showcasing outcomes of RAF's activities. The audit also uncovered internal control lapses in the offices, including issues with petty cash, vehicle, and asset management, attributed to a lack of guidelines and inadequate supervision.

Other Considerations

13. The 19th World Meteorological Congress recently elected new Presidents and Vice Presidents, and a new Secretary-General was appointed for the upcoming financial period, set to commence duties from January 2024. Additionally, during an extraordinary session, the Executive Council appointed a new Deputy Secretary-General and Assistant Secretary-General, scheduled to assume their roles on April 1st, 2024, and May 1st, 2024, respectively. This marks the most significant leadership transition in the history of WMO, posing potential risks to the continuity of programs and activities.

14. There is no provision in the regulatory framework for consultation with the incoming leadership on key appointments during periods of transition. Several key appointments/extensions were made by the outgoing management in 2023, which potentially constrained the strategic choices in future.

15. Concerns were raised by a Member State about the potential misuse of WMO resources during the election process, prompting attention from the President of WMO. This highlighted deficiencies in the ethical considerations within the WMO control environment.

16. On two occasions, circular letters sent to all Member States had to be withdrawn due to their infringement upon established rules, regulations, and practices. These instances underscored deficiencies in due diligence, posing a risk to the reputation of the WMO.

17. The WMO has joined the UNDP project aimed at implementing a Cloud ERP system to replace its outdated E-Business Suite. However, this mode of collaboration with UNDP and other UN agencies presents several risks. These include the lack of a direct supplier relationship with the implementing agency, potential cost overruns, the possibility of the solution not aligning with WMO's requirements, and the necessity to adapt WMO processes. Additionally, factors such as leadership transitions and the absence of a Controller for conducting due diligence on crucial decisions could further jeopardize the project's success. ERP System E-Business Suite is currently in extended support. WMO is in the process of transitioning to a new platform and has brought an ERP Project Manager on board since April 2023. The new project's implementation phase is set to commence in the last quarter of 2024.

18. Unclear roles and responsibilities regarding the Early Warning System for All initiative (EWS4A) may pose reputational risks and require attention.

19. The absence of a designated Controller and persisting challenges in assigning responsibilities for second-line functions require immediate attention. Without a Controller, there is a lack of centralized oversight and coordination, increasing the likelihood of inefficiencies, errors, and even potential misconduct going unnoticed.

Additionally, the ongoing difficulties in clearly delineating responsibilities for second-line functions could result in gaps or overlaps in accountability, leading to confusion and potential risks going unmitigated. Addressing these issues is critical to establishing robust governance structures and ensuring effective risk management practices within the organization.

I.   **INTERNAL AUDITS – SUMMARY SCOPE AND FINDINGS OF REPORTS ISSUES**

REPORT 2023-01 IT SERVICES – "SOME IMPROVEMENT NEEDED"

20. IOO carried out an audit of provisioning of IT services as per its approved plan of work for 2022. The audit covered the evolution of services, shadow IT and IT financial management.

21. A service is a means of delivering value to customers by facilitating outcomes customers want to achieve without the ownership of specific costs and risks. The secretariat, WMO constituents and public at large are all customers of IT services.

22. The IT services portfolio broadly consists of workspace services – including office 365, an approval management tool (ELIOS) and Oracle ERP for the secretariat. Further there are services targeted at WMO constituents – CPDB and ELIOS File Cloud and a website for public. An outsourced service desk is in place to help for the issue management of the users.

23. IOO found that savings of approximately CHF 500,000 per year in provision of IT services has been achieved by implementing IOO recommendations from 2018.

24. Audit made recommendations to implement a configuration management database, create a shadow IT policy and inventory and establish a chargeback/show back mechanism for IT services.

REPORT 2023-02 – ENTERPRISE RISK MANAGEMENT – "SOME IMPROVEMENT NEEDED"

25. IOO conducted an audit of ERM in WMO as per the approved plan of work for 2022. The audit reviewed the progress made in implementation, utilization and integration of ERM practices in WMO. In doing so, Audit evaluated the ERM based on the Reference Maturity Model for risk management (RMM) developed by the UN High-level Committee on Management (HLCM), and per the benchmarks developed by the Joint Inspection Unit (JIU).

26. WMO has made significant progress in implementing ERM in the past three years. Supplemental guidance and framework have been developed to guide and manage the ERM process. Basic training on risk management has been conducted for more than 100 staff over the last two years. The process for identifying risks is in alignment with the organizational structure and is integrated with the Result-Based-Budgeting resource planning.

27. ERM oversight would be strengthened by receiving more attention from Senior Management during the Board of Directors (BoD) meetings and assigning overall accountability and responsibility to a senior manager.

28. Risk management at project level remains ad hoc as project risk matrices are not systematically prepared and monitored.

29. Staff awareness of risk and their capacity to manage risk should be strengthened.

REPORT 2023-03 – TRAVEL - "SOME IMPROVEMENT NEEDED"

30. The Internal Oversight Office (IOO) conducted an audit of the travel process within the World Meteorological Organization (WMO). The audit focused on evaluating the adequacy of the travel policy and processes and analyzed travel activities spanning from 2019 to 2022.

31. Key findings from the audit were as follows:
    - WMO's travel policy does not provide for lump-sum option for statutory staff travel, leading to inefficiency.
    - Travelers in WMO are still required to submit claims with boarding cards and hotel bills- a cumbersome process compared to a more efficient spot-check approach adopted by other UN organizations.
    - Compliance with the 21-day advance purchase requirement is low, at 40 percent, resulting in missed opportunities for cost savings.
    - Review of itineraries proposed by Carlson Wagonlit Travel (CWT) by TRV before ticket issuance seems redundant since CWT is contractually bound to ensure policy compliance.
    - The use of OBT saved CHF 7,000 by reducing booking fees in 2022. Further significant savings are possible through expanded OBT usage.
    - Streamlining various processes, including security clearance checks and prompt notification of third-party travel cancellations, could increase efficiency.
    - WMO has an outstanding debt of CHF 325,000 from third-party travelers, including CHF 196,000 that has been written off in accordance with standard accounting practices.

32. In conclusion, there is room for improvement within WMO's travel policy, tools, and processes to align with best practices in the UN system, thereby enhancing efficiency and increasing savings. Additionally, efforts should be made to promptly recover outstanding funds from third-party travelers.

REPORT 2023-04 – GREEN CLIMATE FUND GRANT – "NA"

33. IOO audited the revised financial statements (dated 25th March 2023) of the Grant Number PPF-002 (the "Grant"), which comprise the Budget and Expenditure Report as from 1 January 2017 to 30 June 2021.

34. In IOO's opinion, the financial statements presented fairly, in all material respects, the financial performance of the Grant as for the period of 1 January 2017 to 30 June 2021 in accordance with the World Meteorological Organization's Financial Regulations.

REPORT 2023-05 – EDUCATION GRANT – "UNSATISFACTORY"

35. Internal Oversight Office (IOO) conducted an audit of education grant disbursement within the World Meteorological Organization (WMO) with the following objectives:

- Assess the effective and efficient processing of education grant claims in accordance with the rules.
- Evaluate the adequacy and effectiveness of guidance and monitoring of the process by the HR department.
- Examine the management of fraud risks.

36. Key findings from the audit were as follows:

- Eight cases of Special Education Grants were erroneously paid, totaling CHF 143,461 in 2021-22 and CHF 173,280 in 2022-23, due to missing eligibility criteria.
- Education Grant Travel was not adequately monitored, resulting in CHF 2,746 in erroneous payments for four cases that did not meet the criteria.
- About USD 35,000 was inappropriately paid for boarding expenses in three cases as they were not in conformity with the rules.
- Expenses totaling approximately CHF 5,600 were reimbursed for specific educational items that were not admissible as per the rules.
- An education grant benefit was granted to a staff member with dual nationalities, including Swiss citizenship, serving in Geneva, which is not in accordance with the rules; their Swiss nationality was exceptionally recognized.
- The audit recommended improving the audit trail and traceability of education grant expenses in the financial systems by raising requisitions as appropriate, and advised reconciling education grant process disbursements between Finance and HR.

37. Overall, the audit identified that the rules and policies were not rigorously applied, resulting in unduly paid amounts totaling CHF 360,087 for inadmissible expense items, including special education grants and education travel grants during the school years 2021/22 and 2022/23. The audit highlighted various discrepancies in education grant disbursement, underscoring the need for stricter adherence to rules and policies to prevent unwarranted payments and improve the overall management of education grants within WMO.

REPORT 2023-06 – CONSULTANCIES – "MAJOR IMPROVEMENT NEEDED"

38. The Internal Oversight Office (IOO) conducted an audit of Individual Consultancy (Special Services Agreement) within the World Meteorological Organization (WMO) in 2023. The audit aimed to evaluate controls related to consultancy contract management and emphasized the relevance of contracts and their associated deliverables.

39. Key findings from the audit were as follows:

- Inconsistencies were found in the regulatory framework due to changes in service notes not being reflected in the Standing Instructions.
- The authority to approve consultant contracts has no specific monetary threshold, potentially leading to excessive spending and lack of controls.
- The hiring of consultants with potential conflicts of interest is not appropriately addressed.
- Assessment of multiple CVs appeared to be a formality, lacking substantive evaluation.
- There was no age limit for consultants, leading to engagement of 67 consultants over 70 years of age during the period of 2019 to 2022.

- Deadlines for submitting SSA requests were frequently not met, resulting in urgent and last-minute requests.
- A significant portion of consultant hiring was reactive, bridging skill gaps or addressing staff shortages.
- Contracts were sometimes amended or extended for different purposes and by different departments, bypassing competitive selection.

40. In conclusion, the audit report identifies numerous areas for improvement in the hiring and management of individual consultants within WMO. The audit made recommendations to address efficiency, value-for-money, and the overall quality of the consultancy hiring process. Effective implementation of these recommendations is critical to optimizing resource usage and consultant performance

II. INVESTIGATION ACTIVITIES

41. During 2023, IOO received seven (7) complaints/requests for fact-finding. One (1) case was marked for examination during the Audit visit, in one (1) allegation of harassment the complaint was withdrawn, and one (1) case was closed. Reports were issued in the remaining four cases.

42. The cases by nature of allegation were as follows:
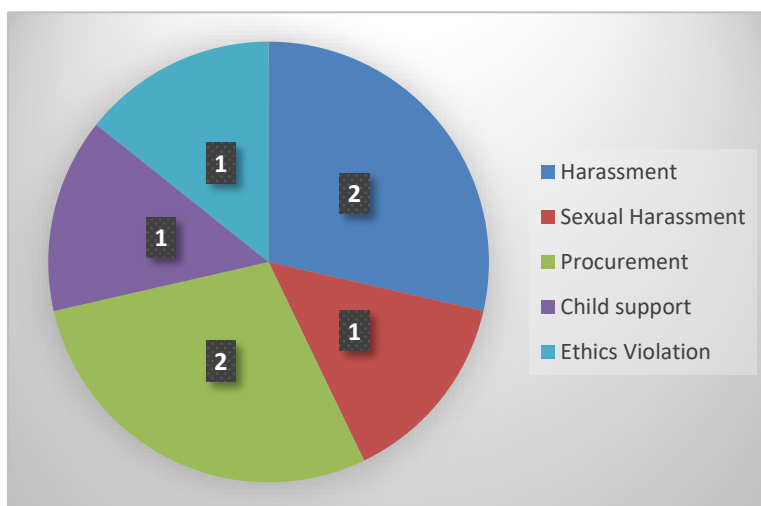
III. EVALUATION ACTIVITIES

43. WMO follows a decentralized evaluation approach where (a) IOO holds the mandate for independent evaluations; (b) the Monitoring, Evaluation, Risk and Performance (MERP) Unit may undertake an internal or external evaluation triggered by performance data collected in the M&E system; and (c) other departments commission external evaluations in line with donor agreements. Evaluations may further be commissioned by Governing Bodies to look into a specific activity area or intervention.

44. An evaluation repository has been developed and maintained to store all evaluation reports and list any planned evaluations. It is currently being migrated to SharePoint to enhance access to the evaluation findings and facilitate in-house learning.

45. A template for self-evaluations is also being finalized, with a focus on lessons learned. Its purpose is to provide project managers with a tool to take stock and critically appraise the projects under their responsibility. It is also meant to facilitate organizational learning and link evaluations to the Organization's knowledge management. Whereas it will not replace the requirement for an independent evaluation as per the WMO Evaluation Policy, the self-assessment could be applied to smaller projects that are below the USD 1 million threshold for mid-term evaluations. It could also be conducted for projects initiated prior to the Policy entering into force, which might not have properly budgeted for an evaluation. The template will be presented to the AOC at its next meeting.

EVALUATION REPORTS

46. Three evaluation reports have been issued since the last report to the AOC:

   i.   Mid-Term Evaluation of CREWS Togo;
  ii.   Mid-Term Evaluation of CREWS Chad;
 iii.   Mid-Term Evaluation of FOCUS-Africa.

47. All three evaluations were conducted by external evaluators. The following is a summary of the major findings and recommendations.

MID-TERM EVALUATION OF CREWS TOGO

48. The CREWS Togo project focuses on building national capacity to provide climate, weather, water and warning services to selected sectors and communities. It is jointly implemented by WMO and the World Bank. With a budget of USD 1,100,000, the WMO component is implemented in partnership with the National Meteorological Agency of Togo (ANAMET), Météo-France (MF), the Institute of Research for Development (IRD), AGRHYMET and a number of other entities.

49. The evaluation concluded that the project's objectives were consistent with national policies and strategies and donor policies as well as consistent and synergistic with the initiatives of other major donors supporting the country's development. Following a slow start complicated by the COVID-19 pandemic, the results were mainly at the institutional level in terms of inter-institutional collaboration, diagnostics of national warning capacities and the legal status of ANAMET. Positive impacts were observed on the quality of weather and seasonal forecasts, which had improved significantly as a result of the training received.

50. The main recommendations were in terms of ensuring sustainability. The main threat identified was that ANAMET and DRE would not take ownership of the project's achievements due to lack of personnel. The slowness of implementation was an additional concern which could lead to a delay in the delivery of the tools at the end of the project. Given that it was significantly behind schedule, the project would likely require an extension of at least one year, according to the evaluators.

MID-TERM EVALUATION OF CREWS CHAD

51. The CREWS Chad project focuses on strengthening national capacity to provide climate, hydrological, meteorological and early warning services to selected sectors and communities. It is implemented jointly by WMO and the World Bank. With a budget of USD 1,500,000, the WMO component is implemented in partnership with the National Meteorological Agency (ANAM) of Chad, Meteo-France (MF), the Institute of Research for Development (IRD), AGRHYMET, the Spanish Meteorological Agency (AEMET), Barcelona Supercomputing center (BSC), WeatherForce (WF) and focal points from a number of national stakeholders.

52. The evaluation found the project objectives to be relevant and consistent with national policies and donor strategies. Its start briefly anticipated the onset of the COVID-19 pandemic, which disrupted implementation. The death of the President of Chad in April 2021 further impacted the conduct of activities due to the socio-political tensions that ensued. The results achieved were mainly at the level of diagnostics of national warning capacities, with exhaustive and complete reports on the capacities of the various partner institutions, their level of collaboration, an inventory of observation networks and various initiatives underway to strengthen them.

53. The evaluation concluded that the project had potential to achieve the envisaged results before its end. The most critical point was the availability of human and financial resources provided by the Government to ANAM and DRE. The recommendations were focused on ensuring sustainability through complementing activities with additional training, continuity of regional activities and the conduct of a socio-economic impact assessment in the pilot sites.

FOCUS-AFRICA

54. FOCUS-Africa (Fully Optimized User Centric Climate Services Value Chain for Southern Africa) is a four-year EUR 7 million initiative funded by the European Commission. It aims to deliver tailored climate services to increase resilience and adaptation in the Southern African Development Community (SADC) in four key sectors: agriculture and food security, water, energy and infrastructure. The full value chain for climate services is demonstrated through eight pilot case studies in six countries, involving a wide range of end-users and beneficiaries. The purpose is to illustrate how the use of climate science, forecasts and projections can maximize socio-economic benefits in specific sectors in both the private and public sectors.

55. Conducted by independent evaluators contracted by the European Commission, the evaluation concluded that the project had achieved most of its objectives and milestones for the period with relatively minor deviations. Whereas some first scientific outputs were produced, most were expected to be consolidated in the following phases. The main

innovative outputs included the development of socio-economic impact assessment, and the thorough and very systematic approach to co-developing climate services for specific industries and contexts via the case studies. The results achieved were deemed of high quality, and the project was overall assessed as good value for money. The main recommendation was to engage more profoundly with national stakeholders and local communities.

UNITED NATIONS EVALUATIONS GROUP

56. IOO represents WMO in UNEG[3]. IOO and MERP staff participate in various working groups as appropriate. IOO also contributes to the joint efforts of UNEG in the system wide evaluation activities.

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[3] The United Nations Evaluation Group (UNEG) is an interagency professional network that brings together the evaluation units of the UN system, including UN departments, specialized agencies, funds and programmes, and affiliated organizations. It currently has 50 such members and observers.

IV: FOLLOW UP OF RECOMMENDATIONS

57. The internal audit activity must establish a follow-up process[4] to monitor recommendations issued and ensure that management actions on them have been effectively implemented. IOO conducts a follow-up of its recommendations twice a year and reports the results to the Audit Committee.

58. There are 109 recommendations in the follow-up database (as of March 2024). Based on the outcome of the follow-up 76 (69.7%) were implemented. Details are given in the table below:

<	Implemented		Open		Total
	#	%	#	%	
2020	**21**	**100.0%**		**0.0%**	**21**
2020 -01- Procurement Process	4	100.0%		0.0%	4
2020-02 CPDB/Extranet	3	100.0%		0.0%	3
2020-12- CREWS Project	6	100.0%		0.0%	6
2020-15 Administrative Reviews	1	100.0%		0.0%	1
2020-16 Trust Fund Management	5	100.0%		0.0%	5
2020-17-SSA	2	100.0%		0.0%	2
2021	**29**	**85.3 %**	**5**	**14.7%**	**34**
2021-01-Fellowships	4	66.6%	2	33.4%	6
2021-02- Field Offices	2	40%	3	60%	5
2021-03: Recruitment and Separation of Personnel	7	100.0%	-	0.0%	7
2021-04 Home Leave Management	3	100.0%	-	0.0%	3
2021-05: Cyber Security	8	100.0%	-	0.0%	8
2021-07 Strategic and Programmatic Framework	5	100.0%	-	0.0%	5
2022	**12**	**54.5%**	**10**	**45.5%**	**22**
2022-01 Platform Services	4	80.0%	1	20.0%	5
2022-02 Quality Assessment review of IOO	-	-	-	-	-
2022-03 IPCC Financial Statement	-	-	-	-	-
2022-04 Procurement	5	62.5%	3	37.5%	8
2022-05 Climate risk-South East Asia	1	20.0%	4	80.0%	5
2022-06 Payroll	2		2		4
2023	**14**	**43.75%**	**18**	**56.25%**	**32**
2023-1 IT Services	3	60.0%	2	40.0%	5
2023-2 ERM	7	87.5%	1	12.5%	8
2023-3 Travel Management	3	33.3%	6	66.7%	9
2023-4 Green Climate Fund- Revised	-	-	-	-	-
2023-5 Education Grant	1	20%	4	80.0%	5

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[4] **2500 - Monitoring Progress**
The chief audit executive must establish and maintain a system to monitor the disposition of results communicated to management.
2500.A1- The chief audit executive must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action.

<	Implemented		Open		Total
2023-06 SSA	-	0.0%	5	100.0%	5
Total	**76**	**69.7%**	**33**	**30.3%**	**109**

59. The recommendations in the IOO reports are classified as "High" and "Medium. Following table gives the details of implementation by year and priority.

		High	%	Medium	%	Total
	2020	**9**		**12**		**21**
Implemented		9	**100.0%**	12	**100.0%**	21
Open						
	2021	**13**		**21**		**34**
Implemented		11	**84.6%**	18	**85.7%**	29
Open		2	**15.4%**	3	**14.3%**	5
	2022	**8**		**14**		**22**
Implemented		3	**37.5%**	9	**64.3%**	12
Open		5	**62.5%**	5	**35.7%**	10
	2023	**4**		**28**		**32**
Implemented		_		14	**50.0%**	14
Open		4	**100.0%**	14	**50.0%**	18
Total		**34**	**31.2%**	**75**	**68.8%**	**109**

60. The following chart shows the trend of implementation as reported to the previous sessions of the Audit Committee.
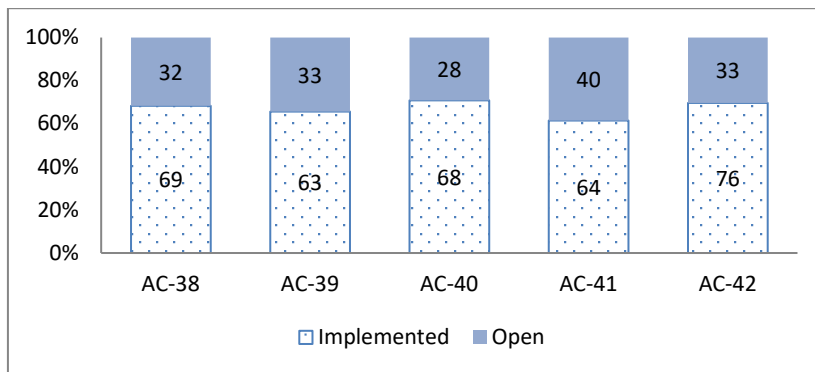
61. The overall implementation rate is 69.7% As of March 2024 there are 33 recommendations which are open. The age analysis of these recommendations is given in the chart below:
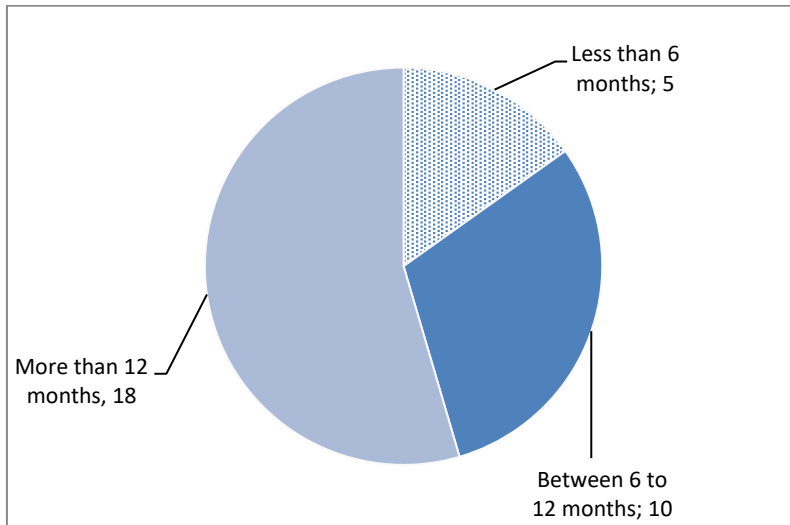
Figure 1 - Ageing of Open Recommendations

62. It is noted that 45.5% of the recommendation are less than one year old. 18 recommendations which are open for more than one year old are given in Annex – II.

V: QUALITY ASSURANCE AND IMPROVEMENT[5]

External Assessments

63. *Standard 1312- External assessments must be conducted at least once every five years by a qualified, independent reviewer or review team from outside the organization.*

64. The report of the 3rd external QAR of IOO was issued in 2022. PwC was engaged to carry out the QAR. The QAR concluded that IOO "Generally conforms" with the IIA Standards.

65. Action plan to address the recommendations in the QAR report was submitted to the AOC-38 and EC-75.

66. External Auditor also reviewed the Internal Oversight Office and made seven recommendations. As on except one all the recommendations have been implemented.

Internal Assessments

67. *Standard 1311- The internal assessments must include: Ongoing monitoring of the performance of the internal audit activity; and periodic reviews performed though self-assessment.*

68. The external auditors had made a recommendation that IOO should perform a full self assessment of IA activity every two years. Accordingly, the charter of the Internal Oversight Office has been amended to include this requirement. Self Assessment of IA activity is included in the plan of work for 2024. (Doc. 4.2)

69. The new Global Internal Audit Standards, were released by the IIA in January 2024, and will become effective January 2025. The Standards guide the worldwide professional practice of internal auditing and serve as a basis for evaluating and elevating the quality of the internal audit function. At the heart of the Standards are 15 guiding principles that enable effective internal auditing. Each principle is supported by standards that contain requirements, considerations for implementation, and examples of evidence of conformance. Together, these elements help internal auditors achieve the principles and fulfill the Purpose of Internal Auditing.

70. The self assessment will inter-alia cover the readiness and identify gaps for adoption of the new standards.

Review of IOO's Charter and responsibilties

71. D/IOO has reviewed the IOO charter of the Internal Oversight Office and determined that it reflects the current roles and responsibilities of the Internal Oversight Office. The Standing Instructions of the Internal Oversight Office were revised in 2023 to:

a) Include the evaluation policy; and

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[5] Standard 1300 – The chief audit executive must develop and maintain a quality assurance and improvement program that covers all aspects of the internal audit activity

Interpretation - A quality assurance and improvement program is designed to enable an evaluation of the internal audit activity's conformance with the Definition of Internal Auditing and the Standards and an evaluation of whether internal auditors apply the Code of Ethics. The program also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement. The quality assurance programme must include both internal and external assessments.

b) Remove the reference to IOO's responsibility with respect to Financial Disclosures, as the function is now transferred to UN Ethics Office.

72. Following functions performed by earlier Controller are now entrusted to IOO:

a) Follow-up of Recommendation of the External Auditor and the Management Action Plan

b) Follow-up of the decisions/recommendations of the Audit and Oversight Committee

73. Since May 2023, IOO is entrusted with providing secretariat support to the Audit and Oversight Committee.

74. Through a decision of the Congress, IOO is required to submit its annual report to FINAC. IOO will also report to FINAC on JIU activities.

Training and Outreach

75. Subject to the availability of budget, IOO endeavors to provide training for continuing professional education and up-gradation. The following trainings were provided in 2023:

a) UNEG – Annual Meeting in Washington was attended by Senior Internal Auditor in January-2023.

b) D/IOO attended UN-RIAS in Washington in August-2023.

c) ACFE Fraud conference (September) - Director, IOO; Senior Auditor; and Oversight Assistant.

d) OSINT training (November) as a part of CII in EBRD London.

76. Following are the focus areas for training identified for 2024:

a) Training on Generative AI - Director, IOO; Senior Auditor; and Oversight Assistant

b) Training on Project Management.

c) Training on Oracle Cloud ERP

Coordination with the Other Assurance Providers

77. IOO continues to coordinate the JIU and the external auditors for synergy in assurance provided to management and Governing Bodies.

78. Continued cooperation has been maintained with the Corte de Conti – the external auditor of WMO. IOO continues to routinely share the assurance reports with the external auditor. In 2023, IOO covered the regional offices

Joint Inspection Unit

79. IOO is the focal point for the Joint Inspection Unit in WMO. IOO has continued to provide support to the JIU in conduct of its reviews – by coordinating responses to questionnaires/surveys, draft reports, and follow-up of recommendations.

80. The biennial focal point meeting of JIU was held in September 2023 and was attended by IOO Assistant and JIU Focal Point.

81. The JIU reports in the last year are:

a) 2023/4 Review of mental health and well-being policies and practices
b) 2023/3 Review of accountability framework
c) 2023/2 Review of the internal pre-tribunal-stage appeal mechanisms available to staff
d) 2022/1(Note) Mechanisms for addressing racism and racial discrimination.

82. The annual follow-up report of JIU reports and recommendations is submitted in a separate document.

Access to Information

83. The policy of disclosure of internal audit reports to the member states was approved by the EC in 2008. The policy was updated in 2012 based on the experience gained. No request for reports was received in period under reporting.

VI: INTERNAL OVERSIGHT RESOURCES

84. **Human Resources.** As of the date of this report IOO has two professional staff (D/IOO and Senior Internal Auditor) and one general service staff (Internal Oversight Assistant). Details of IOO Staff are given in the table below:

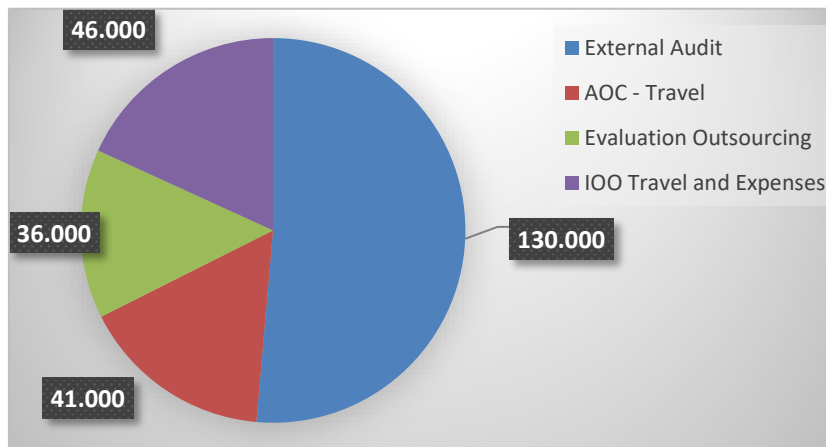| Title	Name	Grade Level	Qualifications	Nationality
D/IOO	Mr. A. Ojha	D-1	CIA/CISA/CRMA/CFE	India
Sr. Internal Auditor	Ms. P. Ralijemisa	P-5	CIA, Accredited Quality Assessor	Madagascar
IO Assistant	Mr. L. Courtial	G-6	CFE, Accredited Quality Assessor, Certified Cyber Crime Examiner	France

85. The IOO team collective possesses the array of competencies crucial for executing the engagements outlined in our plan of work. However, there are notable gaps in our internal resources, particularly in the absence of a dedicated evaluator and an investigator equipped with a proper background.

86. As a result, IOO is compelled to seek external assistance for these services. While outsourcing can provide access to expertise that we lack internally, it inevitably introduces delays and diminishes our agility in responding to urgent needs. The reliance on external parties for these functions not only hampers our ability to swiftly adapt but also puts pressure on delivering our planned engagements.

87. To bolster our operational efficiency and enhance our capacity to handle exigent situations, it is imperative to address these resource gaps internally. By cultivating a more self-sufficient workforce, IOO can reduce dependency on external partners, fortify its responsiveness, and better uphold its mandate.

88. It should be noted that augmentation of resources for IOO has been requested by Audit and Oversight Committee, External Auditors and the Joint Inspection Unit in the recent past.

89. **Financial Resources.** The Internal Oversight Office is responsible for managing the budget of the external auditors, Joint Inspection Unit and Audit and Oversight Committee. Total non-post resources allocated to the head "Internal Oversight and other Oversight Provisions" is CHF 275,000 in 2023. The utilization is shown in the table below:

ANNEX-I: RECOMMENDATIONS OPEN FOR MORE THAN 12 MONTHS

RECOMMENDATION	MANAGEMENT COMMENTS	IOO COMMENTS
1) D/CSG should ensure that the review of organizational risks is included in the Terms of Reference of the Board of Directors and its meeting agenda (regularity to determine). Additionally, D/CSG as the senior officer managing the MERP Unit should subsume the function of a Chief Risk Officer. (Rec 3 - 2022-IAS-3: ERM)	D/CSG OCTOBER 2023 NOT IMPLEMENTED. Whereas the review of top organizational risks has not yet been included in the TORs of BoD, the topic is regularly featured on its agenda and all BoD Members participate in the biannual risk assessment on the topic. D/CSG MARCH 2024 NO CHANGE – pending management decision	Keep open and assess in next review
2) C/ITD should build a list of all the configuration items and organize them as per services listing down the dependencies in a configuration management database. (Rec 1 - 2022-IAS-1: IT Services)	D/WIS MARCH 2024 In progress. IT inventory in place. IT inventory survey completed, and validated through the ISSAC (meeting minutes available in ELIOS). As part of the IT inventory, dependencies are currently being captured providing a simplified configuration management system.	Open as per management comments
3) C/ITD should implement a chargeback/show back mechanism for the cost of services with the objective that users will have a transparent view of costs of services that they consume. (Rec 5 - 2022-IAS-1: IT Services)	D/WIS MARCH 2024 In progress. IT budget includes licencing and operations for all standard services. Finance aggregates the IT expenditure, along with all other admin expenditure, and apportion it to each LTG based upon the overall budget percentage. Swisscom subscriptions are charged back to Departments. Any non-standard service or equipment is purchased by the Department using their own budget.	Open as per management comments
4) D/GS should do a cost benefit analysis and submit a proposal to the SG of whether it will be beneficial to merge one or more platforms. D/GS should also review if the 15 General Services staff identified in the report and working in the departments on administrative tasks could be merged in the platform. (Rec 2 - 2021-IAS-06 Platform Service)	D/GS OCTOBER 2023 Two coordinators' positions abolished for the two platforms. (15 + 1 July). Administrative platform was assigned directly to business owners (HR and Procurement). The best use of the platform staff is still being reviewed in line with LCA and LCC strategies. Target date for implementation end of 2023. No response in March 2024	Keep open and assess in next review
5) The RAP Office in Singapore operates in a very efficient environment as well as receives strong host government support. However, it offers limited collaborations and partnerships opportunities with other relevant international organizations compared to Bangkok which is a UN hub in the region. Executive should consider and further analyze the possibility / merits of re-locating the RAP Office to Bangkok, Thailand for increased visibility and enhanced collaboration with relevant international and regional organizations. (Rec 3 - 2020-IAS-06 Field Offices)	D/MS MARCH 2024 EC-76 focused on approving the guidelines for roles, operations and responsonilites of the regional office.The EC Task Force's mandate was extended to conclude work on finalizing the criteria for the location of regional and representative offices.	Keep open and assess in next review
6) In the South-West Pacific region Fiji offers more opportunities for collaboration with other regional organizations than Samoa and also fares better than Samoa on efficiency and economy factors. Executive should consider and further analyze the possibility / merits of re-locating he Office for the South-West Pacific to Fiji for increased	D/MS MARCH 2024 EC-76 focused on approving the guidelines for roles, operations and responsonilites of the regional office.The EC Task Force's mandate was extended to conclude work on finalizing the criteria for the location of regional and representative offices.	Keep open and assess in next review

RECOMMENDATION	MANAGEMENT COMMENTS	IOO COMMENTS
visibility, enhanced collaboration with relevant international and regional organizations, and better efficiency. (Rec 4 - 2020-IAS-06 Field Offices)		
7) The present location for the RAM Office in Paraguay does not appear to be the optimal choice compared to Chile, which by the virtue of being a UN Hub provides an increased visibility and more opportunities to collaborate with the UN system as well as other relevant organizations. Executive should consider and further analyze the possibility /merits of relocating the RAM Office to Chile for increased visibility and enhanced collaboration with relevant international and regional organizations. (Rec 5 - 2020-IAS-06 Field Offices)	D/MS MARCH 2024 EC-76 focused on approving the guidelines for roles, operations and responsonilites of the regional office.The EC Task Force's mandate was extended to conclude work on finalizing the criteria for the location of regional and representative offices.	Keep open and assess in next review
8) D/LCA should expedite the finalization of the Procurement and Contract Manual. Consultations with departments should be done to obtain their inputs and ensure that their needs are addressed in the manual. (Rec 3 - 2022-IAS-05 Procurement)	D/LCA MARCH 2024 C/PCM is currently assessing the procurement processes from an efficient and effective point of view. This exercise may require first possible amendments to WMO's FRR on procurement, followed by a thorough revision of Chapter 10 of the SI. This exercise is meant to be finalized in January 2024. Once this is done, C/PCM will focus on the manual, which will be in line with the updated FRR and Chapter 10 of the SI and will offer more detailed information on procurement operations. The finalization of the first draft is expected by 30.06.2024 and the implementation of the final version by 31.12.2024 at the latest.	C/PCM is on board since Aug-23. Keep open and assess in next review
9) Secretary PCC should inform PCC on ongoing contracts like those with ICC, which are within their mandate, but have not been submitted to them. (Rec 6 - 2022-IAS-05 Procurement)	D/LCA OCTOBER 2023 ITD and PCM are working together to report this case to PCC before the end of 2023. The case is currently foreseen to be submitted to the PCC on 24.11.2023 (please see link to the calendar for PCC cases to be held by 31.12.2023)	Request for the relevant submission to PCC. Keep open and assess in next review
10) D/LCA should review and approve the KPIs which are to measure procurement performance and quality management in terms of volume, cost, quality, and time. (rec 7 - 2022-IAS-05 Procurement)	D/LCA OCTOBER 2023 KPIs are being used as a measurement of performance and will be monitored to determine the level of performance. Annual basis.	Keep open and assess in next review
11) Management should consider laying down guiding principles for staffing and resources in different departments and define processes to ensure adherence to these principles. (Rec 1 - 2022-IAS-04 - Payroll Services)	D/GS MARCH 2023 The Financial Management Strategy, which has been drafted and is in review within GS, includes a recommendation to develop guidance on staffing as a percentage of total resources. The Financial Management Strategy should be adopted by the end of 2022. After adoption of the Financial Management Strategy, the development of the percentage may be considered, t based upon the decisions of Congress and EC.	Await adoption of Financial Management Strategy
12) Management should take a final decision about processes to be outsourced before embarking on the implementation of new ERP. The decisions should be based on considerations of cost reduction, freeing resources for core business, better risk management and access to global knowledge	D/GS OCTOBER 2023 Project Manager started on March 27th. UNDP conversations are being held in preparation to initiate the project.	Keep open and assess in next review

RECOMMENDATION	MANAGEMENT COMMENTS	IOO COMMENTS
based. (Rec 2 - 2022-IAS-04 - Payroll Services)		
13) D/MS should update the Standing Instructions to include policies and procedures for selecting implementing partners and assessing their project implementation capacity. The SI should be supplemented by guidelines as appropriate. (Rec 1 - 2022-IAS-02 Climate Risk-South East Asia)	D/MS MARCH 2024 The roadmap outlining the UN best practices to assessing implementing partners has been drafted. This initiative is has been coupled with the due diligence process that is being led by the resource mobilization division and both should be completed in the second quarter 2024.	Requirement of financial reporting by IP need to be expanded. Keep open and assess in next review
14) The requirement of having audited financial statements/periodic audits of implementing partner activities should be included in the regulatory framework. Policies and procedures for doing so should be laid out clearly. (Rec 2 - 2022-IAS-02 Climate Risk-South East Asia)	D/MS MARCH 2024 Actions for this recommendation will be addressed in the previous response.	This should be part of action taken to implement recommendation #2. Keep open and include this IOO comment in the next request for status of implementation.
15) Project management should in consultation with key stakeholders discuss how the benefits and achievements of the project can be sustained after the completion of project and formalize them in writing. (Rec 3 - 2022-IAS-02 Climate Risk-South East Asia)	D/S OCTOBER 23 The project has been extended until 30 June 2024. The recommended note on sustainability of the project achievements and opportunities for follow-up with national budget and other projects will be discussed and formalized in April 2024.	Keep open and assess in next review
16) The Secretary of the Project Management Board should ensure that the policies and procedures over the creation of projects under its purview are enforced, by periodically reviewing and confirming to the PMB that all projects are established and executed following project management guidelines. (Rec 5 - 2022-IAS-02 Climate Risk-South East Asia)	D/MS MARCH 2024 The PMB continues to receive updates on level of compliance to policies and procedures.	Keep open and assess in next review
17) D/ETR should ensure that an online solution for receiving the nominations/applications for fellowships is implemented expeditiously in a time-bound manner by adapting the existing solution/system of e-recruit or expert nomination through CPDB. (Rec 1 - 2020-IAS-05-FEL)	D/MS MARCH 2024 The new management system for fellowships will be part of the update of the new ERP. The actual date is still to be determined.	Keep open and assess in next review
18) D/ETR should propose in the nomination criteria that only NMHS employees can be considered for fellowships. (Rec 2 - 2020-IAS-05-FEL)	D/MS MARCH 2024 The final draft - Guide to Fellowships ETR-18 - was ready mid-last year, but because of the changes at the EM level that is likely to impact the department level, publication has been postponed to reflect the reality of the organization.	Keep open and assess in next review