

CHARTER FOR THE OFFICE OF INTERNAL OVERSIGHT

1. Preamble

- 1.1 This charter sets out the purpose, mandate, authority, and responsibilities of the Office of Internal Oversight (OIO) of the International Civil Aviation Organization (ICAO).

2. Approval

- 2.1 This Charter is approved by the Council of ICAO.

3. Purpose

- 3.1 OIO strengthens ICAO's ability to create, protect, and sustain value by providing the Council, the Secretary General and management with independent, risk-based, and objective assurance, advice, insight, and foresight. OIO contributes to ICAO's successful achievement of its vision of a safe, secure and sustainable international civil aviation system, strategic goals and priorities; governance, risk management, and control processes; decision-making and oversight; reputation and credibility with its stakeholders, and ability to serve all nations and people.

4. Professional Standards and Norms

- 4.1 OIO carries out its audit and advisory activities in accordance with the mandatory elements of the Institute of Internal Auditors' International Professional Practices Framework, which are the Global Internal Audit Standards and Topical Requirements (the Standards).
- 4.2 OIO carries out its evaluations in accordance with the Norms and Standards for Evaluation approved by the United Nations Evaluation Group (UNEG) and the ICAO Evaluation Policy.

5. Mandate

- 5.1 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. OIO carries out its mandate by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of governance, risk management and control processes, as well as achieving the results, institutional learning and contributing to accountability, transparency and integrity in using organizational resources effectively, efficiently, and in accordance with the approved Budget, Strategies, Strategic and Business Plans.

6. Authority

- 6.1 The Chief, OIO reports administratively to the Secretary General but is not part of operational management. The Chief, OIO has unrestricted access to the President of the Council, the Council and its Committees, and the Evaluation and Audit Advisory Committee through both formal and informal lines of communication. The Chief, OIO shall participate in meetings of the ICAO Council and its Committees, as required.
- 6.2 The Chief, OIO has the authority to initiate, carry out and report on any action, which they consider necessary to fulfil their mandate.
- 6.3 In the CEB/2014/5 meeting of the Chief Executives Board (CEB), the CEB endorsed the "Three Lines of Defence" model where it provides a useful framework for United Nations organizations to

identify relationships and responsibilities of different actors with respect to the different lines of defence for risk management and control. In line with the “Three Lines Model” of the [Institute of Internal Auditors](#)¹, which is meant to help organizations identify structures and processes that best assist the achievement of objectives and facilitate strong governance and risk management; OIO functions as part of the third line, providing independent assurance and evaluations for accountability, transparency, learning and continuous improvement.

7. Oversight Definitions

Evaluation

- 7.1 An evaluation is an assessment, conducted as systematically and impartially as possible, of an activity, project, programme, strategy, policy, topic, theme, sector, operational area or institutional performance. It analyses the level of achievement of both expected and unexpected results by examining the results chain, processes, contextual factors and causality using appropriate criteria such as relevance, effectiveness, efficiency, impact and sustainability. An evaluation should provide credible, useful, evidence-based information that enables the timely incorporation of its findings, recommendations and lessons into the decision-making processes of organizations and stakeholders².
- 7.2 The ICAO Evaluation Policy³ has been established with the approval of the Council, and it may be amended by it, as required, under the overarching framework of this Charter.

Internal audit (Assurance and advisory)

- 7.3 Internal auditing is an independent, objective assurance and advisory service designed to add value and improve an organization’s operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes⁴.
- 7.4 Assurance services – services through which OIO performs objective assessments to provide assurance. Assurance is defined as a statement intended to increase the level of stakeholders’ confidence about an organization’s governance, risk management, and control processes over an issue, condition, subject matter, or activity under review when compared to established criteria. OIO may provide limited or reasonable assurance, depending on the nature, timing, and extent of procedures performed.
- 7.5 Advisory services – services through which OIO provides advice to senior management, the Secretary General and the Council, without providing assurance or taking on management responsibilities. The nature and scope of advisory services are subject to agreement with relevant stakeholders.

8. Objectives of the Office of Internal Oversight

- 8.1 OIO’s objectives include assessing:
- a) The relevance, coherence, effectiveness, efficiency, impact and sustainability of policies, strategies, programmes and projects.

¹[The updated Three Lines Model](#)

² The definition of evaluation is taken from the UNEG Norms and Standards for Evaluation (2016).

³ [ICAO Evaluation Policy 2021](#)

⁴ This Definition of Internal Auditing is a mandatory element of the Global Internal Audit Standards of the Institute of Internal Auditors (IIA).

- b) The adequacy, effectiveness, efficiency, and economy of ICAO's internal controls, procedures, systems and processes, as well as the use of resources and means of safeguarding assets.
- c) The effectiveness of the Organization's risk management processes.
- d) Compliance with the applicable Financial Regulations and Rules, Staff Regulations and Rules, Policies, Procurement Code, and Personnel and Administrative Instructions.

9. Independence, Objectivity, Organizational Position and Reporting Relationships

- 9.1 The Chief, OIO shall be positioned at a level in the organization that enables OIO services and responsibilities to be performed without interference from management, thereby establishing the independence of the OIO functions. This positioning provides the organizational authority and status to bring matters directly to senior management and escalate matters to the Council, when necessary, without interference and supports OIO's ability to maintain objectivity.
- 9.2 The Chief, OIO is functionally and operationally independent from management in the conduct of their duties. In the exercise of their functions, the Chief, OIO takes advice from the EAAC.
- 9.3 Without prejudice to the other provisions of this Charter, OIO shall be free from managerial interference in determining its annual work plan; in establishing the scope of internal audits, independent evaluations and other reviews; in the performance of its work; and in reporting the results of its work. If the Chief, OIO determines that objectivity may be impaired in fact or appearance, the details of the impairment will be disclosed to the Chair of EAAC and, if deemed appropriate, the President.
- 9.4 For the performance of their duties, the Chief and OIO personnel shall have unrestricted, direct and prompt access to all ICAO records, files, documents, accounts, physical property, assets, officials or personnel, holding any ICAO contractual status, and to all the premises. ICAO staff members, consultants, other personnel and contractors have the duty to cooperate with any duly authorized internal audits/evaluations.
- 9.5 OIO personnel shall take appropriate steps to protect the confidentiality of information gathered or received in the course of an internal audit or evaluation and shall use such information only in so far as it is necessary for the performance of their duties.
- 9.6 The Chief, OIO and their personnel shall conduct oversight work in a professional, impartial and objective manner and in accordance with the IIA Standards, the UNEG Norms and Standards for Evaluation, ICAO policies and rules, and other generally accepted good practices applied by the United Nations system organizations. OIO personnel shall maintain an unbiased mental attitude that allows them to perform engagements objectively such that they believe in their work product, do not compromise quality, and do not subordinate their judgment on oversight matters to others, either in fact or appearance.
- 9.7 The Chief, OIO and their personnel shall be independent of all programmes, operations and activities, to ensure the impartiality and credibility of the work undertaken.
- 9.8 OIO personnel shall have no direct operational responsibility or authority over any of the activities audited/ evaluated. Accordingly, OIO personnel will not implement internal controls, develop procedures, install systems, or engage in other activities that may impair their judgment.

- 9.9 OIO personnel will:
- Disclose impairments of independence or objectivity, in fact or appearance, to the Chief, OIO, and at least annually to EAAC and Council.
 - Exhibit professional objectivity in gathering, evaluating, and communicating information.
 - Make balanced assessments of all available and relevant facts and circumstances.
 - Take necessary precautions to avoid conflicts of interest, bias, and undue influence.
- 9.10 The Chief, OIO shall confirm to the ICAO Council, at least annually, the independence of the internal audit/evaluation activities, and whether there have been inappropriate scope or resource limitations.

10. Roles and Responsibilities

- 10.1 OIO fulfils its internal oversight role through independent evaluations and internal audits. OIO's responsibilities are set out below.

Evaluation

- 10.2 OIO is responsible for carrying out independent centralised evaluations. Centralized evaluations focus on strategies, policies, partnerships, programmes, outcomes and thematic areas that will add value to governance and higher-level strategic decision making. All evaluations conducted directly by or contracted out to third-party service providers by other ICAO bureaus or offices are decentralized evaluations. OIO's role in decentralized evaluation includes providing guidelines and tools, assisting with the quality of independent decentralized evaluations, and helping with capacity building and support.

Internal audit (assurance and advisory services)

- 10.3 The scope of internal audit encompasses, but is not limited to, the examination and assessment of the adequacy, effectiveness and efficiency of the organization's governance, risk management and internal controls. Types of audits should include, but are not limited to, performance, compliance and Information Systems audits.
- 10.4 In addition to its core responsibilities, OIO may be required to provide objective professional advisory services and guidance to improve the Organization's governance, risk management and internal control processes. In so doing, OIO shall act solely in an advisory capacity and shall not assume a management role or make decisions. OIO shall also be mindful of the need to maintain independence and objectivity for any subsequent audits or evaluations which may be conducted in those areas where advice or assistance is requested. Also, OIO may, from time-to-time participate in working groups and different internal governance forums as observers in an advisory capacity.
- 10.5 The OIO personnel shall ensure they comply with the following requirements:
- Conform with the Global Internal Audit Standards, including the principles of Ethics and Professionalism: integrity, objectivity, competency, due professional care, and confidentiality.
 - Understand, respect, meet, and contribute to the legitimate and ethical expectations of the organization and be able to recognize conduct that is contrary to those expectations.
 - Encourage and promote an ethics-based culture in the organization.
 - Report organizational behaviour that is inconsistent with the organization's ethical expectations, as described in applicable policies and procedures.
- 10.6 The Chief, OIO will monitor that the OIO personnel understand and comply with the above requirements.

- 10.7 In formulating its oversight recommendations, OIO will indicate the priority, benefit(s) of implementation, as well as any risks or impact of non-implementation.
- 10.8 OIO shall establish and maintain a monitoring system to follow up on and ascertain whether management has taken timely and effective action to implement recommendations made in its reports. Information on the status of recommendations issued by OIO, the External Auditor and the JIU shall be made available on the Council website and kept up to date.
- 10.9 OIO may independently initiate and participate in audits and evaluations of United Nations inter-agency activities in coordination with other oversight entities of the United Nations.
- 10.10 In addition to its oversight functions, OIO shall also perform other tasks such as acting as a liaison point between ICAO and the Joint Inspection Unit (JIU) of the United Nations and providing secretariat services to the EAAC, if requested.

11. Work Planning and Governing Body Oversight

- 11.1 OIO shall prepare a triennial risk-based work plan with a yearly breakdown to ensure that oversight work is relevant to the Organization's Strategic Goals and priorities and risk-focused. The work plans shall be developed based on a set of criteria, including independent OIO risk assessments, corporate risk registers, topics of strategic, programmatic and operational importance, oversight coverage, and potential for learning.
- 11.2 The work plans shall be submitted to the EAAC for its review and advice before submission to the Council.
- 11.3 The triennial and related annual work plans shall be prepared in consultation with senior management, the Secretary General, and the Council.
- 11.4 The work plans shall include the indicative objectives and timing of planned oversight assignments, including any requirement for adequate budget and resources to fulfil the work plan; as well as an explanation of the risk-based assessment.
- 11.5 The work plans shall be shared with the External Auditor to minimise overlaps and duplication of oversight activities.
- 11.6 The work plans shall be presented by the Chief, OIO and approved by the Council during the last Session of the Council in each calendar year.
- 11.7 OIO shall conduct the planned internal audits, evaluations and other oversight activities as per the approved work plan and inform the EAAC and the Council of any substantive changes as appropriate.

12. Communication and Reporting

- 12.1 The Chief, OIO shall share an annual report with EAAC members for their review and advice before it is submitted to the Council. The Chief, OIO shall submit the annual report to the Council during the first Session of the Council in each calendar year. This annual report shall summarize the activities and results of all work undertaken by OIO during the preceding year, as well as its performance relative to the annual work plan.

- 12.2 The annual report shall also include the following:
- confirmation of OIO's organizational independence and disclosure of any interference and related implications in determining the scope of oversight activities, performing work, and/or communicating results;
 - significant revisions to the OIO plan and budget;
 - results of assurance, advisory and evaluation services;
 - significant risk exposures and control issues, governance issues, fraud risks, and other matters identified by the results of internal audits and evaluations carried out;
 - information on the status of implementation of recommendations made by OIO in its internal audit and evaluation reports;
 - any disagreements with internal audit and evaluation recommendations, with reasons therefor;
 - reporting on OIO's Quality Assurance and Improvement Programme; and
 - coordination with oversight bodies, capacity development and other oversight activities.
- 12.3 OIO shall make available the final internal audit and evaluation reports on the Council website. They shall also be made available on ICAO's public website in accordance with the policy on disclosure of oversight reports.
- 12.4 OIO shall provide the EAAC and the External Auditor with copies of all internal audit and evaluation reports, as well as updates on the status of implementation of oversight recommendations, as and when required.

13. Quality Assurance and Improvement Program

- 13.1 The Chief, OIO shall maintain a quality assurance and improvement programme, in accordance with the professional standards and practices of the internal audit and evaluation functions, including promoting continuing professional development to meet the requirements of this Charter. The programme shall ensure the efficiency and effectiveness of the internal audit and evaluation functions and identify opportunities for improvement.
- 13.2 OIO shall undergo an external independent quality assessment of the internal audit function, at least every five years, to assess conformance with the IIA's Code of Ethics and the Standards. In the case of evaluation, OIO shall assess conformance with the UNEG Norms and Standards for Evaluation by taking part in independent/peer assessments every five years as indicated in the ICAO Evaluation Policy.
- 13.3 The results of ongoing internal assessments and external quality assessments shall be reported to the Secretary General, the EAAC and the Council. The Chief, OIO will regularly report to the Secretary General and EAAC on the efficiency and effectiveness of its Quality Assurance and Improvement Programme.

14. Resources

- 14.1 All OIO personnel at the professional level shall be appointed on the basis of appropriate qualifications and experience as described in relevant professional standards. OIO must ensure that the competencies, professional conduct, and skills of its personnel are continuously updated, and that

its personnel are trained and certified in the use of current best methods, processes, and practices in the internal audit and evaluation fields.

- 14.2 In presenting the Organization's programme and budget proposals to the Council, the Secretary General shall take into account the need to ensure the operational independence and the necessary human and financial resource requirements to ensure the effective functioning of OIO. The Secretary General shall ensure that the resources are available and committed to the implementation of the annual work plan; for quality assurance and improvement programme, training and continuing professional development needs; and for specific assignments, in a timely manner. The Secretary General shall, in consultation with the Chief, OIO, ensure that the oversight function comprises professional personnel with sufficient skills, experience and knowledge.

15. Appointment, performance and termination of the Chief, OIO

- 15.1 The Chief, OIO is appointed for a non-renewable term of seven years and is separated from service upon expiry of their term. They cannot be reassigned to another post during their term and is barred from re-entry into the organization on any type of contract after separation.
- 15.2 The appointment/termination by Secretary General is made in accordance with the procedures laid down in the ICAO Service Code, in consultation with the Council. In accordance with its Terms of Reference, the EAAC shall consider and advise the Council on the appointment and termination of the Chief, OIO.
- 15.3 The Secretary General shall assess the annual performance of the Chief, OIO in accordance with the standard procedures for all Senior Management Board (SMB) members. The EAAC may provide input on the performance of the Chief, OIO.

16. Coordination and Professional Networks

- 16.1 The Chief, OIO shall liaise regularly with all other internal and external providers of assurance services to ensure the proper coordination of activities (e.g. External Auditor, Risk Officer, Joint Inspection Unit, Ethics Office, Ombudsperson).
- 16.2 OIO shall participate in meetings and working groups of Representatives of Internal Audit Services of the United Nations Organizations (UN-RIAS) and Multilateral Financial Institutions (Plenary RIAs); the United Nations Evaluation Group (UNEG); and any other similar entities that could be established in future.

17. Changes to the Mandate and Charter

- 17.1 Circumstances may justify a follow-up discussion between the Chief, OIO, Council, and senior management on the OIO mandate or other aspects of the OIO Charter. Such circumstances may include but are not limited to:
- A significant change in the Global Internal Audit Standards or UNEG Norms and Standards.
 - A significant reorganization within the organization.
 - Significant changes in the Chief, OIO, Council, and/or senior management.
 - Significant changes to the organization's strategies, objectives, risk profile, or the environment in which the organization operates.
 - New laws or regulations that may affect the nature and/or scope of OIO.

18. Revision

18.1 This Charter, approved by the ICAO Council at its 236th Session in 2025, will be periodically reviewed and updated, as required. Each revision of the Charter shall be made after consultation with the Secretary General and the EAAC; and takes effect after approval by the Council.
