

The Centre's Accountability Framework Key Standards and Mechanisms

Introduction

1. This Circular is issued under the authority granted to the Director under Article V of the Statute of the Centre.
2. The objective of the Centre's Accountability Framework is to foster a strong culture of accountability across the organization. Each official is accountable in exercising his/her responsibilities and functions in accordance with the principles set out in this Circular.
3. Strengthening accountability is an important part of improving the internal governance of the Centre as well as supporting organizational performance in achieving its objectives and reinforcing the culture of integrity and ethical standards across the organization. It also provides greater assurance to the Board, the Constituents and the Donors, as part of the overall efforts to increase transparency.
4. Underpinning the Centre's Accountability Framework, are shared values and principles as defined in the ILO Constitution, the Statute of the Centre and the standards set out in the Standards of Conduct for the International Civil Service (2013).
5. The Centre's Accountability Framework includes a full range of legal instruments, regulations and rules, policies, procedures and formally documented functions, responsibilities and authorities which, taken as a whole, establishes the accountability of officials at all levels for their decisions, actions and omissions.
6. Measures introduced to strengthen accountability include results-based management, the internal letter of representation, a register of financial interests and related party disclosures, the risk management policy and framework, the internal control framework, the monitoring process on the implementation of recommendations issued by both the external and internal auditors as well as the new staff performance management framework.
7. This Circular describes standards and mechanisms included in the Centre's Accountability Framework and clarifies the duties and responsibilities of all officials. It does not replace, nor modify, the relevant official texts (Statute, Regulations, Rules, Circulars and Procedures) which establish the specific accountability of officials in their respective areas.

8. Management will continue to ensure that the Centre's Accountability Framework responds to evolving circumstances and takes into account best practices of the UN system. The Centre's objective is to have an Accountability Framework that places the focus on results and performance-based management, gives the required flexibility and autonomy to managers in order to achieve agreed results, and emphasizes transparency and accountability.
9. This Circular supersedes Circular DIR 02/2015.
10. This Circular is effective immediately.

Scope

11. The Accountability Framework is applicable to all officials of the Centre. Specific accountability of officials who exercise statutory or delegated authorities and responsibilities are normally included in separate policies, rules and procedures as well as other internal documents.¹
12. By virtue of employment contracts issued by the Centre, officials have agreed to the outlined rights and obligations.² The contracts include responsibilities assigned that require compliance to Staff Regulations and other applicable regulations, rules, policies and procedures.

Definitions

13. **Accountability** is the obligation of the Centre's senior management and all its officials to be answerable for all decisions made and actions taken by them, and to be responsible for honouring their commitments, without qualification or exception. Accountability includes achieving:
 - a. objectives and high-quality results in a timely and cost-effective manner;
 - b. fully implementing and delivering its mandate and outcomes, as approved by the Board;
 - c. reporting truthful, objective, accurate and timely performance results;
 - d. responsible stewardship of funds and resources;
 - e. all aspects of performance management, including a clearly defined system of rewards and sanctions; and
 - f. due recognition to the important role of the oversight bodies and full compliance with accepted recommendations;³

¹ Staff Regulations, Financial Regulations and Rules, Centre Circulars and other internal governance documents officially issued on specific subjects.

² The rights conferred by employment contracts as set out in "offers of employment" and in the relevant provisions of the Staff Regulations and other internal governance documents.

³ The Centre's definition is largely based on the definition adopted by the General Assembly, Resolution 64/259, section A, paragraph 8.

14. **Internal control** is a process, effected by a governing body, management or other officials of an organization, designed to provide reasonable assurance regarding the achievement of objectives in the categories of (i) effectiveness and efficiency of operations; (ii) reliability of financial reporting; and (iii) compliance with applicable Regulations and legislative authorities.
15. **Internal control framework** is defined as all regulations, rules, policies, procedures, monitoring, oversight and communication activities, standards of behaviour, ethics, accountability and other activities that, combined, support the safeguard of assets from inappropriate use and loss, from fraud and error; helps ensure the highest quality of internal and external reporting, through the maintenance of proper records and information flows; and facilitates compliance to applicable Regulations, Rules and internal policies.
16. **Oversight** is the general process that includes all review, monitoring, evaluation, supervision, reporting and audit programmes, activities, policy implementation and results of the organization. This is to ensure organizational, financial, operational and ethical accountability, effectiveness of internal controls, and the prevention of fraud and malpractice.
17. **Transparency** refers to a process by which reliable, timely information about existing conditions, decisions and actions relating to all operations and activities of the organization is made accessible, visible and understandable.

Accountability Principles

18. The Centre's Accountability Framework is guided by the following core principles that inform all accountability policies, rules, procedures and processes in the Centre:
- **Clarity of organizational responsibility:** organizational policies and rules of behaviour define the level and types of responsibilities attached to all positions and a zero-tolerance policy for unacceptable behaviour at all levels.
 - **Alignment with organizational-wide goals and accountability:** all officials are accountable for achieving organizational goals whatever their functional positions. In many instances, this will result in joint accountability for results.
 - **Delegation of authority:** delegation of authority is formal and respects the following two requirements:
 - Segregation of duties: key duties and responsibilities in approving, processing, recording and reviewing official transactions are segregated among officials, as much as it is feasible. Otherwise mitigation controls are in place.
 - Self-informing duty: all officials are expected to familiarize themselves and understand the Centre's regulations, rules, policies, and procedures that impact their duties and responsibilities, including decision-making. Officials cannot claim ignorance of established regulations, rules, policies and procedures.

- **Risk and cost-benefit considerations in decision-making:** risks, costs and benefits of the available options should be duly considered and should support the final decision. Risks should be identified and managed within the Risk Management Framework of the Centre.
- **Reliable and evidence-based performance monitoring and reporting:** responsible parties must disclose their performance through timely and regular reporting on results, based on reliable financial and qualitative reports. Documentation with the relevant evidence to support the performance should be clear and readily available as well as verifiable.
- **Highest standards of personal integrity (self-attestation and ethical conduct):** the exercise of authority relies on the principle of a high standard of integrity in management and officials as well as a self-attestation. This includes a declaration of any potential and real conflicts of interest in accordance with the Centre's rules and Ethics standards.

Accountability framework

19. Responsibility, authority, accountability and oversight are interrelated concepts that support the Centre's Accountability Framework.
 - **Responsibility** is the duty to act;
 - **Authority** is the right to act;
 - **Accountability** is the requirement to account for your actions, decisions taken and omissions;
 - **Oversight** as defined in paragraph 16.
20. The Centre's Accountability Framework brings these four essential components together as the foundation to the internal governance and oversight system of the Centre. These are carried out through clear definitions of responsibilities and authorities, as set out below.
21. The **Board of the Centre** is the governing body of the organization and is responsible for its general management.⁴
22. The **Director** of the Centre is responsible and accountable to the Board and external stakeholders for delivering the mandate and expected results of the Centre, as approved in the Strategic Plan, and the Programme and Budget. This includes proper stewardship of all financial resources entrusted to the Centre. In order to meet these obligations, the Director is supported by a Deputy Director, other senior management and all officials of the Centre.
23. **Centre officials** are responsible and accountable in performing their responsibilities including tasks assigned to them, in compliance to all Staff and Financial Regulations,

⁴ Resolution concerning the Statute of the International Centre for Advanced Technical and Vocational Training, Turin (CC/LEG.1/Rev.6), Article III, paragraph 1.

Financial Rules, policies, rules and procedures, as issued under the internal governance instruments. Centre officials at all levels are accountable to the Director through their respective immediate, responsible and higher-level chiefs, as appropriate. They are also accountable for their individual conduct in complying with standards of conduct as civil servants of the United Nations System, and other standards specific to the Centre and professional bodies, if applicable.

Standards of conduct

24. The **United Nations Charter** highlights the accountability of staff of the United Nations and addresses the issue of independence for international civil servants: “In the performance of their duties, staff shall not seek or receive instructions from any government or from any other authority external to the Organization. They shall refrain from any action which might reflect on their position as international officials responsible only to the Organization.”⁵
25. These standards are also reflected in the **Statute of the Centre** that states that “The Director and the staff of the Centre shall carry out their responsibilities as international civil servants.”⁶ and “In the performance of their duties, the Director and staff of the Centre shall neither request nor receive instructions from any government or from any other outside authority.”⁷
26. The Centre’s **Staff Regulations**⁸, applicable to all Centre officials, set out a range of duties and obligations against which they are accountable. These also prescribe the nature of the conduct expected of officials as befitting their status as international civil servants.
27. All Centre officials are required to sign a **Declaration**, upon assuming their duties, agreeing to carry out the functions entrusted to them with loyalty, discretion and conscience, to discharge these functions and regulate their conduct with the interests of the Centre alone, and not to seek or accept instructions with regards to the performance of their duties from any government or other authority external to the Centre as well as to uphold at all times the Constitution of the Centre.⁹
28. Managers at all levels, being responsible for the sound financial management of their operations to achieve results, are required to act with integrity and prudence when using the Centre’s resources. Officials holding approving authorities are required to sign an acknowledgement of their responsibilities and to officially delegate their financial authority as per internal rules and procedures.¹⁰ Notwithstanding this delegation of authority, they remain accountable for the sound financial management of their operations and the resources put at their disposal.
29. Notwithstanding the specific responsibilities mentioned above, all officials are required to respect the Financial Regulations, Financial Rules, policies, rules and procedures, and to implement any recommendations issued by the external and internal auditors, as accepted by management.

⁵ See https://www.itcilo.org/sites/default/files/media/documents/Basic%20documents_3.pdf

⁶ Statute of the Centre, Article II, paragraph 2

⁷ Statute of the Centre, Article II, paragraph 3

⁸ Staff Regulations - Chapter IV

⁹ Staff Regulations - Article 4.1 and the Declaration available in HRS

¹⁰ Circular FINSERV 03/2014 and 03/2014 Rev.1 - Signature Authority

30. The **internal letter of representation** is a written confirmation by managers that they have duly exercised their delegated financial responsibilities and authorities.¹¹ Managers have a responsibility to ensure that they optimize the use of resources for the achievement of results. The annual submission of this letter is in accordance with the obligations of officials to “self-report” and “self-disclose” certain compliance as outlined in the Centre’s Accountability Framework.
31. The Centre has put in place an **anti-fraud policy**¹² to develop a culture of anti-fraud and as a preventive measure against fraud and dishonesty. The Centre has a zero tolerance approach to fraud and dishonesty. The policy provides for a complete process which includes an investigation carried out by the Office of Internal Audit and Oversight (IAO) of the ILO of every case of fraud, presumption of fraud, attempted fraud and dishonesty. The investigation report as well as all findings are submitted to the Accountability Committee of the ILO for a recommendation of disciplinary actions to be taken in the event that the official is found to have acted inappropriately. Officials are required to report all cases of fraud, presumptions of fraud and attempted fraud to the Director through the Treasurer and the Internal Auditor. Officials are also required to submit complete details and any evidence, if any, supporting cases of fraud, presumption of fraud, or attempted fraud to the External Auditors.
32. All Centre officials to whom authorities have been delegated in the use of the Centre’s resources are responsible and accountable in ensuring full compliance with established policies, rules and procedures,¹³ as well as acting in a prudent and ethical manner in order to provide reasonable assurance on the prevention and detection of fraud and other irregularities. Day-to-day responsibilities in the prevention and detection of fraud, corruption and other inappropriate conduct rests with managers.
33. The Centre has issued rules and procedures to assist in identifying and managing potential or real **conflicts of interest**.¹⁴ A conflict of interest can compromise, or be perceived to compromise, the objectivity and impartiality of Officials in the discharge of their official duties. Main causes of conflicts of interests can be identified from family and personal relationships, gifts, benefits and hospitality received from outside sources, as well as through other business interests such as partnerships and family businesses.
34. To assist in preventing conflicts of interest, each official is required to complete a **Disclosure of Interests Form** upon initial appointment and regularly thereafter, at intervals decided by the Centre. This form is to be submitted to the Treasurer and kept confidential in FINSERV.
35. Designated officials, defined as those occupying positions at the P.5 level and above, officials involved in the procurement process and officials in certain specific functional areas of responsibility, are required to complete the annual **Register of Financial Interests and Related party Disclosures Form**.¹⁵ This control is to assist in ensuring that all operations are carried out in a manner above reproach, with complete impartiality and with no preferential treatment. The form requires information on any income, gifts or other allowances received by the official and/or close family members, due directly or indirectly to the official’s employment with the Centre. It also requires the identification of

¹¹ Circular FINSERV 03/2024 – Centre’s internal letter of representation

¹² Circular DIR 01/2013 - Prevention and Detection of Fraud

¹³ Circulars FINSERV 01/2022 - Management of Property and Equipment, ICTS 01/2017 - Information Technology Security Policy and ICTS 01/2022 Rev.1 - Information Technology Use Policy and Rules

¹⁴ Circulars DIR 04/2011 – Conflicts of Interest and DIR 01/2015 – Ethics and standards of conduct

¹⁵ Circular DIR 08/2011 – Register of Financial Interests and Related Party Disclosures

the official's involvement or interest in any entity having a commercial relationship with the Centre.

36. The Centre has issued a policy on **Spouse and other Family Members Employment** that sets out rules and procedures in the recruitment and employment, and/or the issue of other types of contracts, for the employment of close relatives of officials.¹⁶ This is to mitigate any risks or perceptions of favouritism or nepotism thus respecting the principle of non-discrimination. In accordance with this policy, an official's close relative can only be recruited if another equally qualified candidate is not available. In the interest of transparency, employment of close relatives can only be done using fixed-term contracts that require the application of the Centre's standard recruitment and selection procedures. If a short-term contract, external collaboration contract, internship or any other type of contract is to be used to engage the services of a close relative, full justification must be provided by the relevant manager and written approval obtained from the Director.
37. All officials are required to comply in good faith to the principles and provisions outlined in the policy mentioned in paragraph 36. It is the official's responsibility to disclose any relationship of all close relatives or any other relationships relevant in the implementation of the policy. It is the responsibility of an applicant to disclose the fact that a serving official is a close relative. Non-compliance to these principles and provisions may lead to disciplinary action for the official. Confidential guidance and advice may be obtained from the ILO Ethics Officer.
38. The Centre has issued rules and approval procedures that govern outside activities and these apply to all Centre officials. These provide conditions under which officials could be authorized to engage in **outside activities** and/or accept remuneration from an outside source.¹⁷ While officials are encouraged to participate in professional activities that widen their knowledge and expertise, the primary consideration is that the Centre's interests must take precedence.
39. The **Standards of Conduct for the International Civil Service**¹⁸ apply to all officials of the United Nations System. These standards complement the provisions of Chapter IV of the Staff Regulations and govern the conduct of officials in carrying out their duties as well as all activities they undertake outside the framework of such duties.
40. Embedded in these standards are values such as the respect for the equal rights of women and men, fundamental human rights, integrity, tolerance, loyalty, impartiality and independence. Strict compliance to these standards is essential to maintain the highest reputation of the Centre as well as for the respect and trust that the Centre enjoys on the part of the host country, governments, workers' and employers' organizations, donors and the public at large.¹⁹
41. Staff Regulations sets out the **policy and process for the resolution of harassment grievances**²⁰ applies to all officials, short-term staff, external collaborators and interns. It affirms the right of every official to be treated with dignity and respect and to be free from all forms of harassment in the workplace. Officials are expected to take responsibility for their own actions and to conduct themselves in accordance with this

¹⁶ Circular HRS 05/2006 (Rev.) – Spouse and other Family Members Employment Policy

¹⁷ Circular HRS 28/2008 – Rules and approval procedures governing outside activities

¹⁸ Standards of Conduct for the International Civil Service, International Civil Service Commission (2013) available at http://intranet.itsilo.org/internal-service/hrs/regulation-circulars/pdf-documents/standardsE_2013.pdf

¹⁹ Circular DIR 01/2015 - Ethics and standards of conduct

²⁰ Staff Regulations - Article 12.4

policy. Managers and supervisors are responsible for providing and maintaining a harassment-free working environment. All forms of harassment are contrary to the standards of conduct required of all officials.²¹ Special procedures provide for a confidential and speedy investigation and the handling of harassment cases.

42. If a harassment grievance is receivable²², the Chief of the Human Resources Services will nominate an investigator, if the facts are not fully established. Any request by the claimant for interim measures will be referred to the Selection Committee. An investigator's report will be submitted to the Director to determine whether any disciplinary action or other administrative measures are deemed necessary, as per Staff Regulations. Decisions taken can be challenged by both parties and should be referred to the Joint Advisory Appeals Board of the ILO, who will report to the Director for a final decision on the matter.
43. The Centre has also issued the **Harassment on campus - policy and procedures**²³ that aims at ensuring that all members of the learning community on campus are aware that harassment and bullying are unacceptable and go against the Centre's values. This recognizes the right of every individual to be treated with respect and dignity, and the Centre is committed to provide a safe learning and working environment free of any harassment, abuse of power, or intimidation for all members of the campus community. It also confirms that the Centre has a zero tolerance for any type of harassment and bullying.

Standards of performance

44. **Results-based management** (RBM) is a management approach that directs organizational processes, resources, products and services towards the achievement of measurable outcomes. Under RBM, officials are responsible and accountable for ensuring that programmes deliver results to its stakeholders, consistent with the application of relevant ILO's and the Centre's standards and with the principle of gender equality and diversity, as set out in the ITCILO Gender Equality, Diversity and Inclusion Action Plan²⁴. They should also ensure that the Centre's actions reflect decisions taken by the Board, the Governing Body of the ILO as well as the International Labour Conference.
45. Centre officials are accountable for using all resources available to them to achieve results in the most efficient and effective manner within the applicable regulations, policies, rules and procedures of the Centre. The Centre's **performance management framework**²⁵ supports the implementation of the results-based management at the individual level and contributes to the fulfilment of individual development needs and goals. The system's objective is to ensure that targets and objectives are set for all officials and that their performance is assessed based on these expected results. Management **roles and responsibilities** are also defined and establishes

²¹ Staff Regulations - Article 4.2

²² Staff Regulations - Article 12.4 – Administrative resolution of harassment grievances

²³ DIR 01/2018 – Harassment on campus – Policy and Procedures

²⁴ See <https://intranet.ilo.org/announcement/updates-gender-equality-diversity-and-inclusion>

²⁵ <https://intranet.ilo.org/node/678>

accountability for the achievement of key outcomes in a number of areas, including in the management of resources for the delivery of results.

46. The Centre is taking steps to embed a culture of accountability in the achievement of the Centre's goals and strategic objectives among all levels of staff. Efforts include ensuring that all officials have up-to-date job descriptions with reference to accountability. Taken together with the performance management framework, these establish the basis on which the Centre will deliver on its goals and objectives.
47. Under the **Performance management system**, all officials are evaluated against the Centre's Core Competencies²⁶ that reflect the Centre's values. These are also in line with the UN Values.²⁷ Officials are also evaluated against level competencies that are job specific and linked to each position grade.²⁸ Officials, direct supervisors and the responsible chiefs agree at the beginning of the year on 3 to 5 SMART²⁹ outputs linked to the unit's work plan aligning to the Programme and Budget's KPIs, approved by the Board. Three selected core competencies are also to be assessed. New features include a 360 degree review for newly arrived officials as well as for managers with at least 3 officials reporting to them. Officials are accountable for delivering the expected outputs and for demonstrating the required selected core competencies. The system also includes mid-term reviews that are mandatory for officials during probationary periods and strongly recommended for all other officials, with a final assessment at year-end.
48. The Centre has a number of Circulars in place relating to the implementation of the performance management system. Various tools are available to assist both officials and managers in the implementation of this system. The specific responsibilities of the responsible chief, direct supervisor and official are defined in the Staff Regulations, Chapter III as well as the relevant Circulars. Concrete measures have also been outlined to deal with underperformance.
49. The **Centre's Risk Management Policy and Framework** embeds a conscious, efficient and effective approach to managing risks throughout the Centre that adds value to decision-making. It helps officials including management in identifying risks, assessing their probability of occurrence and impact, prioritizing and deciding on how best to manage risks related to the achievement of the planned results. The policy applies to all officials, with specific responsibilities for unit heads, management as well as the Board.³⁰
50. The Centre's **Security Accountability Framework** addresses the accountability responsibilities at various management levels in the Centre as well as sets out procedures relating to the safety and security of the Centre's staff.³¹ All officials have an obligation to abide by the policies, rules and procedures set by the United Nations Security Management System, in particular to exercise due caution and avoid

²⁶ <https://intranet.iticilo.org/competencies>

²⁷ Values of the UN: inclusion, integrity, humility and humanity (<https://hr.un.org/page/un-values-and-behaviours-framework-0#:~:text=Four%20values%3A%20Inclusion%2C%20Integrity%2C,Overall%20definitions>)

²⁸ <https://intranet.iticilo.org/competencies>

²⁹ SMART outputs means outputs that are: specific, measurable, achievable, realistic and time bound

³⁰ DIR Circular 04/2016 Rev. 1 – Centre's Risk Management Policy and Framework; Rules and Procedures

³¹ HRS Circular 13/2011 Rev. 1 – Security Accountability Framework

unwarranted risks to their own safety and security or to that of other officials.³² Specific responsibilities and accountabilities are also identified for managers at all levels to ensure compliance with applicable security policy and instructions by all staff under their supervision.

51. The Centre is committed to providing a conflict-free environment in which all officials can discharge their professional responsibilities in an efficient and effective manner. All officials have a responsibility to resolve work-related problems through dialogue. When this is not possible, the issues should be escalated to their direct supervisors and management in order to address and facilitate resolution. To encourage and facilitate dialogue, the Centre has established conflict resolution mechanisms such as the possibility to request the services of a mediator or a facilitator to provide independent, impartial, neutral and confidential support in resolving work-related problems through dialogue and mediation.³³

Promoting and monitoring compliance

52. Officials are required to comply with their obligations under the United Nations Charter, the ILO Constitution, the Centre's Statute, the Staff Regulations and any other applicable policies, rules and procedures, as well as the standards of conduct expected of international civil servants. Failure to do so may be considered misconduct and subject any one of the sanctions prescribed in Chapter XI (Discipline) of the Staff Regulations, as appropriate.
53. Various documents are shared with newly recruited officials as part of the induction material, covering accountability, ethics, core competencies, etc. which officials are expected to read and understand. Compliance to their obligations are intrinsic to the position they have accepted to hold as well as the new performance management system.

Accountability mechanisms including promoting and monitoring compliance

54. While the Centre's Accountability Framework is based on the underlying principles that staff will self-inform, self-monitor and self-disclose, there are several mechanisms in place to support and monitor compliance.
55. The **Human Resources Services (HRS)** is the primary guardian of the Staff Regulations. Although managers share in this responsibility, HRS has the overall responsibility, including that of implementing Staff Regulations through the issue of official instructions to enforce those rights and obligations. The Staff Regulations, and related official instructions, are accessible to all officials on the Centre's intranet. Under the "self-informing" obligation, all officials are expected to familiarize themselves with these provisions and to comply with them.
56. Among its functions, HRS monitors compliance with respect to entitlements including home leave and other statutory travel, education grant, dependency allowances, social benefits (health insurance, pension and staff compensation), and engagement in outside activities.

³² HRS Circular 3/201 - Security Accountability Framework and HRS Circular 14/2011 - Security Level System and Travel Security Clearance

³³ Staff Regulations – Chapter XII

57. Under Article 11 of the Staff Regulations, provisions are made for the various levels of discipline that could be applied as a result of officials not having observed the standards of conduct required of an international civil servant. Such discipline will vary based on the gravity of the case. This refers to a failure to observe Articles 4.1 to 4.6 of the Staff Regulations, misconduct by an official in his/her official capacity or dereliction of duty. Sanctions include warnings, reprimands, censures, reductions of salary and demotions, discharges, and summary dismissal.
58. HRS promotes awareness of accountability through training initiatives. Information on the Centre's Accountability Framework is provided as part of the induction documents to new officials. Officials are also required to complete the online course on Ethics, provided by the ILO (currently under review). HRS also collaborates with the Ethics Officer in conducting specific training on ethics.
59. **Responsible and higher-level managers** share with HRS the responsibility for the management of staff and compliance with the Staff Regulations. While HRS develops individual HR policies, rules and procedures, it is the responsibility of responsible and higher-level managers to monitor day-to-day compliance, acting upon advice and guidance from HRS, where required. This includes providing feedback to staff on their results and outcomes as well as hold them accountable for any omissions and failure to achieve their planned results. The assignment of the managers and HRS' respective responsibilities and accountability in the implementation of the specific regulations, rules, policies and procedures are outlined in the various documents issued by the Centre, several of which are referenced in this document.
60. Managers are also responsible for ensuring that staff under their supervision are held accountable for their performance in accordance with the performance management system. The targets and outcomes are defined at both the individual and organizational levels within the framework of the performance management system, the Strategic Plan and the Programme and Budget.
61. The **Reports Committee** is responsible for monitoring compliance with the performance management system as well as ensuring quality and consistency in the measurement of performance across the Centre. Unsatisfactory performance jeopardizes the achievement of individual and organizational goals and thus the delivery of the Centre's results. The Centre takes appropriate steps to offer additional support to those staff having challenges in the delivery of their outputs and targets in order to bring their performance up to acceptable standards. Where such efforts fail, the Reports Committee may decide to withhold an increment on the recommendation of the responsible chief.³⁴ As part of its role of monitoring compliance with the performance management system, the Reports Committee may recommend to the Director the termination or non-renewal of a contract for unsatisfactory performance.³⁵
62. This Committee is also responsible for the decision to approve special merit increments including special increments beyond the maximum salary rate, as per Staff Regulations³⁶, and as per the Centre's related policy.
63. Officials may appeal a decision taken by the Reports Committee on withholding an annual increment.³⁷ The appeal is made to the **Joint Advisory Appeals Board** of the ILO. Officials would appeal if (s)he considers the decision of the Reports Committee to

³⁴ Staff Regulations - Article 7.5

³⁵ Staff Regulations - Article 13.7

³⁶ Staff Regulations - Article 7.7

³⁷ Staff Regulations - Article 7.5

be based on an erroneous evaluation of performance or that the decision was made for reasons unconnected with performance or conduct.

64. The **Risk Management Committee** reviews the Centre's exposure to risks based on a review of the Unit Risk Registers maintained in each unit/programmes. This information is assessed and higher risks are included in the Corporate Risk Register including an assessment of the probability of occurrence and its impact on the Centre, mitigation actions in place and the residual risk level. It advises the Director on all measures required to avoid or mitigate risks that would hinder the achievement of objectives, could damage the Centre's reputation, could result in injury or loss of life, or damage or loss of assets and any financial impact.
65. **The ILO Office of the Legal Adviser (JUR)** advises management including the Director on matters that may result in legal obligation or risks, including human resources matters.
66. **The Treasurer** is accountable to the Director for the application and implementation of the Financial Rules. This includes the responsibility of ensuring that adequate internal control mechanisms are in place to safeguard the Centre's financial resources and assets from inappropriate use and loss from fraud and error, as well as compliance to the various financial processes and related rules and procedures.
67. **The ILO's Office of Internal Audit and Oversight (IAO)** is responsible, under the Revised Audit Charter and new Investigation Charter, for providing the Centre's Director as well as its Board with independent, objective, expert advice and assurance in order to add value and improve the Centre's operations. It makes recommendations with a view of improving internal governance, risk management, internal control, stewardship and accountability. In addition, it is also responsible under its mandate to conduct investigations into allegations of financial or administrative misconduct and other irregular activities. All programmes, projects, operational budgets, funds and activities undertaken by the Centre, regardless of the source of funding or location, are subject to the Chief Internal Auditor's independent responsibilities.
68. In investigating financial and administrative misconduct and other irregular activities, this work is carried out in a fair and impartial manner, with full confidentiality, respect for individual rights and obligations, and presumption of innocence, in compliance with International Internal Audit Standards as well as Investigation Standards. The IAO is not responsible for conducting investigations into areas for which there are separate provisions, such as workplace complaints, including harassment, unless requested by HRS and in these cases, the report issued would be provided to the Director with copy to the Chief of HRS.
69. IAO can receive complaints or information concerning the possible existence of waste, abuse of authority, or other irregularities directly from the Treasurer or from individual staff members. After investigation, IAO would submit its investigation report to the Director, with copy to the Treasurer. Should the report substantiate the allegations made, the Treasurer would then refer the case to the Committee on Accountability of the ILO.
70. The **Committee on Accountability** reports to the Director through the Treasurer. It reviews the IAO investigation reports and other relevant information, and issues recommendations on cases of fraud, presumption of fraud and attempted fraud, as well as dishonesty, negligence or disregard for the Centre's established directives, rules, policies, and procedures that resulted, or could have resulted, in financial or other loss

to the Centre or damage to its property. In cases where the Committee determines that the matter does not fall within its mandate or that it should be referred to another body, it advises the Treasurer. In certain cases, the Director will refer the Committee on Accountability to report to HRS for appropriate disciplinary actions.

71. The **External Auditor** reviews the financial accounts of the Centre, including all funds, and presents his/her report to the Board on whether the financial statements are free from material misstatements. The audit, carried out in accordance with International Standards on Auditing (ISA), also examines the validity of transactions and whether they comply to the Financial Regulations and Rules, and other legislative authorities, and ensures the efficiency of the financial procedures, the accounting system, the internal financial controls and in general, the administration and management of the Centre is adequate. The External Auditor brings to the attention of the Board *inter alia* any cases of fraud or presumption of fraud, and any wasteful or improper expenditure of the Centre's money or other assets. The Centre must ensure timely, effective and appropriate responses to recommendations contained in the External Auditor's report.
72. The **Board of the Centre** is responsible for the overall governance and oversight of the Centre. It reviews the External Auditor's report including its opinion on the Centre's annual financial statements, and adopts the financial statements. It reviews the operational results of the Centre as provided in implementation reports, the results and recommendations of the yearly external evaluation reports and monitors the implementation of the Internal and External Auditors' recommendations in order to provide the necessary levels of assurance required by the Governing Body of the ILO. It approves the Centre's Strategic Plan as well as its Programme and Budget, among others. It also submits an annual report on the activities of the Centre to the ILO's Governing Body.
73. The **ILO's Ethics Officer** is responsible for providing confidential guidance to HRS, as well as individual managers and staff members, to ensure that the Centre's policies, procedures and practices adhere to ethical standards under the Staff Regulations and the Standards of Conduct for the International Civil Service and that the ethical standards pertaining to the Centre's officials are clearly understood.
74. The Ethics Officer will receive complaints from staff members if they believe that actions have been taken against them for reporting misconduct or for cooperating with an audit or investigation and will keep a confidential record of this information.³⁸ The Ethics Officer will conduct a fair and transparent preliminary review to determine if the complainant has engaged in a protected activity and whether there is a prima facie case to conclude that the protected activity was a contributing factor in the alleged retaliation or threat of retaliation. The matter would then be referred to HRS for disciplinary action, if necessary.
75. The Ethics Officer works with HRS to design and promote programmes that increase staff members' awareness of ethical issues.

Promoting accountability - other

76. The Centre has implemented mandatory training on **ethics** through the on-line course "Ethics in the ILO" within its Staff Training and Development on-line courses. The objective is to create staff awareness and sensitivity for ethics, to ensure that all officials

³⁸ Circular DIR 01/2015 - Ethics and standards of conduct

adopt the right attitude in all circumstances as well as inform officials about available support structures in case of doubt (preventive), problems or conflict (curative). This contains various modules that cover an introduction to ethics, an ethics questionnaire as well as ethical case studies. After undertaking a test, the official receives a certificate of completion.

77. Throughout the Centre's policies, rules and procedures issued in various areas of operations, accountability is addressed under "roles and responsibilities" of various officials in each process including internal controls. When a new Circular or an amendment to an existing Circular is issued, this is communicated by email to all officials, with a link to the Circular, in order that officials are informed and can become familiar with the content. Such document also appear under Circulars on the top page of the Centre's intranet site.

Monitoring of compliance

78. As part of its approved Human Resources Strategy Action Plan 2022-25, management has undertaken a full review of various HR areas in the Centre, among which the dimension of a respectful and enabling working environment; a diverse workforce with the right skills to face the future; and innovation and further digitalization of the HR function and services. Since 1 January 2024, the Centre has a new **performance management system** linked to the Centre's indicators and that requires setting individual outputs and results to be achieved by all staff members, promotes and maintains an open dialogue at any stage of the process on progress and/or development needs, and requires an assessment of the results at the end of the performance cycle.
79. With a shift from a tasks-based performance management system to one based on goals, targets and outputs, this will hold staff at all levels accountable for their achievements based on factual information. This will focus the performance management on optimizing the quality of each staff member's contribution to the work of the Centre.
80. This culture shift is supported by active promotion and sustained efforts to strengthen the capacity of managers as well as recognition measures to reward the achievement of results. This increases the visibility and universality of mechanisms to manage underperformance and address non-performance in an effective, fair and timely manner. Every official will be held accountable for his/her overall performance in delivering the planned and agreed goals/targets set at the beginning of the period.
81. The Centre adopted a simple and modern results-based performance management system enhancing managerial/leadership skills in performance management, linking individual performance to team performance as well as linking performance appraisals to the learning management system.

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