



COUNCIL — 237TH SESSION

Subject No. 13: Work programmes of Council and its subsidiary bodies

ANNUAL REPORT OF THE CHIEF OF THE OFFICE OF INTERNAL OVERSIGHT (OIO) For the period from 1 January to 31 December 2025

(Presented by the Secretary General)

EXECUTIVE SUMMARY

In line with the OIO Charter, the Chief of the Office of Internal Oversight (OIO) shall submit an annual report to the Secretary General, who shall transmit it to the Council with their comments during the first Session of the Council in each calendar year. This annual report summarizes the activities and results of all work undertaken by OIO during the period 1 January to 31 December 2025, as well as its performance relative to its risk-based annual work plan.

This report presents a summary of OIO's assurance, advisory, and other oversight services in 2025. OIO issued 10 reports in 2025 (five internal audit, three evaluation and two advisory reports). Additionally, two internal audit and one evaluation reports were at the final draft report stage while one evaluation was at the data collection stage. In 2024, OIO issued eight reports (six audits and two evaluations) as well as two separate advisory papers.

Additionally, the report includes a statement of conformance with the internal audit and evaluation standards being adhered to and a view on whether resourcing of the function was appropriate, sufficient and effectively deployed to achieve the desired internal audit and evaluation coverage. The report also provides an update on the status of implementation of the oversight recommendations by management.

<i>Strategic Goals:</i>	This paper relates to all Strategic Goals and Supporting Enablers
<i>Financial implications:</i>	N/A
<i>References:</i>	C-WP/15634; CG-WP/33

1. INTRODUCTION

1.1 OIO provides independent and objective assurance, advisory services, and evidence-based assessment of ICAO's performance through its internal audits, evaluations, and other oversight assignments. OIO carries two functions—internal audit and evaluation—under one overarching goal: to support ICAO in achieving its strategic goals and programmatic and organizational priorities.

1.2 This report presents a consolidated overview of the internal audit and evaluation activities undertaken by OIO in 2025. It also highlights risks and opportunities for strengthening ICAO's governance arrangements, risk management and internal control processes.

2. MANDATE

2.1 According to OIO's Charter, the Council establishes the mandate of OIO in line with the ICAO Financial Regulations and Rules, Article XI. OIO's mandate is to provide the Council and the Secretary General with independent and objective assurance, advice, insight and foresight on the effectiveness and efficiency of ICAO's governance arrangements, risk management and control processes, achievement of planned results, contributing to institutional learning, accountability, transparency and integrity.

2.2 In accordance with ICAO Financial Regulations and Rules, independent external oversight is provided by the External Auditor, whose primary objective is to express an opinion on ICAO's financial statements. The Council and the Secretary General also receive independent advice on the effectiveness of ICAO's oversight functions from the Evaluation and Audit Advisory Committee (EAAC), comprised of senior experts nominated by Member States, who are fully external to ICAO.

2.3 ICAO management is responsible for the adequate design and effective maintenance of governance, risk management and internal control processes to ensure that ICAO's objectives are achieved.

3. CONFORMANCE TO PROFESSIONAL STANDARDS

3.1 OIO conducts its audit activities in conformance with the International Professional Practices Framework promulgated by the Institute of Internal Auditors (IIA), and its evaluation work follows the Norms and Standards of the United Nations Evaluation Group (UNEG). OIO's internal audit function successfully passed its External Quality Assessment with a rating of general conformance.

3.2 The IIA's new Global Internal Audit Standards (GIAS), effective 9 January 2025, introduce substantial updates aimed at simplifying and clarifying the existing requirements, while further elevating the internal audit profession. OIO successfully completed its External Quality Assessment with a rating of general conformance. To maintain conformance with the new Standards, OIO has advanced its Quality Assurance and Improvement Programme (QAIP), including updates to its Charter, Audit Strategy, Audit Manual and audit methodologies. The revised Charter was presented and approved by the Council in November 2025.

4. INDEPENDENCE OF OIO

4.1 OIO's Charter¹ requires the Chief, OIO, to confirm to the Council, at least annually, the continued independence of the internal oversight function, including any limitations related to scope or resources.

¹ Paragraph 9.10 of the OIO Charter

4.2 During the reporting period, OIO remained operationally and functionally independent of ICAO management and exercised full discretion in determining the scope of its oversight work in accordance with its Charter. No instances occurred that interfered with, or could be perceived as compromising, the operational and functional independence of OIO. The oversight work plan and scope were determined by OIO based on objective risk criteria and informed by feedback from Council members, the Senior Management Board (SMB) and the EAAC. The sufficiency of the OIO budget has been regularly presented to and discussed with the Council, which has emphasized that OIO is provided with sufficient resources to undertake all the planned activities effectively. Budget overview is presented in the section 12 below.

5. STATUS OF OVERSIGHT ASSIGNMENTS

5.1 The table below illustrates the status of the implementation of the OIO work plan for 2025 (C-WP/15634). Two assignments carried forward from the 2024 workplan were finalized and issued in 2025.

#	Assignment Title	No. of recs	Status
Internal audits			
1	Audit of Implementation of the Language Service Management System (carry forward from 2024)	4	Final report issued
2	Audit of the Asia and Pacific Regional Office and its Sub-Offices	7	Final report issued
3	Audit of Events Management and Conference Services	7	Final report issued
4	Audit of ICAO Information Systems' Governance, Risk Management and Compliance	n/a	Draft report is finalized
5	Audit of Third Party (Outsourced Service Providers) Governance and Risk Management	4	Final report issued
6	Maturity Assessment of Anti-Fraud and Anti-Corruption Program	6	Final report issued
7	Audit of ICAO's Organizational Resilience Management System	n/a	Draft report is finalized
Evaluations			
8	Evaluation of ICAO's Environmental Protection Strategic Objective (carry forward from 2024)	5	Final report issued
9	Evaluation of the Regional Portfolio of the Eastern and Southern African Office and the Comprehensive Regional Implementation Plan for Aviation Security and Facilitation in Africa	7	Final report issued
10	Evaluation of ICAO's Project Cycle Management	5	Final report issued
11	Evaluation of ICAO's Economic Development Programme	n/a	Draft report is finalized
12	Evaluation of ICAO's Gender Equality Programme	n/a	Fieldwork stage
Advisory engagements			
13	Rapid Assessment of the readiness for the planned rollout of Quantum ²	n/a	Advisory report issued to management
14	ERM maturity validation assessment ³	n/a	Advisory report issued to management
15	Digital Transformation Project – BI and Quantum Reporting ⁴	n/a	Consulting work is underway

5.2 As per the OIO's Standard Operating Procedure (SOP) for internal audit report clearance, the target for finalizing a report and completing the Management Action Plan (MAP) is 22 working days of issuance of the draft report. In 2025, the average delay beyond what is stipulated in the SOP was 5.83 working days (see Appendix D), an improvement compared to 13.25 working days in 2024. OIO acknowledge the continued efforts by the Secretary General in facilitating timely issuance of oversight reports. OIO also encourages all senior managers to take prompt action, in close cooperation with the Office

² This assessment was conducted in lieu of the planned limited review of the internal control system assignment.

³ This assessment was not included in the initial workplan 2025, but was conducted based on the request of EAAC and management.

⁴ This assignment is undertaken in lieu of the planned review of the digital transformation project, which was initially considered to review BI reporting or UNAll, however the projects were not ready for a full audit in 2025.

of the Secretary General, to prepare MAPs that enhance the added value of internal oversight reports and to implement recommendations as required by the Council (C-DEC 225/3).

6. KEY RISKS AND OPPORTUNITIES FOR ENHANCEMENT IDENTIFIED IN 2025

6.1 In line with paragraph 12.2 of the OIO Charter, this section presents a **summary of the key risks and opportunities for enhancement** identified from the results of oversight assignments and analysis of organizational risk factors:

6.2 **ERP stabilization and benefits materialization:** to function effectively—including in the areas of financial management, internal controls, operational stability, and programme delivery—it is critical for ICAO to stabilize the ERP-Quantum. Given ICAO's significant investment, ensuring that the expected benefits in streamlining processes and strengthening controls are fully realized is essential. Implementation issues and bugs should continue to be systematically recorded, reported to the Quantum Consortium, where applicable, and resolved. Internal controls must continue to be updated to reflect Quantum-related changes, and business processes be reviewed and revised to improve operational efficiency.

6.3 **Governance, Risk Management and Compliance for Information Systems and Digital Transformation:** significant risks and opportunities continue to characterize ICAO's Information Systems environment. While strategic oversight, integrated planning and financial forecasting, and coordination between ICT and InfoSec require further strengthening, the organization is well-positioned to build on recent progress, including ICT's advancement of the digital transformation agenda and InfoSec's attainment of ISO 27001 certification. Opportunities exist to reinforce governance through a more active role of the SMB, enhance value for money by strengthening joint planning, budget monitoring and third-party management, and improve decision-making through a more robust enterprise architecture framework. Strengthening compliance with security controls—supported by clearer reporting and shared accountability for Information System risks between ICT/UNICC and InfoSec—would support organizational resilience, safeguard information assets, and ensure the long-term preservation of ICAO's technology investments.

6.4 **Enterprise Risk Management:** ICAO made continued progress in implementing Enterprise Risk Management (ERM), with the adoption of ERM framework, dedicated resourcing, and strong leadership tone at the top demonstrating clear organizational commitment. At the same time, areas for improvements include inconsistent risk register practices, unclear accountability for mitigation actions, limited analytical capability, and gaps in embedding ERM into day-to-day operations. Addressing these challenges—through simplified tools, clarified roles, upgraded systems, stronger integration with internal processes and controls, and sustained capacity building—would help close existing gaps and advance ICAO toward a more mature, strategic, and value-adding risk management function. These improvements present important opportunities to strengthen risk ownership, embed ERM more deeply into strategic planning and project management, and further cultivate a robust risk-aware culture across all levels of the organization.

6.5 **Result-based management and culture:** Although ICAO has continued to advance its Results-Based Management (RBM) efforts, the organization's results culture could be further advanced in its maturity. Oversight work indicates that RBM implementation is uneven and not yet sufficiently institutionalized, with inconsistent application of key practices across Bureaus and Regional Offices due to the absence of harmonized guidance and varying staff capacities. Core RBM elements—such as results-based planning, monitoring, and budgeting—are applied inconsistently, and challenges persist in defining measurable indicators, articulating the results and resources chain, and establishing robust monitoring and evaluation mechanisms. Collectively, these gaps limit ICAO's ability to ensure consistent corporate performance management, strengthen organizational learning, sustain the expected results, and enhance accountability and transparency across its programmes and operations.

6.6 **Assurance mapping, including outsourced services to third parties:** there is a need to map and strengthen management oversight, and establish a more structured, continuous monitoring approach for compliance, exceptions, and early warning indicators of emerging risks. ICAO does not yet have a mature second line (management) monitoring culture and function in many of its processes, resulting in an over-reliance on the third line (independent oversight functions like OIO) for providing assurance. ICAO's increasing use of third-party service providers underscores the importance of ensuring effective governance and risk management in this area. Clear provisions for service provider performance, monitoring and assurance requirements, and the quality and cost controls, are essential to ensure outsourcing arrangements are managed in a transparent, accountable and risk-responsive manner.

6.7 **Programme and Project Cycle:** While ICAO has established good project management cycle practices and procedures across Bureaus and Offices, their application remains fragmented and inconsistently executed. Developing an organization-wide project cycle framework—with common definitions, templates, and clearer categorization—would improve coherence and efficiency in the implementation of the One-ICAO approach. A dedicated corporate function could further consolidate good practices, strengthen appraisal processes, and build more consistent capacity across Headquarters and Regional Offices. Similarly, integrating decentralized tools and systems into a unified project repository would improve visibility, organizational learning, and oversight. As ICAO advances this work, there is also an opportunity to more systematically embed risk management and crosscutting considerations—such as gender, disability, and environmental factors—throughout the programme and project cycle, reinforcing ICAO's commitment to accountable and results-driven delivery.

6.8 **Anti-fraud and anti-corruption efforts:** ICAO has an AFAC Policy, but needs to clarify authority, responsibility and business process ownership for coordinating anti-fraud and anti-corruption efforts in the Organization, including developing a plan to operationalize the AFAC Policy. An effective AFAC program will prevent potential financial loss, raise awareness and culture and sustain Member States' confidence.

6.9 **Organizational resilience:** While some elements of the Organizational Resilience Management System (ORMS) are already in place, they require further integration and harmonization to function as a coherent system. ICAO would strongly benefit from a formal ORMS framework. Strong leadership commitment is needed to foster a culture of resilience and reinforce the importance of a risk-driven, customized, and integrated approach to ORMS. Increased awareness, visibility, and engagement across the organization are also essential to embed resilience principles into day-to-day operations.

6.10 **Implementation of oversight recommendations:** Timely implementation of oversight recommendations is essential for strengthening good governance, risk management and the control environment. Management continued to make progress in advancing implementation of most recommendations and closing a significant number of them; however, delays persist in some areas, which weakens controls and slows the realization of intended enhancements. OIO continues to observe instances of oversight fatigue due to competing priorities stemming from ongoing initiatives and corporate processes. OIO will continue assisting the Secretary General and management in advancing recommendation implementation, including through the streamlining of the Standard Operating Procedures for the different recommendation-closure resolutions.

6.11 **UN-SWAP women empowerment indicators related to audit and evaluations:** to sustain its Audit and Evaluation Indicators of the UN System-wide Action Plan (UN-SWAP), OIO continued to integrate gender mainstreaming across its audits and evaluations. Assessments of gender issues consideration were incorporated into the audit of conference and events management, as well as into oversight work related to Regional Offices, project cycle, and strategic objectives. All evaluations include a dedicated question examining ICAO's approach to gender mainstreaming and its implementation of the related Assembly resolutions. OIO also consulted ICAO's gender focal points and updated its risk

assessment accordingly. ICAO continues to face inherent challenges in advancing UN-SWAP indicators, given the technical nature of its mandate and the limited resources available for women empowerment initiatives. In line with the UN-SWAP requirements, OIO has scheduled an evaluation of ICAO's Gender Equality Programme for 2025, while continuing to embed gender considerations across all the relevant oversight engagements.

7. SUMMARY OF OVERSIGHT REPORTS ISSUED IN 2025

7.1 Internal Audit of the Implementation of the Language Service Management System (IA/2025/01)

Overall audit opinion : Some improvement needed

7.1.1 OIO conducted an audit of the Language Services Management System (LSMS) implementation at ICAO, focusing on project outcomes, governance of outsourced UN services, and user satisfaction. The audit found that LSMS modernized workflows with new applications, notably gDoc 2.0 and eLuna, improved efficiency and user experience. However, challenges remain, including different platforms, outdated administrative instructions, heavy reliance on consultants, and gaps in business continuity planning. The report recommended the integration of LSMS with a unified document management system, acquiring missing functionalities, updating guidance documents, and strengthening disaster recovery procedures. Management's awareness of lessons learned and commitment to improving processes were evident, ensuring long-term project sustainability and alignment with organizational goals.

7.2 Internal Audit of the APAC Regional Office and its Sub-Offices (IA/2025/02)

Overall audit opinion : Some improvement needed

7.2.1 OIO's audit of the APAC RO and its Sub Offices found that they satisfactorily carry out their duties and activities in line with their mandate. Activities and deliverables for the audit period were aligned with the priorities of the ICAO Business Plan, and performance was monitored and reported against the operating plan objectives. The allocation of tasks and responsibilities between the RO and its sub-offices was clear and documented. There was a need for major improvement related to stronger management oversight of sub-office operations, including segregation of duties and monitoring. Additional opportunities for improvement were identified in asset management, project monitoring, procurement compliance and business continuity management. OIO issued seven recommendations to improve risk management and controls.

7.3 Internal Audit on Events Management and Conference Services (IA/2025/03)

Overall audit opinion : Major improvement needed

7.3.1 OIO found that the Conference Services (COS) Unit at ICAO is resilient and adaptable, especially in supporting hybrid meetings and implementing new technologies after the pandemic. However, the report identified major areas needing improvement, such as heavy reliance on consultants, outdated policies, fragmented digital systems, and insufficient analysis regarding venue capacity requirements. These issues have led to operational inefficiencies and risks to data integrity, as well as missed opportunities for more optimal utilization of conference facilities in the building. OIO made seven recommendations, including developing a formal strategic plan, updating administrative instructions, improving financial management, and upgrading digital platforms and equipment. The report also highlighted the need for better risk management and proactive planning, while recognizing COS's efforts in environmental sustainability and inclusivity.

7.4 **Maturity Assessment of Anti-Fraud and Anti-Corruption Programme (IA/2025/04)**

Overall audit opinion : Level 2: Initial out of a 5-point rating system⁵

7.4.1 OIO's maturity assessment of the Anti-Fraud and Anti-Corruption (AFAC) programme identified governance gaps, notably the absence of a designated coordinator for overseeing the implementation of the AFAC Policy and Programme. The assessment highlighted the need to formally assign this role, with clear accountability, authority and sufficient resources to lead the AFAC Programme implementation, governance, fraud risk assessment, and monitoring in line with the three-lines model. In addition, ICAO has not yet established a formal fraud and corruption risk-monitoring approach capable of providing organization-wide visibility on emerging trends and triggering an appropriate response. Strengthening AFAC monitoring by integrating these elements into existing policies, systematically measuring the AFAC Programme effectiveness, and reporting to governing bodies remain essential. OIO made six recommendations and reiterated one EAAC recommendation from the EAAC 2023-2024 Annual Report (C-WP/15633).

7.5 **Audit of Third-Party (Outsourced Service Providers) Governance and Risk Management (IA/2025/05)**

Overall audit opinion : Some improvement needed

7.5.1 OIO's audit found that there is no formal policy framework to govern or support outsourcing decisions. There was an incomplete inventory of third-party service providers being used, a lack of dedicated risk management, and related cost-effective controls. OIO noted good practices with respect to the Information Security team conducting risk assessments at the time of initial contracting with all third-party vendors; and one contracting unit monitoring the service provider's performance. OIO issued four recommendations to improve governance, risk management and mitigating controls.

7.6 **Evaluation of ICAO's Environmental Protection Strategic Objective (EV/2025/01)**

7.6.1 The evaluation confirms that ICAO's Annex 16 SARPs, policies, and strategies are essential for achieving ICAO's Environmental Protection goals and Assembly Resolutions. These efforts align with ICAO's broader plans and are consistent with the objectives of UN agencies and partners. ICAO's implementation support initiatives—such as ACT-CORSIA and State Action Plan-related assistance—have proven effective in helping Member States achieve their environmental protection objectives. As the scope of work expands to encompass emerging topics like Sustainable Aviation Fuels (SAF) and non-CO2 emissions, and as Member States' demand for support grows, the current organizational structure faces significant challenges in maintaining high-quality, timely assistance and scaling up environmental protection activities. A comprehensive review and restructuring of ICAO's Environment Branch are essential to ensure optimal allocation of resources and sustained excellence in standard development, coordination and partnership, and implementation support.

7.7 **Evaluation of the Regional Portfolio of the Eastern and Southern African (ESAF) Office and The Comprehensive Regional Implementation Plan for Aviation Security and Facilitation in Africa (AFI SECFAL Plan) (EV/2025/02)**

7.7.1 The ESAF Regional Office's support activities are highly relevant to Member States' needs and regional priorities, aligning with ICAO Global Plans. Annual coordination meetings and consultations ensure this relevance and coherence. However, planning is hindered by outdated audit data from the Universal Safety Oversight Audit Programme (USOAP) for several ESAF Member States. The Regional Office is committed to supporting Member States through technical assistance, workshops, and capacity-building. Persistent challenges in resource mobilization, delayed fund allocation, and limited State capacity

⁵ Level 1: *Ad hoc*; Level 2: *Initial*; Level 3: *Repeatable*; Level 4: *Managed*; Level 5: *Leadership*

restrict the Office's effectiveness. Effective Implementation (EI) rates for USOAP and USAP audits remain below global averages and targets, highlighting the need for more strategic support.

7.7.2 The AFI SECFAL Plan addresses key aviation security challenges for AFI Member States, focusing on low EI scores, SSeCs (Significant Security Concerns), and risk-based approaches. While security support has been strong, broader facilitation needs are still not being fully met. Persistent resource mobilization issues continue to exist as there was limited progress. The new governance framework promises better resource mobilization and coordination, but sustained effort is needed to achieve measurable results.

7.8 Evaluation of ICAO's Project Cycle Management (EV/2025/03)

7.8.1 The evaluation found that although some ICAO Bureaus have developed internal project management guidelines, the Organization lacks a unified framework, consistent definitions, and a centralized project information repository. This fragmentation leads to inconsistent project categorization and weak oversight, undermining the quality, reliability, and coherence of project delivery. Without a centralized governance function, capacity building and guidance remain limited, leading to uneven application of practices and reduced organizational learning. Furthermore, while guidelines exist for key phases—Identification, Formulation, and Appraisal/Approval—they are not sufficiently streamlined or formally documented, causing inconsistent procedures and incomplete legal, financial, technical, and operational appraisals. These gaps collectively weaken project quality, hinder evidence-based decision-making, and reduce accountability and transparency across ICAO.

7.9 Advisory Report: Rapid Assessment for Planned Rollout of Quantum (AD/2025/01)

7.9.1 OIO conducted a rapid advisory assessment on ICAO's readiness for the 7 April 2025 rollout of the Quantum ERP, identifying that while overall system configuration, user acceptance testing progress, project governance and risk transparency support proceeding with go live, several critical risks remained. As of 28 March 2025, five unresolved "showstoppers," 59 critical bugs deferred to post-go-live, and 57 open items required close management attention. Additional risks stemmed from data security concerns, initial budget overrun and a pending payroll outsourcing Service Level Agreement. There was an expectation gap between what the system offered and what business users expected, which could result in low staff acceptance of the new ERP system. While management considered the system sufficiently prepared with existing mitigation measures, moving forward required strengthened oversight of outsourced service provider's deliverables, formalized contingency and support arrangements, and a post-rollout focus on stabilizing the system, completing outstanding functionalities, and ensuring adequate training, governance, and internal controls.

7.10 Advisory Report: Maturity Assessment of ICAO's Risk Management Process (AD/2025/02)

7.10.1 The advisory assessment found that ICAO made progress in strengthening its Enterprise Risk Management (ERM) framework, supported by strong leadership commitment and dedicated resources. Using the UN HLCM Reference Maturity Model, ICAO's ERM maturity was assessed at a level between *developing* and *established*. While good practices were observed, inconsistencies remain in the quality of risk registers, clarity of roles, and integration of ERM with strategic planning, results-based management, and internal controls. The current spreadsheet-based system limits analysis and coordination, and risk culture and capacity require further strengthening to embed ERM into decision-making. Survey feedback reinforced the need for simpler tools, clearer accountability, better training, and improved alignment between risks, controls, and organizational objectives. The assessment outlines opportunities to enhance ERM by adopting an integrated risk system, standardizing risk definitions, and improving stakeholder engagement to support a more mature, coherent, and strategically aligned risk management process.

8. STATUS OF IMPLEMENTATION OF OVERSIGHT RECOMMENDATIONS

8.1 Timely implementation of oversight recommendations helps ICAO to improve its overall operational effectiveness and efficiency, enhance compliance with existing policies/procedures and safeguard the Organization’s assets. The table below provides information on the issuance and implementation of oversight recommendations during 2025. Appendix A provides further information on the high-priority long-overdue recommendations.

Source	Open as at 31/12/2024	Issued during the year ⁶	Closed during the year	Open as at 20/01/2026
OIO	49	41	39	51
External Audit	13	15	15	13
JIU	51	33	48	36
Total	113	89	102	100

8.2 As of this report issuance date, management closed 39 recommendations, which demonstrate their commitment to enhancing ICAO’s governance, risk management and compliance with internal controls. See Appendix B for further information on the recommendations’ implementation progress. Out of the 51 open recommendations, 8 were long-overdue (12 months passed since the agreed implementation timeframe) and 20 were overdue. Five long-overdue recommendations were high-priority recommendations. Management reported progress on most of the overdue recommendations.

8.3 The OIO monthly update on the status of the implementation of oversight recommendations is made available to the Secretary General, the SMB, the EAAC, and the External Auditors. Copies are also posted on the Council website.

8.4 In order to assist the Organization in implementing overdue recommendations, in 2025, OIO continued to hold discussions with each responsible manager to understand factors hampering the implementation and outstanding management actions to close these recommendations. OIO also consolidated recommendations issued by other oversight providers, namely the External Audit, EAAC and JIU, to facilitate the timely implementation of outstanding recommendations. OIO plans to continue these meetings every quarter.

9. ADVISORY OVERSIGHT WORK

9.1 OIO continued to provide objective advice and guidance to improve the Organization’s operations, systems and processes related to governance, risk management and internal controls⁷. The list of areas where advisory services were provided by OIO during 2025 is in Appendix C.

10. OTHER OVERSIGHT ACTIVITIES

10.1 Quality Assurance and Improvement Programme

10.1.1 OIO maintains a quality assurance and improvement programme (QAIP) that covers all aspects of the internal audit and evaluation activities. In December 2024 – January 2025, OIO’s internal audit function underwent an external quality assessment (EQA) that found that the OIO audit activity *generally conforms* with the International Professional Practice Framework (2017) and the Code of Ethics

⁶ The recommendations from three reports related to the 2025 workplan issued during January 2026 will be recorded in the statistics of 2026.

⁷ Paragraphs 7.3 and 7.5 of the OIO Charter

of the Institute of Internal Auditors. This was the highest rating available in the IIA quality assurance system. OIO was able to maintain this rating from the last EQA conducted in 2019.

10.1.2 To ensure that assurance and advisory internal oversight work adds value and contributes to organizational effectiveness and efficiency, OIO monitors the impact of implemented recommendations.

10.2 UNEG Peer Review of the Evaluation Function

10.2.1 OIO plans to undergo its second Peer Review of its Evaluation Function at the end of 2026 to confirm OIO's continued adherence to the evaluation principles and application of best practices in managing and conducting evaluations in line with the United Nations Evaluation Group (UNEG) Norms and Standards, which were adopted by all the UN System Organizations. The first Peer Review conducted in 2020 confirmed that the evaluation function meets the norms and standards of the UNEG.

10.3 OIO Retreat

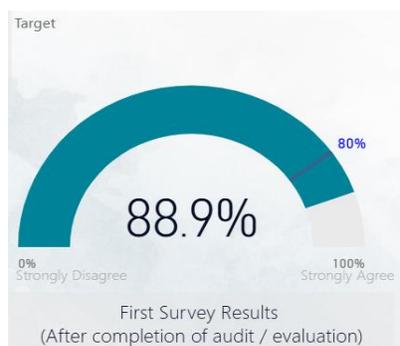
10.3.1 OIO organized an annual planning retreat to discuss its overall performance, working methods and priorities for preparing its triennial work plan for 2026-2028. OIO's risk assessment methodology was updated to incorporate emerging risks, existing risks in the Organizational Corporate Risk Register, feedback received from Representatives on the Council, the EAAC, the Secretary General, and Senior Management.

10.4 Update of OIO Intranet, Public Website and Awareness

10.4.1 To have up-to-date information on OIO's structure, reports, and other activities, during 2025, OIO continued to keep its intranet and public webpages updated. A yearly newsletter is also published to keep everyone informed about the latest updates in OIO. This year, OIO once again significantly contributed to ICAO's second anti-fraud and anti-corruption campaign.

10.5 Feedback from Stakeholders

10.5.1 OIO continued to seek feedback from managers responsible for audited/evaluated areas to identify satisfaction rates and areas for improvement in the quality of its work and services provided. Based on an analysis of survey responses, OIO achieved an overall satisfaction rate of 88.9% during 2025. The client feedback has slightly improved since 2024. OIO appreciates this positive result and constantly strives to improve its performance and the impact of its work.



11. COOPERATION WITH EXTERNAL OVERSIGHT BODIES

11.1 Evaluation and Audit Advisory Committee

11.1.1 OIO regularly presented the results of its oversight assignments to the EAAC virtually or in person and discussed significant governance, risk management, internal control, and programme management issues with the Committee. OIO is very appreciative of the continued support and advice provided by the EAAC on OIO's work.

11.1.2 Despite its limited resources, OIO continues to provide secretariat support services to the EAAC to facilitate a more effective functioning of the Committee. In this regard, OIO successfully organized the EAAC meetings in 2025, coordinated the EAAC Annual Report, and assisted the President and the Council in replacing two outgoing EAAC members.

11.1.3 The EAAC also reviewed and supported OIO's risk-based methodology and work planning process.

11.2 External Auditor

11.2.1 OIO continued to maintain positive professional relations and cooperated effectively with the External Auditor. As per established practice, OIO held regular meetings to discuss with the External Auditor the results of oversight reports and other organizational matters related to governance, risk management and controls. OIO also shared its triennial work plan with the External Auditor to avoid overlaps and ensure effective oversight coverage of high-risk areas.

11.3 Joint Inspection Unit

11.3.1 During the reporting period, as the ICAO focal point for the Joint Inspection Unit of the United Nations (JIU), OIO coordinated ICAO's input to several JIU reports at various stages of completion and presented working papers to the Council including a summary of recommendations and Secretariat Action Plans for eight JIU reports (see Appendix E), as well as the report on the status of implementation of recommendations of the JIU, the report of the JIU for 2024 and programme of work for 2025.

11.4 Networking with Other UN System Oversight Functions

11.4.1 In line with the OIO Charter, OIO participates in the annual events of oversight functions of the UN system and other international organisations. During 2025, OIO co-chaired the working group II of the UN-RIAS on Strategic Risks, Environmental and Social Safeguards and Joint Audits, and has been a contributing member to the other working groups (AI and Digital Innovation, Data Governance and InfoSec, IIA Global Internal Audit Standards implementation) that seek to stay abreast with best practices and innovations. Moreover, OIO attended the Annual Meeting of Representatives of Internal Audit Services of the UN system and Multilateral Financial Institutions and other International Organizations (UN-RIAS and RIAs), where OIO was part of the panel on collaboration between external and internal auditors, presented the UN-RIAS Risk Survey for 2025, and led the working group II presentations on its progress, including issuance of the Guidelines for ERM Assessments.

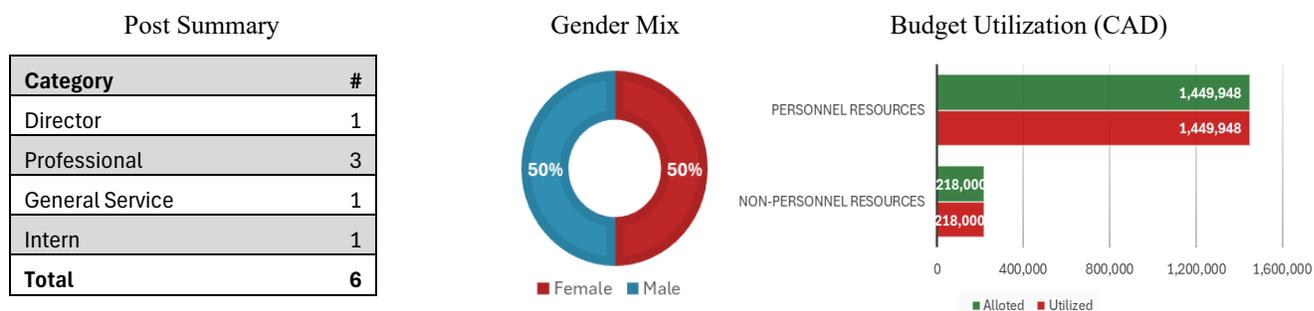
11.4.2 OIO also attended the Annual Meeting of the United Nations Evaluation Group and proactively participated in the working group on Small Evaluation Function and Gender Responsive Evaluations that seek to address challenges and share good practices of UNEG's smaller evaluation teams.

12. OVERSIGHT RESOURCES

12.1 Budget and Staff

12.1.1 To discharge its mandate, OIO was provided CAD \$1.45 million in 2025, which only covers the staff costs of its six staff members. The seconded staff from Japan has concluded his 2 year-contract in October 2025. A P-2 position in OIO became vacant following a staff promotion out of OIO, and the recruitment is currently in progress. In the last quarter of 2025, an intern joined the team for a period of 5 months. OIO’s non-personnel funds needed for effective implementation of the approved OIO Work Plan were secured with additional funding provided by the Secretary General upon request. In 2025, the non-personnel budget requested amounted to CAD\$ 218,000 and an additional CAD\$ 30,000 was allocated at the year-end to complete the 2025 assignments and advance the 2026 work plan.

12.1.2 Chart: OIO’s human and financial resources as at 31 December 2025.



12.2 Training

12.2.1 OIO updated its Staff Learning and Development Strategy by assessing the team’s collective skills and expertise, aligning them with current and upcoming work plans, and preparing the learning and development plan for 2025–2026. In line with the skillset assessment and taking into account the ICAO corporate training budget, OIO staff undertook individual and group trainings in areas such as generative AI, gender, and Power BI. Moreover, OIO staff attended organizational trainings and workshops. Staff also continued to maintain their professional qualifications and certifications, including the required Continuous Professional Development credits.

APPENDIX A

HIGH PRIORITY LONG OVERDUE RECOMMENDATIONS AS AT 20 JANUARY 2026

Year	Report Title	Recommendation No.	Recommendation	Office Responsible	Original Target Date	Revised Target Date
2022	Evaluation of the GAsEP	EV-2022-1_3	The Secretariat should identify and allocate resources needed for effective and efficient implementation and management of GAsEP at the Secretariat level including for priority actions that are not resourced. The Secretariat could also, inter alia, consider assigning a GAsEP Coordinator or single point of contact responsible for GAsEP's coordination and overseeing the work on monitoring, reporting and communication with relevant stakeholders.	ICAO/ATB	30-Jun-2023	31-Dec-2024
2022	Evaluation of ICAO's Response to COVID-19	EV-2022-2_1	In collaboration with the Council, the Secretariat should prepare a comprehensive crisis management framework for multiple types of crises, varying duration (short-, medium-, and long-term emergencies) and different geographic scope (e.g., global versus regional emergencies) in close coordination and collaboration with key ICAO partners. The framework should establish clear responsibilities to trigger coordination actions across ICAO and key partners, as well as a menu of possible measures that could be flexibly used during a crisis. It should also include a basic communications plan (i.e., who communicates what and when) for the earliest stages of the crisis, which can be later tailored or improved according to the specificities of the emergency. This framework could be accompanied by pre-developed guidelines and tools (similar to those implemented by the CART) that can be deployed as soon as an emergency is declared and before a more targeted response is prepared.	ICAO/ANB	30-Jun-2024	30-Jun-2024
2022	Audit of Data Management	IA-2022-3_2	Based on principles adopted by CEB in 2018, ADB should take the lead in developing an organizational policy on personal data protection and privacy to embed personal data protection and privacy management standards in business processes and information systems in a consistent manner.	ICAO/ADB	31-Dec-2023	31-Dec-2024
2023	Audit on TCB Project Personnel	IA-2023-1_1	TCB, in consultation with ADB and LEB, should jointly conduct a harmonization exercise for the project personnel policies and procedures to enhance consistency in Implementation Support for Technical Assistance and Technical Cooperation projects across ICAO.	ICAO/CDI	31-Dec-2023	30-Jun-2024
2024	Audit of IT Asset Management	IA-2024-1_1	ADB should develop authoritative administrative instructions on asset management including aspects but not limited to (i) roles and responsibilities, (ii) automated systems and procedures, (iii) process of reconciliation of asset data with automated alerts from new ERP and ensuring data quality checks, (iv) physical verification of assets, (v) utilization of assets, and (vi) efficient disposal of old and obsolete items.	ICAO/ADB	30-Sep-2024	30-Sep-2024

APPENDIX B

STATUS OF IMPLEMENTATION OF OIO RECOMMENDATIONS AS AT 20 JANUARY 2026

Chart A – Yearly statistics of closed, ongoing, and overdue recommendations since 2020

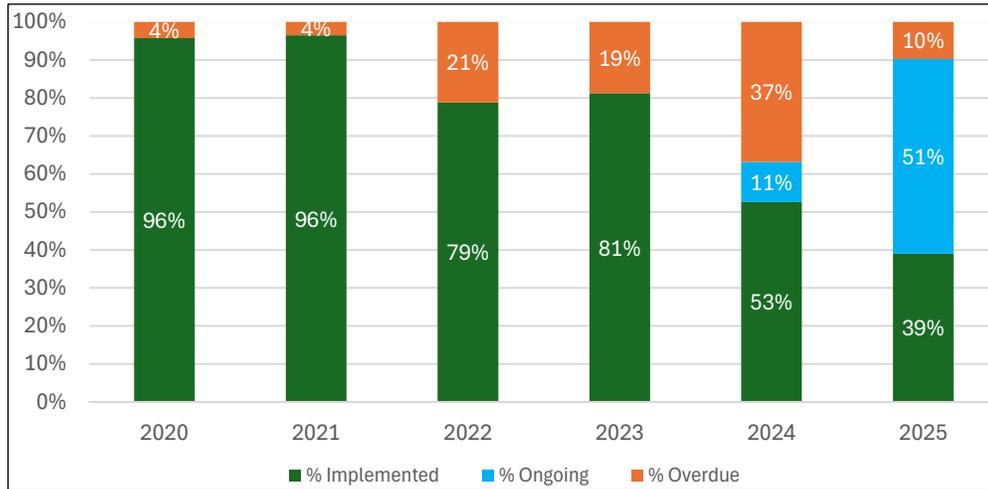
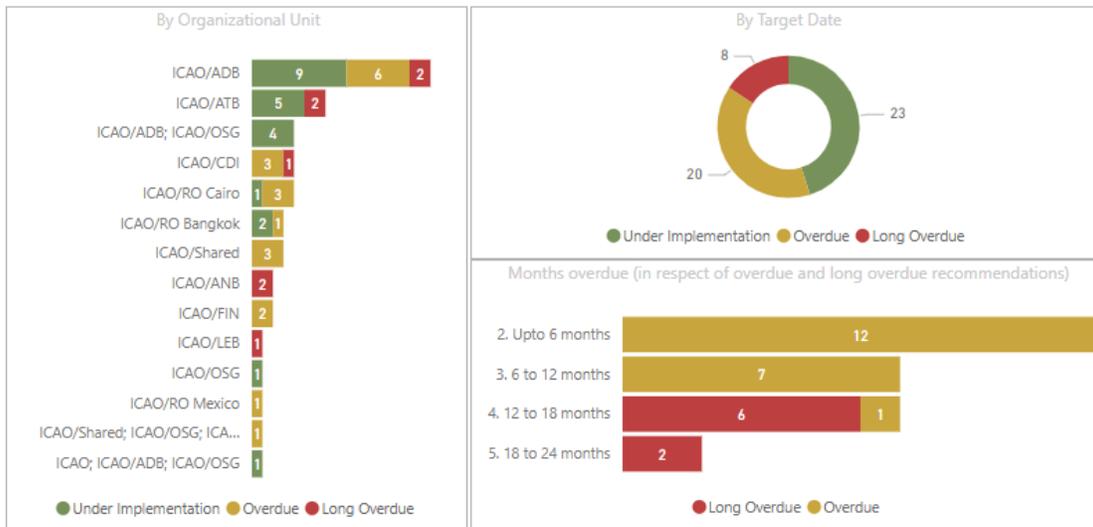


Chart B – Status of overdue recommendations



APPENDIX C**ADVISORY SERVICES PROVIDED IN 2025**

1. Informal advisory on the ERP implementation specific to finance and the travel process.
2. Advisory report on the Rapid Assessment of the readiness for the planned rollout of Quantum.
3. Advisory report on the risk management process maturity assessment.
4. Consulting work on the Digital Transformation Project with respect to BI and Quantum Reporting.
5. Substantive input to the revised Management Assurance Statement Declaration, and Statement of Internal Controls.
6. Substantive input to the Delegation of Authority Framework, prior to its issuance.
7. Commenting on the 2026-2028 Business Plan results framework.
8. Substantive contribution to the 2025 anti-fraud and anti-corruption campaign.
9. Regularly participated in the Inter-office Advisory Group and other working groups.
10. Participated in an exercise on the review of experiences and lessons learned from the 42nd Session of the Assembly, with the aim of developing proposals for future sessions.
11. Participating in the task force on Innovations and AI.
12. Advising on the Result-Based Management and the Project Cycle processes.

APPENDIX D**DELAYS IN COMPLETING THE MANAGEMENT ACTION PLAN AND FINALIZING THE REPORT**

Assignment Title	Delay in working days
Audit of Language Services Management System (LSMS)	19
Audit of Events Management and Conference Services	27
Audit of APAC RO and RSO	1
Audit of AFAC	14
Quantum Rapid Risk Assessment	-18
Advisory Report on Maturity Assessment of ICAO's risk management process	-8
Average	5.83 working days

APPENDIX E

JIU REPORTS PRESENTED TO THE COUNCIL IN 2025

1. Review of the internal pre-tribunal-stage appeal mechanisms available to staff of the United Nations system organizations (CG-WP/34)
2. Report of the Joint Inspection Unit (JIU) for 2024 and Programme of Work for 2025 (CG-WP/40)
3. Report on Flexible working arrangements in United Nations system organizations (CG-WP/41)
4. Review of the use of non-staff personnel and related contractual modalities in the United Nations system organizations (CG-WP/42)
5. Review of the quality, effectiveness, efficiency and sustainability of health insurance schemes in the United Nations system organizations (CG-WP/43)
6. Status of Implementation of Recommendations of the Joint Inspection Unit (JIU) (CG-WP/47)
7. Review of consideration of and action taken on the reports and recommendations of the Joint Inspection Unit by United Nations system organizations (CG-WP/48)
8. Report on the Budgeting in organizations of the United Nations system (CG-WP/49)

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