INTERNATIONAL TRAINING CENTRE OF THE ILO

ITC International Training Centre

Board of the Centre

90th Session, November 2026

CC 90/4/3

FOURTH ITEM ON THE AGENDA

Report of the Chief Internal Auditor for the year ended 31 December 2025

I. Introduction

1. The Office of Internal Audit and Oversight (IAO) of the International Labour Office provides internal audit services for the International Training Centre of the ILO (the Centre). Chapter VIII, article 18(d) of the Financial Regulations stipulates that the Director of the Centre shall maintain an internal financial control and internal audit. IAO's mandate is established under article 14.10 of the Centre's Financial Rules, which specifies that the Internal Auditor shall carry out independent examinations and report to the Director or persons designated by the Director in order to ensure an effective internal audit in accordance with Chapter VIII of the Financial Regulations.

2. This Annual Report concentrates on IAO activity related to the Centre during 2025. For a fuller description of IAO's activities, including its budget, staffing and Office-wide results, reference should be made to the Report of the Director of Internal Audit and Oversight for the year ended 31 December 2025, presented to the ILO Governing Body at its 356th Session in March 2026 (GB.356/PFA/6).

3. IAO aims to enhance and protect the value of the ILO and the Centre by providing independent, authoritative and insightful risk-based assurance, advice, investigations and inspections. IAO comprises the Investigation and Inspection Unit, the Assurance and Advisory Unit, and the Direction and Support Unit.

4. IAO undertakes its work in accordance with its Charter and the applicable professional standards. The revised Charter of the Office of Internal Audit and Oversight, approved by the ILO Governing Body in March 2025, provides a single framework for IAO's assurance, advisory, investigation and inspection responsibilities and reflects the Global Internal Audit Standards and the Uniform Principles and Guidelines for Investigations.

5. At its 89th Session in November 2025, the Board of the Centre approved the application of the revised IAO Charter to IAO when it functions for the Centre, with the adaptations set out in document CC 89/5/3. The revised Charter superseded the Centre's previous Internal Audit Charter and strengthened alignment between the Centre's oversight framework and that of the ILO.

6. The revised Charter requires the Director of IAO to confirm organizational independence annually and provides for disclosure of any interference affecting the scope, performance or communication of IAO's work and results.

7. During 2025, the organizational independence of IAO continued to be ensured through the direct reporting line of the Director of IAO to the Director-General and through access to the Independent Oversight Advisory Committee and the Governing Body. There were no circumstances of impairment to the independence of IAO's assurance and investigation work, or in the scope, performance or communication of its work and results. IAO received full support and cooperation from management and maintained constructive relations with the Director and staff of the Centre.

8. The Assurance and Advisory Unit remained free from conditions that could threaten the ability of internal auditors to carry out their responsibilities in an unbiased manner. Staff assigned to the audit had no direct operational responsibility or authority over the activities under review.

II. Results of activities

9. IAO's work in 2025 revealed no material matters concerning governance, risk management or controls likely to significantly compromise the achievement of the Centre's goals or outcomes. The assurance work did, however, identify opportunities to strengthen operational processes relating to the recruitment of short-term staff and the engagement of external collaborators, as described below.

Investigations and Inspections

10. At the beginning of 2025, IAO carried forward three investigation cases relating to the Centre from previous years. During 2025, IAO received four new reports concerning the Centre. Three of the new matters were closed during the year with no further action following initial assessment or preliminary investigation. At 31 December 2025, four matters remained under review: the three carried forward from previous years and one matter received during 2025.

11. Of the four new reports received in 2025, two concerned the use of Centre information and communications technology resources, one concerned the engagement of external collaborators, and one concerned compliance with applicable Centre rules and standards of conduct. Three of these matters were closed during 2025 following assessment or preliminary investigation, with no further action by IAO. The fourth remained under review at 31 December 2025.

12. The three cases carried forward from previous years also remained under review at 31 December 2025.

13. Two of the four new matters received in 2025 were reported anonymously through the ILO Integrity Hotline, which was launched in April 2025. This is discussed further below under integrity, ethics and awareness-raising.

Assurance and Advisory Services

14. IAO issued one assurance report on the Centre in 2025: IA TC-66 (2025), Recruitment of Short-term Staff and the use of External Collaborators. No advisory report was issued during the year.

IA TC-66 (2025) - Recruitment of Short-term Staff and the use of External Collaborators

15. In September 2025, in accordance with the approved biennium audit plan, IAO conducted an audit of the recruitment of short-term staff and the use of external collaborators at the Centre. The audit assessed whether the Centre recruits short-term staff transparently and in accordance with justified business requirements and established policies; engages external collaborators at reasonable rates in support of the Centre's objectives while respecting established policies; and has effective internal controls over these processes.

16. Overall, IAO concluded that governance, risk management and internal controls are generally in place and functioning, but improvements are needed to strengthen operational processes. IAO's analysis showed that the average monthly number of short-term staff increased from 22.7 in 2023 to 27.5 in 2025, an increase of 21 per cent. IAO found that recruitment was generally appropriate and justified and that managers engaged external collaborators at reasonable rates. The gender distribution was balanced (49.4 per cent female and 50.6 per cent male).

17. IAO identified six audit findings. These included the absence of documented standard operating procedures for recruiting short-term professional staff and external collaborators and of a documented procedure for recruiting short-term General Service staff. Other opportunities for improvement concerned strengthening and promoting the short-term General Service staff roster; improving the visibility of vacancies; introducing and documenting performance evaluations for short-term staff and external collaborators; establishing a consolidated Centre-wide roster of external collaborators; and strengthening pre-engagement verification, including credentials, ClearCheck and applicable United Nations sanctions screening.

18. IAO recognized as a good practice the Centre's measures to mitigate the risk of candidates using artificial intelligence when completing written tests, including requiring candidates for General Service positions to undertake supervised testing on campus.

19. IAO made ten recommendations addressing the six audit findings. Centre management accepted all ten recommendations and developed an implementation plan with actions to be completed by the end of 2026.

20. **Centre Response: Management accepts the recommendations and is implementing the relevant actions as agreed. Progress has been made, including the development of recruitment procedures for short-term staff, improved vacancy visibility and outreach, safeguards for written assessments, and strengthened credential and ClearCheck verification. Supporting evidence for actions considered completed by management will be submitted to IAO for review through the established audit follow-up process. Work is underway to consolidate procedural guidance for external collaborators, including completion of applicable UN sanctions-screening measures, strengthening related records and roster arrangements, and developing a proportionate end-of-assignment feedback arrangement for short-term staff.**

Existing performance-assessment requirements for external collaborators will continue to be applied.

Integrity, ethics and awareness-raising

21. In April 2025, IAO launched the ILO Integrity Hotline as a safe, confidential and independent channel for reporting concerns or suspicions of misconduct or unethical behaviour. The Hotline is available to Centre staff and permits anonymous reporting. Allegations submitted through the Hotline are assessed by IAO. Two of the four new matters concerning the Centre received during 2025 were reported anonymously through the Hotline.

22. Staff who report misconduct in good faith or cooperate with a duly authorized investigation are protected from retaliation under the ILO whistleblower protection framework. Workplace-related complaints falling outside IAO's mandate continue to be addressed through the applicable mechanisms.

23. In June 2025, the Director of IAO partnered with the ILO Ethics Officer to deliver an in-person half-day session on Ethics and Accountability at the Centre. The interactive session addressed ILO values and standards of conduct, respectful workplace behaviour, integrity and accountability, fraud risks, conflicts of interest, outside activities, gifts, reporting wrongdoing, whistleblower protection and ethical decision-making.

24. Centre staff worked through practical scenarios tailored to the Centre's operating environment, including outside activities, conflicts of interest and confidentiality, bystander responsibilities in potential harassment situations, and integrity and conflict-of-interest considerations in the engagement of external collaborators. The session also introduced staff to available reporting channels, including the Integrity Hotline and the IAO investigations mailbox. Interactive exercises demonstrated strong staff engagement with themes of integrity, accountability, speaking up and awareness of available reporting channels.

25. The Centre's Gender Equality, Diversity and Advisory Council (GDAC) also contributed separately to the event, presenting its own work on gender equality, diversity and inclusion, including the results of a staff survey undertaken by GDAC on violence and harassment. The presentation highlighted, among other matters, staff awareness of policies, knowledge of reporting mechanisms and confidence in reporting.

III. Continuous improvement

26. IAO remains committed to improving the quality, reliability and relevance of its work. Its Quality Assurance and Improvement Programme includes continuous monitoring and supervision of assurance and advisory activities through performance indicators and targets, consultations with key clients and internal stakeholders, and an external assessment conducted every five years.

27. During 2025, IAO's quality assurance work focused on updating audit procedures to incorporate the new professional standards that came into force in January 2025 and on addressing recommendations arising from the 2024 External Quality Assessment and the External Auditor's review. Measures included revising the Audit and Investigation Manuals; revising the approach to biennial and engagement planning; enhancing the productivity

and clarity of audit reports, including greater use of data analytics and graphics; revisiting how professional ethics are discussed and audit findings documented; and including additional material in IAO's annual reporting.