



OFFICE OF INTERNAL OVERSIGHT (OIO)

INTERNAL AUDIT STRATEGY

2022 — 2025

Purpose and Scope

In accordance with its Charter, the mandate of the Office of Internal Oversight (OIO) is to assist the Secretary General in ensuring that ICAO is managed effectively, efficiently and economically and in conformity with the applicable regulations and rules, and to provide him/her with independent and objective assurance, advice, insight and foresight through performing internal audits, evaluations, and other oversight assignments¹.

This OIO Internal Audit Strategy covers the period 2022 to 2025. The aim of the Strategy is to ensure that OIO achieves its stated vision and mission by aligning the relevance and impact of its work with the ICAO Strategic Objectives and organizational priorities.

The strategy is a high-level document to guide OIO in planning, conducting and reporting on its internal audit activities. It will be regularly monitored to ensure that key actions are achieved, and reviewed periodically to ensure that it remains relevant.

Internal Audit Vision

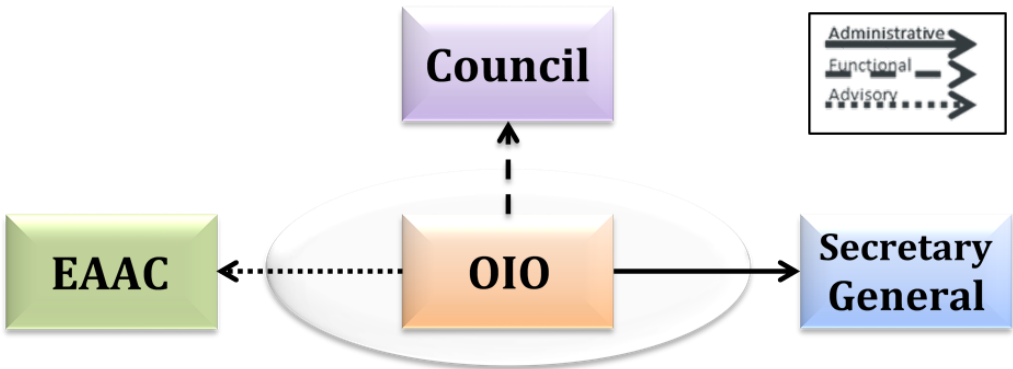
To serve as a catalyst for change and to be a valued partner of ICAO bureaus and offices.

Internal Audit Mission Statement

To assist the Organization in achieving its Strategic Objectives by providing risk-based and objective assurance, advice and insight.

Reporting Lines

In accordance with its Charter, Chief OIO reports administratively to the Secretary General but is not part of operational management. He/she shall have unrestricted access to the President of the Council and the Council Members, through both formal and informal lines of communication. The Council shall, inter alia, approve the OIO annual and triennial work plans. OIO also reports on, and discusses its work with the Evaluation and Audit Advisory Committee (EAAC).



¹ OIO Charter, paragraph 3.1

OIO's Objectives

OIO's objectives include assessing:

- a) The effectiveness, efficiency, relevance and economy of ICAO's internal procedures, systems and processes as well as the use of resources and means of safeguarding assets;
- b) The effectiveness of the Organization's risk management processes;
- c) Whether the system of internal controls is adequate and operates as intended;
- d) Compliance with the applicable Financial Regulations and Rules, the ICAO Service Code and other Administrative Instructions; and
- e) The relevance, coherence, effectiveness, efficiency, impact and sustainability of strategies, programmes and projects.

OIO strives to achieve its objectives by:



Establishing risk assessment and annual planning processes which take into account emerging high-risk areas such as strategic, technology and business risks.



Aligning work plans and other oversight activities with ICAO's strategic objectives, business priorities and plans.



Cooperating closely with external oversight bodies including the External Auditor and the JIU with a view to providing effective oversight coverage and minimizing any overlaps.



Coordinating oversight activities between OIO as a third line function and second line functions in ICAO, wherever possible.



Expanding the use of technology and data analytics tools for engagement planning, execution and implementation of work plans.



Consulting closely with the Secretary General, Senior Management, the President of the Council and members of the Council as well as the EAAC for preparation and implementation of work plans.



Reviewing and improving the quality of audit reports by increasing the use of available information technology tools to gather, analyse and present factual data to further enhance the accuracy, completeness and timeliness of audit reports.



Attracting and retaining staff with the right balance of knowledge, experience and professional skills and competencies.

ICAO has five Strategic Objectives covering safety, security, air navigation, economic development and environmental protection. These five Strategic Objectives are underpinned by a number of Supporting Implementation Strategies, to which OIO's work contributes.

Actions and guiding principles to direct OIO's work

Understand and meet stakeholder needs and expectations

- Expand/improve OIO's knowledge of ICAO's operations, and business environment.
- Act as advisors and keep abreast of new initiatives and projects.
- Implement OIO's communication strategy to obtain stakeholders' views on areas of strategic importance.
- Keep the planning process up-to-date to ensure that the oversight universe effectively captures areas of highest risk and strategic importance.
- Clearly link all audits and other oversight work with ICAO's Strategic Objectives and Business Plan.
- Produce timely, high quality reports with SMART recommendations including tangible cost efficiencies and savings where possible.

Improve visibility and perception of OIO within and outside ICAO

- Act as a trusted advisor for the ICAO Council and Management, by providing professional advice and influencing positive change.
- Organize events and/or make presentations to internal and external stakeholders to promote and enhance the visibility of OIO's image and work.
- Assist the Council and Management, through independent assurance and advisory services, to strengthen organizational governance and accountability as well as internal controls, risk management and a positive organizational culture.
- Whilst maintaining independence and objectivity, become involved as an observer in new organization-wide initiatives or projects at an early stage to provide advice, insight and foresight.
- Ensure that the OIO intranet and internet sites are kept up to date to showcase the work and role of internal audit and other oversight work.

Improve the quality and impact of services provided

- Strike the right balance between assurance and advisory work taking into account organizational needs and expectations.
- Perform joint assignments with the evaluation function, reinforcing team spirit and knowledge sharing within OIO.
- Assess the results of Client Satisfaction Surveys and make constant improvements in the audit process and audit reports.
- Formulate audit recommendations that are practical, cost-effective, and SMART.

Comply with the Internal Professional Practices Framework (IPPF)

- Maintain OIO's conformance with the Institute of Internal Auditors' Code of Ethics and the Standards (IPPF) through an External Quality Assessment every five years.
- Complete an annual self-assessment to confirm continuing conformity.
- Ensure that the Quality Assurance and Improvement Programme (QAIP) is fully implemented on an ongoing basis.

Improve internal work processes

- Ensure that the internal audit manual and Standard Operating Procedures (SOPs) are complete, up to date, and kept under continuous review.
- Continuously update and improve internal audit's risk-based planning procedures.
- Improve the length of time to complete audits and finalise audit reports.
- Increase the use of data analytics and IT tools in audits, increasing the quality and accuracy of audit reports.
- Promote a continuous auditing approach by effectively using data analytics to assess the design and effectiveness of selected key internal controls.
- Encourage innovation and continuous improvement.

Maintain and improve functional and operational independence of OIO

- Ensure that adequate funding for hiring consultants and other expenses is included in OIO's budget to be able to effectively implement OIO's work plans.

Support staff development and training

- Support internal audit staff to obtain relevant professional qualifications (e.g. CIA, CRMA, CISA, etc.)
- Ensure that OIO's annual training budget is sufficient to meet the continuing professional education requirements for all OIO staff who have a training and development plan in line with the PACE Objectives and OIO Training Plan.
- Promote continuous development and acquisition of technical knowledge and skills within the OIO team.

Establish KPIs that will enable OIO to monitor and improve its performance

- Establish and maintain relevant and meaningful KPIs to measure OIO's performance.
- Carry out a survey of key stakeholders to assess the relevance and impact of internal audit and other oversight work in meeting organisational needs, and to identify areas for further development.
- Monitor performance and implement improvements as appropriate.

Revision: This Internal Audit Strategy is subject to regular review, and is updated as and when appropriate, and at least every triennium.

Last update: May 2021