



# IOEO ANNUAL REPORT 2024



Summary of Internal Oversight and Ethics  
Activities 2024

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(Front cover photo credit: Mr. Yusuke Fujii, The Photo Exhibit “Beyond the Horizon”)

## **Secretary-General's Statement**

I am pleased to present the report of 2024 internal oversight and ethics activities at IMO. The highlights presented include a balanced portfolio of internal oversight activities covering evaluation, internal audit, and advisory services. As shown in the present annual report, IOEO addressed important strategic matters such as those related to partnership project in the area of marine environment, gender equality and empowerment of women within the context of the external work of the IMO Secretariat, as well as an assessment of IMO risk management frameworks.

The role of IOEO is critical in the IMO Secretariat in that it provides unbiased, independent and objective assessment on matters of strategic, programmatic and operational importance to the Organization. The quality of the observations and recommendations issued by IOEO is underpinned by the duty and commitment of its staff who uphold the values of the Organization, the ICSC Standards of Conduct and those of their respective professional bodies. I am committed to fully supporting the office, to ensure that IOEO continues to provide essential insight, analysis and advice for improving the efficiency and effectiveness of the Secretariat, and for contributing to maintaining an ethical work environment.

I am truly grateful for IOEO's support and contributions throughout 2024 to the Secretariat-wide reform that took place under my leadership, while ensuring that their independence was maintained. The objectives of the Secretariat are always to serve the Member States better. In doing so, IOEO's well-balanced advice was and will always be valued and considered essential.

**Arsenio Dominguez**  
**Secretary-General**

# I. Introduction

1 In accordance with the terms of reference of internal oversight, as provided in Appendix II to the Financial Regulations of the International Maritime Organization (IMO, or the Organization), the Internal Oversight Services (IOS) cover internal audit, evaluation, and investigation under a single internal oversight mechanism. IOS, together with the ethics function established in February 2014, have formed the Internal Oversight and Ethics Office (IOEO) that reports functionally and administratively directly to the Secretary-General and assists him in the fulfilment of his responsibility for internal control (Financial Regulation 10.1) and in internal oversight and ethics-related matters with independent, objective assurance, review, and advice. In addition, IOEO was designated by the IMO Council to provide internal audit services for the World Maritime University (WMU) in Sweden and the International Maritime Law Institute (IMLI) in Malta.

## II. Internal Oversight

### A. Review of 2025 Member States Assessment

2 The report outlined the IOEO's review of the calculation of 2025 assessed contributions carried out by the Finance and Budget Services (FBS) of the Administrative Division. The review was based on, inter alia, the revised shipping tonnage figures submitted in accordance with Circular Letter No. 3347, the United Nations (UN) General Assembly resolution A/RES/76/238, the IMO budget for 2025 as approved by the IMO Assembly at its thirty-third session in December 2023, and IMO Assembly resolution A.726(17) on apportionment of contribution amounts among Member States.

3 The verification confirmed the accuracy of the calculations for the Member States assessment figures comprising "Minimum," "Basic," and "Tonnage" assessments, totalling £37,581,000. With regard to the allocation of the assessments, no errors were found; however, minor manual adjustments for certain Member States were identified, based on the practice evolved and accepted at IMO. These adjustments arose from the rounding of the percentages in three decimal places provided in the UN scale of assessments (A/RES/76/238) into the nearest two decimals as per resolution A.726(17) for the calculation of the "basic units".

4 IOEO maintained its recommendation to address the above-mentioned issue as well as recommending consideration of scenarios where IMO Member States are not UN Member States. IOEO recommended that the Secretariat seek to resolve the difference between S&P Global Market Intelligence (S&P) and IMO's nomenclature for Member States and Associate Members. The memo also noted the enhancement of controls implemented by IMO as part of the due diligence verifications performed on the data received from S&P.

### B. Audit of IMO Risk Management Framework

5 IOEO conducted an audit of the IMO Risk Management Framework (RMF) to assess its maturity, effectiveness, and efficiency in risk management and identify opportunities for improvement. The audit utilised the Reference Maturity Model (RMM) of the High-Level Committee on Management (HLCM) of the UN Chief Executive Board (CEB) along with the nine benchmarks developed by the Joint Inspection Unit of the United Nations (JIU): the methodology involved document reviews, interviews, self-assessment sessions, surveys, and analysis.

6 Several good practices were identified, including frequent risk-sensitive discussions at the Senior Management Committee (SMC) meetings, continuous updates of risk categories, and annual updates of risk registers by the corporate risk focal points. However, the audit

concluded that the maturity level of the IMO's RMF was between "developing" and "established." The audit observed that while risk perspectives were embedded in various policies and activities at IMO at multiple levels, it lacked full integration with timely corporate-wide controls for a more robust, transparent connection to support the assurance framework at the higher corporate level. RMF was found more of a standalone, periodic practice to fulfil its own purpose, as well as outdated, with some weaknesses observed and with updates required.

7 The final report was published in May 2024 and included five high-priority recommendations: that an accountability framework and delegation of authority across the Secretariat be created, that the Enterprise Risk Management (ERM) technology platform be upgraded, ERM training for managers and staff, risk management becoming a standing item at SMC discussions, and consideration of adoption of the 2017 ERM Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) or similar to manage strategy and performance. Of these recommendations, Management accepts the first, second, and third, plans to implement the fourth once the present RMF has been updated, and accepts the fifth.

### **C. Performance Audit of IMO Activities on Gender Equality and the Empowerment of Women (GEEW) – Phase II: External Activities**

8 IMO's efforts in promoting gender equality through its external activities date back to the 1980s with the establishment of the Women in Maritime (WIM) program and the creation of WMU and IMLI. Between 2004 and 2017, women's participation in the maritime sector was promoted through the establishment of eight Women in Maritime Associations (WIMAs), under IMO's auspices. Further developments have been the 2019 World Maritime Day theme "Empowering Women in the Maritime Community," the adoption of IMO Assembly resolution A 31/Res.1147 "Preserving the legacy of the World Maritime Theme for 2019 and achieving a barrier-free working environment for women in the maritime sector," the establishment of IMOGENder, the decision of the thirty-second session of the Assembly to establish the International Day for Women in Maritime,<sup>1</sup> the creation of the IMO Gender and Diversity Group in 2020, the adoption by the SMC of the IMO Gender Equality Strategy 2020-2030, the partnership forged with Women's International Shipping and Trading Associations, the adoption of the IMO Sustainable Development Goals Strategy 2020-2030, the Capacity-Building Decade 2021-2030 Strategy to support Member States achieve the maritime aspects of the 2030 Agenda for Sustainable Development, and the launch of the IMO Gender Equality award.

9 Following completion of the Phase I report in 2023, IOEO carried out a comprehensive analysis of the data gathered for Phase II, which focused on the Organization's external activities on GEEW. The final report for this was published in December 2024, which observed a good number of initiatives carried out by the Secretariat to advance GEEW in the external activities. The report made six high-priority recommendations and four medium-priority recommendations, concerning coherence in GEEW initiatives and use of twin-track approach in programmes and projects, expanding the scope and scale of the WIM programme and formalising relationships with WIMAs, collection, analysis and reporting of gender-disaggregated data for, inter alia, meeting attendance and panel composition, gender-inclusive communications and further enhancement in the use of gender-neutral language, identification of priorities for GEEW funding, and results-based management for IMO's work on gender equality. Management accepted all of these recommendations, with estimates for implementation for recommendations ranging from the end of 2024 to the next biennium of 2026-27.

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<sup>1</sup> To be observed on 18 May each year

## **D. Mid-term Review of GloLitter partnership project**

10 The GloLitter Partnership Project, implemented by IMO in partnership with FAO and seed fund from the Norwegian Agency for Development Cooperation (NORAD), targets marine plastic litter (MPL) originating from sea-based sources, aiming to prevent, reduce, and control MPL through international regulatory frameworks and best practices. GloLitter supports developing countries by enhancing capacity, providing technical and financial assistance, fostering partnerships, sharing knowledge, and ensuring effective project management. Engaging Lead Partnering Countries (LPCs) and Partnering Countries (PCs), the project involves national focal points and task forces, with strategic partners delivering specific activities outlined in the Results and Risks Framework (RRF).

11 The Mid-term Review (MTR) was a collaborative effort between IOEO and the Project Coordination Unit (PCU), which ensured preliminary results were thoroughly discussed and understood by key stakeholders within IMO PCU and FAO PCU, fostering a shared understanding of the project's performance and areas requiring attention. The preliminary findings and recommendations were presented to NORAD in 2023.

12 The MTR assessed GloLitter's performance from December 2019 to December 2023, to provide evidence-based recommendations on the project's continuation beyond its present end in December 2025. The MTR was published in August 2024, and concluded that although the project is highly relevant, its programmatic potential and benefits of UN joint programming, is yet to be unlocked. The Review made two high-profile recommendations, firstly that, building on the MTR, an assessment should be undertaken, to guide decisions about GloLitter's continuation beyond December 2025 and its possible conversion into a key programme to support the 2030 SDG Agenda, and secondly that a concept note to guide its continuation should be developed. Both of these recommendations have been accepted by Management, with intended implementation by the end of 2025 and mid-2025, respectively.

## **E. Evaluability Assessment to inform Evaluation of Integrated Technical Cooperation Programme (ITCP) activities 2020-2023**

13 At its 47th session, the Technical Cooperation Committee (TCC) determined that an evaluation to measure the effectiveness of the Integrated Technical Cooperation Programme (ITCP) should be conducted "every four years at the beginning of a biennium and cover the previous two biennia in their entirety, including in particular the TC Fund Programmes for the same periods" (TC 47/13). General principles and guiding methodology were adopted on the same occasion. Six evaluations have been conducted since then, covering the period from 1996 to 2019, the last was conducted in 2020 and reported to TC71 in 2021.

14 For the current quadrennium subjected to the review, IOEO performed an evaluability assessment between February and April 2024, reviewing 125 documents and interviewing 16 people across all divisions of the Secretariat, to examine the extent to which the long-established approach and principles continue to hold value considering that IMO's technical cooperation and the context in which it is delivered have evolved in recent years, particularly since around 2019 and 2020 and due to the pandemic. The trend of evolution is likely to continue due to the rapidly changing environment in the shipping and related sectors, including the fast-approaching deadline for the achievement of the SDGs.

15 In the TC 74/11 report of May 2024, the impact evaluation's long-established approach and principles were found not to be responsive to the changing context in which IMO's technical cooperation is embedded, and that a quadrennial evaluation would not be plausible, relevant, appropriate, nor feasible. The report's suggested revised approach is offered as being congruent with IMO's present adjustment of its structure, strategies, programmes, interventions, and leveraging of its advantages as a UN specialized agency to

better support its Member States. An evaluation outcome including the suggested revised approach is planned to be presented to the next session of the Technical Cooperation Committee in 2025.

## **F. Investigation**

16 In 2024, IOEO received four allegations of staff misconduct. Out of the four, two were withdrawn voluntarily by the complainants themselves, and the remaining two proceeded to preliminary assessment by IOEO. The preliminary assessments were carried out in accordance with the Conference of International Investigators' Uniform Guidelines for Investigations. As a result, determinations were made not to open an investigation in one case due to the absence of a legitimacy to warrant an IOEO investigation, while a formal investigation was launched for the remaining one. As at the end of 2024, the investigation was still ongoing. None of the allegations was related to fraud.

## **III. Advisory services**

### **A. Accounts Receivable write-off proposal for 2023**

17 In January 2024, IOEO reviewed the 2023 accounts receivable write-off proposal to assess whether all reasonable efforts and measures to collect the receivables and minimize the amount of write-offs were exhausted. The receivables were related to externally sponsored travel costs (£10,160.01 and US\$5,967.77), cafeteria functions (£12,163.75) and deficit in an implemented technical cooperation related activity (£1,275.00).

18 Based on the analysis performed, IOEO supported the proposed write-off for US\$3,101.38 and £431.25 since there were no realistic recovery prospects. For the remaining balances of £21,892.51 and US\$4,141.39 the proposed write-off was not supported by IOEO on the basis that further follow-up actions could be taken to pursue recovery. The memo also detailed potential weaknesses in internal controls, including: the absence of a systematic approach for the effective recovery of the receivables, lack of clarity in the basis of calculation of recoverability, ineffective credit control approaches, and weak budget holder controls. IOEO made recommendations to improve internal controls and receivable recovery processes.

### **B. Review of IMO Numbering Schemes**

19 The IMO Ship Identification Numbering Scheme, established in 1987, originated from proposals submitted by the United Kingdom and adopted through IMO Assembly resolution A.600(15). Initially utilising the Lloyd's Register Ship Numbering system, it mandated the inclusion of IMO numbers on vessel certificates. Over time, expansions were made, incorporating fishing vessels and adapting to changes such as the change in the managing entity to S&P Global.

20 Concerns regarding the governance and management scheme arose due to the lack of clarity as to the accountability mechanism, quality assurance and ownership of the data, prompting an evaluation of the relationship between IMO and S&P. Following external auditors' recommendations, the IMO Management entrusted the review task to IOEO.

21 The review aimed to deliver findings from the assessment of the IMO numbering scheme, suggesting potential enhancements to the governance of the scheme. The assessment started in October 2023 and the report was delivered in April 2024. The report proposed three scenarios, formalizing the current collaboration, an open tender, or an in-house scheme.

### **C. SAP Access Rights Advisory**

22 In May 2024, IOEO provided FBS with ad hoc advice to reinforce administration of SAP roles, with a view to strengthening segregation of duties, specifically within the Purchase to Pay process. The advice was accepted and promptly implemented by FBS.

## **IV. Ethics**

23 IMO introduced the Financial Disclosure Programme (FDP) in 2014 to provide for the declarations of personal financial interests by applicable staff members and to assess the likelihood of potential conflicts of interest. In accordance with Appendix G of the Staff Rules and related guidelines, as revised in 2018, FDP was administered in 2024 for the reporting year 2023 (January 2023 – December 2023).

24 Forty-five staff were obligated to file the FDS, which included all staff at the D-1 level and above; staff members dealing with procurement, investment, and oversight or ethics duties, all of whom filed the FDS. Five cases of potential conflicts of interest were found, but all were suitably mitigated.

25 The review of the financial disclosure statements (FDS) for the reporting year 2023 under the revised guidance found no extraordinary or unusual cases to report concerning conflicts of interest.

26 In 2024, IOEO received a total of 22 requests for ethics advice, for which IOEO provided confidential advice. Out of 22, nine related to outside activities, five concerning honours, and four on workplace ethics issues. Due to the potential concerns of incompatible duties between ethics and investigations, IOEO refrained from engaging in and advising on dispute resolutions at the workplace.

## **V. Other activities**

27 IOEO conducted face-to-face Fraud Awareness and Risk Assessment workshops on 27 and 28 November 2024. The workshops were attended by staff members from the FBS and the Sub-division of Partnership and Projects of Technical Cooperation and Implementation Division. It covered essential topics, including a refresher on fraud and corruption awareness, reporting fraud and corruption, and emerging trends. The workshop also introduced participants to the fraud risk assessment process. This was complemented by a targeted survey geared to identify key fraud risk factors, followed by group discussions to explore the risks.

28 IOEO is the Organization's focal point for coordinating JIU activities. As of the end of 2024, IMO received a total of 356 recommendations in the last 10-year period (2015-2024), of which 245 (69%) were accepted. Out of 245 that were accepted, 135 (55%) had been implemented. IOEO's use of a dedicated software to manage the recommendations database has contributed significantly to enhancing administrative efficiencies.

29 IOEO has also engaged in UN system-wide initiatives to enhance effectiveness of oversight and ethics within the UN System through participation in network meetings such as United Nations Evaluation Group (UNEG), United Nations Representatives of Internal Audit Services (UN-RIAS), United Nations Representatives of Investigation Services (UN-RIS) and Ethics Network of Multilateral Organizations (ENMO).

30 In particular, IOEO played a pivotal role in system-wide strategic processes to strengthen the function of evaluation within the UN system. In 2024, it participated in the UNEG

Strategic Direction Task Force and co-coordinated the Small Evaluation Function (SEF) Working Group, leading successful efforts to ensure the effective integration of SEF into the UNEG Strategy 2025–2032. It also contributed to advancing innovative evaluation methodologies, co-leading the Professional Development Seminar *New Times, New Tools: Integrating Behavioural Science, Storytelling, and Network Analysis in Our Evaluation Function* during UNEG EvalWeek 2024. Within the context of UNEG, IOEO initiated communication with the recently established UN System-Wide Evaluation Office and participated in the Evaluation Management Group led by UNODC regarding the mid-term evaluation of the Red Sea Project. Lastly, its engagement (upon invitation) in the peer review of the International Criminal Court’s evaluation policy reinforced its commitment to upholding the highest norms, standards, and principles governing evaluations in the UN system, while actively contributing to and benefiting from learning exchanges that promote continuous improvement, methodological innovation, and knowledge-sharing across the UN system.

31 In September 2024, IOEO attended the 53<sup>rd</sup> RIAS and 16<sup>th</sup> UN-RIAS meetings covering, amongst others, topics related to the use of technology in auditing, areas of potential collaboration with other assurance providers as well as updates on the initiatives that are being carried out by the UN-RIAS working groups on cybersecurity, digitalization and data governance, strategic risk, management and performance, innovation, internal audit impact and the implementation of the Global Internal Audit Standards (effective from 9 January 2025).

32 IOEO also participated in three UN-RIS meetings in 2024, including one held in person. These meetings centred on shared learning related to fraud patterns and investigative trends, with the aim of advancing best practices in both tactical and strategic aspects of investigations. Additionally, IOEO attended the Conference of International Investigators, which draws a diverse range of multilateral organizations. The conference covered a broad spectrum of investigative best practices, including those related to safeguarding, workplace bullying, and harassment. Notably, there were in-depth discussions on the integration of artificial intelligence into investigative processes. Various presenters showcased how AI has been embedded into their investigative frameworks, highlighting the benefits, methodologies, and practical applications.

33 During 2024, IOEO encountered no event that affected the independent and sound functioning of the office or circumvented its professional assessment in the context of its oversight or ethics activities. IOEO was provided with sufficient budget to fulfil its oversight and ethics mandate.

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