



INTERNAL AUDIT DIVISION

REPORT 2021/054

Audit of the International Trade Centre's framework for supporting field operations

**There is need to strengthen the arrangements
for supporting field operations to effectively
manage the increased level of field-based
projects**

**23 November 2021
Assignment No. AE2020-350-01**

Audit of the International Trade Centre's framework for supporting field operations

EXECUTIVE SUMMARY

The Office of Internal Oversight Services (OIOS) conducted an audit of the International Trade Centre's (ITC) framework for supporting field operations. The objective of the audit was to assess whether ITC had established an appropriate operational and policy framework to effectively support its field operations. The audit covered the period from January 2018 to December 2020 and included a review of: (a) structure and staffing; (b) strategy and procedures for opening field presences; and (c) field level administrative support and regulatory framework.

The ITC portfolio of field-based projects has significantly grown over the last four years, rising from approximately \$45.9 million in 2017 to \$91.9 million in 2020. The audit showed that there is need to strengthen the arrangements for supporting field operations to effectively manage the increased level of field-based projects.

OIOS made five recommendations. To address the issues identified in the audit, ITC needed to:

- Maintain a complete and accurate listing of its field-based personnel disaggregated by clearly defined categories of staff and non-staff personnel; and regularly review its field workforce structure to identify opportunities to establish staff posts;
- Re-assess its approach regarding deployment of offices in the field and develop guidelines for opening field offices based on lessons learned and building on checklists and guidelines already developed by individual projects;
- Strengthen the arrangements for involving the Division of Programme Support in the project design phase for large projects to help ensure that field level administrative support issues are adequately considered and addressed in project plans;
- Establish a framework for developing, referencing, translating and disseminating guidelines and procedures for its field operations; and develop a plan of action for developing guidelines and procedures for all key areas building on the already existing guidelines developed by individual projects; and
- Establish formal feedback mechanisms on administrative support issues to help ensure that risks, challenges and bottlenecks are identified and effectively addressed.

ITC accepted the recommendations and has initiated action to implement them.

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Audit of the International Trade Centre's framework for supporting field operations

I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of the International Trade Centre's (ITC) framework for supporting field operations.

2. ITC is the joint agency of the World Trade Organization (WTO) and the United Nations through the United Nations Conference on Trade and Development (UNCTAD). Its mission is to promote trade and export development in developing countries and economies in transition and assist such countries to be better integrated in the global economy through trade and international business development.

3. ITC's regular budget is jointly funded by the United Nations and WTO. ITC also receives extra-budgetary funding from donors and other international organizations, some of which is earmarked for specific programmes and projects. ITC's extra-budgetary expenditure has increased significantly over the last four years, rising from approximately \$45.9 million in 2017 to \$91.9 million in 2020. As of December 2020, ITC had 131 active projects in over 80 countries.

Figure 1: Project expenditure 2017 to 2020 (amounts in million dollars)

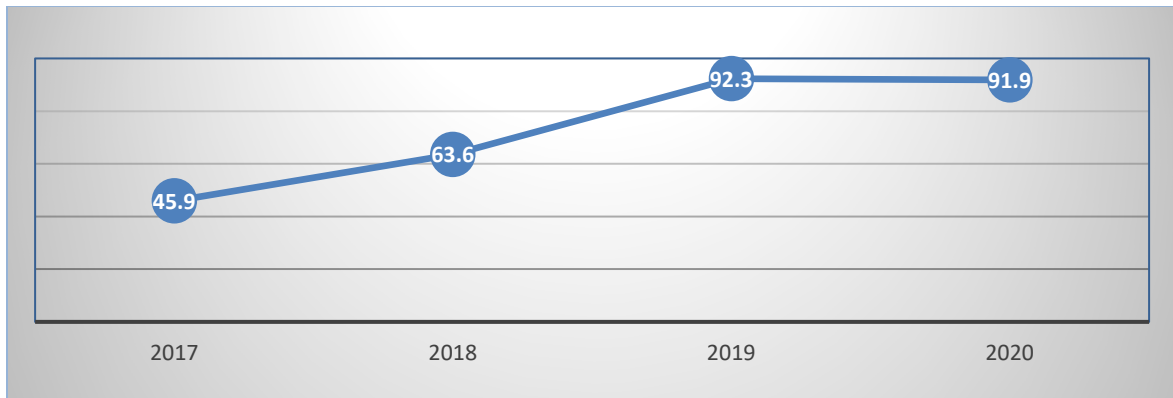
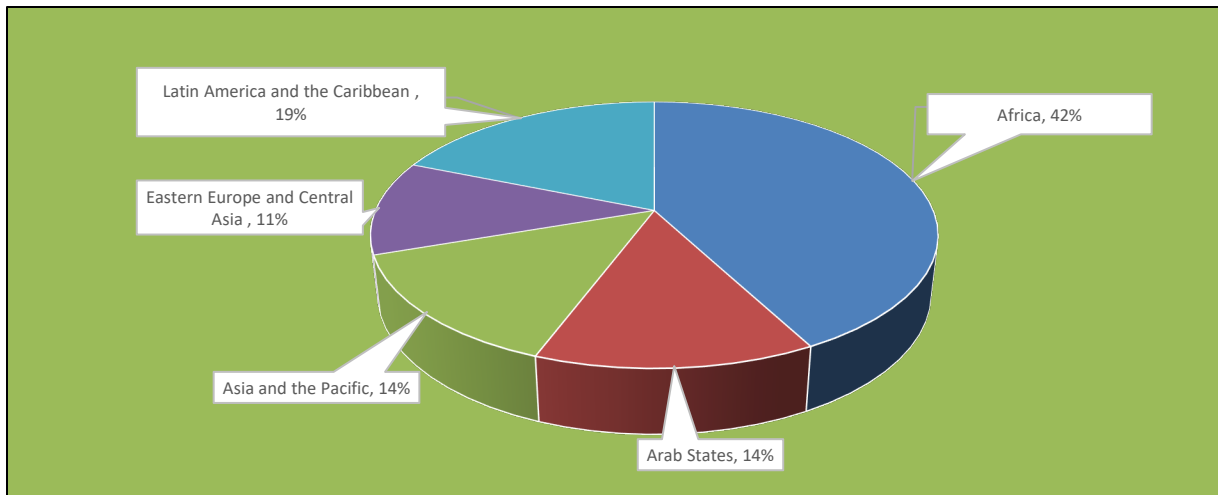


Figure 2: Distribution of ITC projects by region



4. ITC is headed by an Executive Director, who reports to the Secretary-General of UNCTAD and the Director-General of WTO. As of November 2020, ITC had a combined work force of 1,426, comprising of 397 staff and 79 consultants based at its headquarters in Geneva and 7 staff and 943 non-staff personnel (consultants, individual contactors and service contractors) based in its field offices. ITC used the United Nations Development Programme (UNDP) and the United Nations Office for Project Services (UNOPS) to assist it in the recruitment and administration of some of the field-based personnel.

5. In 2019-2020, ITC commissioned two independent evaluations to assess its coordination of country level activities and participation in the United Nations Delivering as One System. The evaluations identified the need for ITC to strengthen country coordination and develop a strategy and action plan for its engagement in the United Nations Development System. The results of these evaluations were taken into account in the audit.

6. Comments provided by ITC are incorporated in italics.

II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY

7. The objective of the audit was to assess whether ITC had established an appropriate operational and policy framework to effectively support its field operations.

8. This audit was included in the 2021 risk-based work plan of OIOS due to the risk that ITC may not have an appropriate framework to support the significant growth in its field operations.

9. OIOS conducted this audit from February to June 2021. The audit covered the period from January 2018 to December 2020. Based on an activity level risk assessment, the audit covered risk areas relating to: (a) structure and staffing; (b) strategy and procedures for opening field presences; and (c) field level administrative support and regulatory framework.

10. The audit methodology included: (a) interviews with key personnel; (b) review of relevant documentation; (c) analytical review of data; and (d) sample testing.

11. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

III. AUDIT RESULTS

A. Structure and staffing

Need to maintain complete records of field personnel and improve the field work force structure

12. ITC had implemented several initiatives aimed at fostering collaboration and enhancing knowledge and information sharing between its headquarters and field-based personnel including, inter alia: (i) providing field personnel with official ITC email addresses; (ii) ensuring field personnel have access to the intranet and are included in the “all staff” mailing list; and (iii) launching of the virtual knowledge sharing initiatives in March 2021 to facilitate collection of best practices and peer learning across project staff in different locations.

13. However, ITC did not have a system that could provide at any given moment a complete and reliable picture of the various categories of its workforce in field locations. It took the Human Resources Section a significant amount of time and effort to compile a listing of its current workforce for the purpose

of this audit. The listing compiled by the Human Resources Section indicated a workforce of 950 field-based personnel while the ITC staff directory showed 338 personnel. There were over 600 field-based personnel that had not been captured in the ITC staff directory at the time of compiling the list.

14. The discrepancies were attributed to the decentralized nature of recruitment with the programme managers hiring non-staff personnel directly through the administrative service providers in the field and not informing the Human Resources Section or the section responsible for updating the staff directory. There were also gaps by the administrative service providers in providing centralized reports of service contractors on boarded across the different field locations. Further, there was no clear criteria developed to determine type of non-staff personnel to be included in the staff directory and basis for inclusion (for example, by type of function, length of contract, location, and whether contracted through ITC or other service providers). These gaps need to be addressed to ensure that senior management have visibility of field-based personnel for oversight and workforce planning purposes.

15. As stated in the ITC strategic plan for 2018 to 2021, workforce planning is essential in helping to identify the talents and skills required for project-based work while maintaining enough core skills in key technical and administrative functions. Only 7 of the 950 field-based personnel as of November 2020 were ITC staff and the rest were all non-staff personnel (consultants, individual contractors and service contractors). The high reliance on non-staff was largely attributed to the fact that ITC had a project-based field deployment approach. The field-based personnel were recruited for project-specific activities and fully funded by project funds. They included consultants recruited because of their expertise to deliver time bound outputs as well as personnel contracted for project coordination, management or technical advisory functions over the lifetime of a project. Due to the short-term nature of project funds, ITC management preferred the use of non-staff personnel because they were relatively less costly and more flexible to recruit and also because some donors required projects to limit the number of staff recruited under project funding.

16. The high use of non-staff personnel in field offices has some disadvantages which need to be managed and minimized by establishing staff posts where feasible. This includes the fact that: (a) consultants and individual contractors are subject to time limits and need to take breaks after 24 months and 9 months of service respectively; and (b) non-staff are not authorized to perform managerial or representational roles in the field. ITC needs to regularly review information on its field-based personnel to help assess opportunities to establish staff posts in order to optimize the mix of staff and non-staff for project management functions. This is particularly important for large long-term projects and an example was the project operations in Gambia which were managed by a locally based P-4 staff; as well as in situations where there are multiple projects implemented in the same country.

(1) ITC should: (a) maintain a complete and accurate listing of its field-based personnel disaggregated by clearly defined categories of staff and non-staff personnel; and (b) regularly review its field workforce structure to identify opportunities to establish staff posts.

ITC accepted recommendation 1 and stated that it will address the discrepancy between the staff directory on the intranet and the data from Human Resources Section. This will enable the organization to review its field workforce structure at any given time. Establishing field staff posts is an independent issue as it largely depends on the availability of project funds. Therefore, reviewing the field workforce structure will not necessarily lead to establishing field staff posts. Recommendation 1 remains open pending receipt of evidence that ITC has established arrangements for: (a) maintaining a complete and accurate listing of its field-based personnel disaggregated by clearly defined categories of staff and non-staff personnel; and (b) regularly reviewing its field workforce structure to identify opportunities to establish staff posts.

Need for workload and performance data on administrative support functions

17. The Division of Programme Support (DPS) is responsible for providing administration support services to projects in collaboration with administrative staff within each of ITC's substantive divisions. Although ITC took action to enhance staff capacity across the different DPS sections (Human Resources, Procurement, Travel, Information Technology and Financial Management), the increase in staffing was not proportionate to the increase in workload. DPS staffing was increased by 19 from 57 in 2018 to 76 in 2021 (representing a 33 per cent increase), while the field expenditure doubled during this period. Interviews with staff and management showed that there were still concerns of gaps in staffing capacity in DPS. At the time of the audit, two additional temporary posts (G-5 level) in the Human Resources Section were in the process of being approved by ITC senior management. There were also ongoing discussions of posts to be established in the Financial Management Section, but the gap was still being assessed.

18. ITC did not have office wide workload and performance indicators that it could use to assess and support staffing needs in a structured manner and to guide the allocation of posts in the different sections based on available funding. DPS had some performance indicators and reports but these did not address the portion of administrative functions under the responsibility of substantive offices which were integral to the overall efficiency and timeliness of administrative actions. At the time of the audit, the Information Technology Section was in the process of finalizing the development of a set of information technology tools (e-tools) that would enable use of transactional data in Umoja to generate relevant workload and performance data and reports. These included: (i) the e-roc for human resources management; (ii) the e-procurement; and (iii) the e-pay tool designed to help in tracking the processing of purchase orders, invoices and disbursements. ITC also indicated that in the next strategic plan for the period 2022-2025, it plans to establish performance indicators related to operational efficiency. In view of the ongoing and planned initiatives, OIOS is not raising a recommendation.

B. Strategy and procedures for opening field presences

Need to re-assess the field deployment strategy and establish guidelines for opening field offices

19. ITC is a non-resident agency and other than its corporate office in New York, it does not have corporate country or regional offices. ITC had established an office in Mexico in 2007 which was closed two years later, then reopened in 2011 and closed again in 2014. ITC had also made attempts to establish a country office in Addis Ababa since 2016 but this had not been operationalized. These were however ad-hoc initiatives as ITC had not defined a strategy or guidelines for establishing regional and country offices. Its field presence network comprised of project offices established solely to implement projects and programmes with specific goals agreed on with donors. The project-based approach exposed ITC to risks of silos that could prevent it from having a coherent institutional identity through which it could strategically engage with stakeholders such as donors, government actors and other United Nations partners in a particular country or region. OIOS noted nine instances where ITC had multiple project offices and premises within the same country and in some cases, even with the same city. For example, in Kenya ITC had office premises in three different locations in Nairobi.

20. As its project portfolio and field presence have significantly grown, ITC needs to re-assess and decide whether to maintain its current project-based field deployment strategy or expand its field presences to include country and regional offices or other type of field presence that can perform representational and other roles beyond project specific activities. Factors that could be considered as trigger points to establishing country or regional offices include: the number and budget of projects in the country or region (both actual and in the pipeline); number of personnel; opportunities to access local funding; level of travel

to the field by headquarters staff; and other considerations that could be based on a structured needs assessment of the situation in the country or region and ITC's strategy for that country/region.

21. Given the limitations associated with using project-funded posts for activities not directly related to projects, upgrading existing project offices to country or regional offices would require the use of unearmarked funds to finance posts in the field or the transfer of regular budget posts to the field. This would be a strategic shift that needs to be considered in the re-assessment of the field deployment strategy. Also, the experience in the opening of the Mexico office and the attempts to open the office in Addis Ababa showed that there was a need for guidance on the development of business cases for opening such field offices if ITC opts to expand its field presence network beyond project offices.

Need to develop guidelines for establishment of new project offices

22. ITC had not developed office-wide guidelines for the opening of new project offices. Interviews indicated that often project managers had to leverage on their institutional knowledge and their own networks with other United Nations agencies or host governments to navigate this process. This was not efficient as best practices were not shared and built on, and there was unnecessary re-invention of the wheel. For example, the project office in Pakistan (GRASP project) initiated discussions and protocols for establishing a local host country agreement, not realizing the project could be covered under the existing UNDP agreement with the host government.

23. In the absence of guidelines, the Office for Africa developed a checklist to guide in the opening of offices covering areas such as preparatory processes for establishing office premises, the set-up of information technology and business systems, and office security arrangements. This was an informal checklist developed by project managers and had not been shared across the different divisions. Nonetheless the guidelines were, in OIOS' view, a good starting point and could be further developed in consultation with other substantive divisions and DPS, and formally promulgated.

24. In addition, there is a need for formal guidelines to address the consultation and coordination necessary in situations where multiple projects have offices in the same country to help ensure that they collaborate and leverage on existing infrastructure for optimal efficiency. An example of this is the two projects in Uzbekistan that shared premises and some operational expenses. ITC could also consider maintaining a roster of staff with expertise in the administrative, technical, legal and logistical processes of establishing field offices, who could be called upon at short notice when necessary to support the deployment of new offices. This is in line with practices noted in other United Nations organizations and would enhance efficiencies by facilitating quicker mobilization and allowing headquarters staff the opportunity to gain experience in setting up and running field operations.

(2) ITC should: (a) re-assess its approach regarding deployment of offices in the field; and (b) develop guidelines for opening field offices based on lessons learned and building on checklists and guidelines already developed by individual projects.

ITC accepted recommendation 2 and stated that it will review its approach on its deployment of physical presence in the field and develop a corporate guide on opening field offices, which will include relevant lessons learned and good practices such as the checklists. These efforts will allow the organization to expand its field presence in a more organized, streamlined and strategic way. Recommendation 2 remains open pending receipt of evidence that ITC has re-assessed its approach for deployment of field offices and developed formal guidelines for opening field offices.

C. Field level administrative support and regulatory framework

Need for mechanisms to ensure appropriate administrative arrangements at the field level

25. It is essential for DPS to work in close collaboration with the substantive divisions during the project design phase to facilitate effective review of project budgets and implementation structures and help ensure appropriate arrangements for administrative support are established at the field level. Section 3.5 of the Executive Director Bulletin on ITC Project Development Process (March 2020) require that for all projects over \$1million, the Project Design Taskforce should consult DPS to, amongst others, facilitate peer review and coordination across sections. The Bulletin also provides for such projects to be subjected to a two-stage review by the ITC Senior Management Committee whose membership includes the Director of DPS. However, a review of a sample of five new projects, with value in excess of \$1million showed that the Project Design Taskforce did not consistently consult with DPS as required. The involvement of the Director of DPS at Senior Management Committee alone was not sufficient in facilitating thorough, discussions on project administration support and coordination requirements. DPS indicated that the division is often involved after the project plans have been negotiated with stakeholders, including donors. There were suggestions made by staff that DPS could appoint one person to coordinate the input from its five sections. OIOS also observed a good practice in the planning for one of the projects in Iraq where there was closer collaboration between the substantive offices and DPS including visits to Iraq made by the head of DPS. Such a level of coordination needs to be systemized especially for large projects.

(3) ITC should strengthen the arrangements for involving the Division of Programme Support in the project design phase for large projects to help ensure that field level administrative support issues are adequately considered and addressed in project plans.

ITC accepted recommendation 3 and stated that it will strengthen the engagement of DPS in the project design process of relevant, large-scale projects that require a formal field presence with its own staff and a dedicated local office structure. Recommendation 3 remains open pending receipt of evidence of actions taken by ITC to strengthen the engagement of DPS in the design of large projects.

Need for developing and disseminating administrative guidelines and procedures for field operations

26. Most of the ITC administrative procedures and guidelines were headquarter-centric and did not adequately address field operational issues. In the absence of formal guidelines, some projects had compiled their own guidelines including: (i) the “ITC Administrative Workflows Survival Guide for Project staff” created by the Women and Trade administration support team; (ii) the “Administration Guide” developed for the GRASP project operations in Pakistan; and (iii) the Gambia project office who had developed their own internal standard operating procedures. There was also a power point presentation that addressed guidance on accounting and reporting for the financial authorizations issued to other United Nations agencies. The Financial Management Section indicated that they were working on developing guidelines which would, among others, help field-based projects on how to use and disburse funds and that thereafter it would develop guidelines on budgeting.

27. While it was good that some projects took the initiative to document guidelines, there was a need for a more coordinated framework for developing and disseminating such guidelines to ensure consistency of practices across the field operations and for ease of reference. This will also help ensure that the guidelines are developed in a collaborative manner with input from all the divisions and are disseminated as authoritative procedures and requirements. The guidelines developed by the GRASP project are detailed and cover most of the important areas including budgeting, financial authorizations, procurement and human resource practices which could be built on to develop office-wide procedures.

28. Based on review of five projects and best practices noted in other United Nations organizations, OIOS is of the view that ITC will benefit from establishing formal guidelines in the following areas: (a) financial management; (b) delegation of authority issues for both administrative and representative roles; (c) cost-sharing arrangements in cases where projects are co-located in the same premises; (d) asset management practices, including practices for monitoring use of project vehicles; (e) petty cash and cash imprest; (f) human resources management including recruitment and time and attendance issues; and (g) security protocols.

29. Further, the guiding documents and templates such as the e-Guide of consultants, and the consultants' self-certification forms and certifications were mostly only in English and did not therefore adequately serve other linguistic regions where ITC has considerable operations such as the francophone region of Western Africa.

(4) ITC should: (a) establish a framework for developing, referencing, translating and disseminating guidelines and procedures for its field operations; and (b) develop a plan of action for developing guidelines and procedures for all key areas building on the already existing guidelines developed by individual projects.

ITC accepted recommendation 4 and stated that building on existing project-based initiatives, it aims to develop office-wide standard guidelines and procedures for its field operations in order to ensure consistency of practices across countries and to improve operational efficiency. The guidelines will cover topics such as financial, asset, and human resources management. As an immediate solution, video tutorials on the travel process and recruitment of consultants and individual contractors have been made available on the ITC intranet. Recommendation 4 remains open pending receipt of evidence that: (a) ITC has established a framework for developing, referencing, translating and disseminating guidelines and procedures for its field operations; and (b) developed a plan of action for establishing guidelines and procedures for all key areas.

ITC had established agreements with administrative service providers in the field and was a signatory to the three principles established under the United Nations reform initiatives

30. As a non-resident agency with limited field presence and capacity, ITC relies on other agencies to provide administrative support services to its field operations. ITC had entered into service level agreements with UNDP and UNOPS through which these agencies provided it with administrative support services in the field. During the period 2018-2020, ITC paid approximately \$800,000 in administrative service fees to its two administrative service providers. The level of fees charged in some cases, exceeded the programme support cost rates agreed with donors. ITC indicated that it was renegotiating the financial terms of the service agreements. ITC was also already a signatory to the Mutual Recognition Principle which is one of the three principles in the ongoing reform initiatives led by the Business Innovation Group of the United Nations Sustainable Development Group. In the course of the audit in July 2021 ITC signed the "Costing Principle" and the "Pricing and Customer Satisfaction Principle" both of which advocate for United Nations service provider agencies to ensure fairness and transparency in costing and pricing of services that they provide. Being signatory to the principles would be a valuable platform to engage with administrative service providers on quality and cost effectiveness of services provided.

Need for a structured feedback mechanism

31. ITC had not established formal feedback mechanisms that would help to facilitate the identification of risks, challenges and bottlenecks faced by projects in administrative processes to ensure they were effectively addressed. In 2019 consultative sessions were held between project managers of ITC large projects with the office of the Deputy Executive Director with a view to identifying risks impacting project

delivery. This was a positive initiative which helped in exploring solutions to some of the challenges and concerns noted. It would be beneficial for ITC to formalize the practice and establish mechanisms to track and monitor action plans arising from such consultative sessions. Other formal mechanisms to capture feedback from all projects such as surveys also need to be considered. Interviews with project managers and staff showed that there were recurring concerns related to recruitment of consultants, timeliness of procurement, and some financial management related issues. Feedback mechanisms would help in ensuring the concerns continue to be monitored as discussed below.

32. With regard to recruitment of consultants, the main concern was inefficiencies associated with the high rates of rejections of requests submitted to DPS. The rejections were due to deficiencies such as justifications for selections not clearly elaborated; terms of reference not clearly developed; fee rates not properly determined; and mandatory training certificates not submitted. Such deficiencies had to be addressed by the substantive offices and the requests resubmitted to DPS which led to delays and inefficiencies. To help address the problem, the Human Resources Section provided training to staff in the substantive divisions between October 2020 and January 2021 targeting the recurring problem areas and developed video aides for use by staff. The measures helped in reducing overall rejection rates from 67 per cent in October 2020 to 47 per cent in January 2021. The rejection rate was still high and therefore the issue still needs to be regularly assessed and monitored.

33. On procurement, OIOS' review of processing timelines for a sample of 15 procurement cases showed that there were instances of delays in 11 cases at various stages of the procurement process. Reasons for the delays varied and included the increase in complexity of goods and services procured for large projects that ITC is increasingly implementing in the field.

34. With regard to financial management, key concerns pertained to onerous requirements for reporting and accounting for imprest accounts and procedures related to processing financial authorizations to administrative service providers (Authorized Financial Expenditures). There were also concerns regarding delays by the Financial Management Section in responding to queries.

(5) ITC should establish formal feedback mechanisms on administrative support issues to help ensure that risks, challenges and bottlenecks are identified and effectively addressed.

ITC accepted recommendation 5 and stated that it plans to put in place a system on the intranet for its personnel including in the field to provide feedback on administrative issues so as to ensure their administrative-related challenges and bottlenecks are properly addressed. On a related note, ITC in 2020 and 2021 organized the Training for Impact and Compliance which was a series of internal training sessions on administrative and project management processes. This served as an informal platform for collecting feedback on administrative procedures from project teams as well as for improving awareness on and compliance with these procedures. Moreover, ITC currently plans to conduct a review of administrative procedures and functions. This will also help the organization ensure that risks, challenges and bottlenecks faced by project teams are reflected in administrative procedures. Recommendation 5 remains open pending receipt of evidence that ITC has established formal feedback mechanisms on administrative support issues to help ensure that risks, challenges and bottlenecks are identified and effectively addressed.

IV. ACKNOWLEDGEMENT

35. OIOS wishes to express its appreciation to the management and staff of ITC for the assistance and cooperation extended to the auditors during this assignment.

(Signed) Eleanor T. Burns
Director, Internal Audit Division
Office of Internal Oversight Services

STATUS OF AUDIT RECOMMENDATIONS

Audit of the International Trade Centre's framework for supporting field operations

Rec. no.	Recommendation	Critical ¹ / Important ²	C/ O ³	Actions needed to close recommendation	Implementation date ⁴
1	ITC should: (a) maintain a complete and accurate listing of its field-based personnel disaggregated by clearly defined categories of staff and non-staff personnel; and (b) regularly review its field workforce structure to identify opportunities to establish staff posts.	Important	O	Receipt of evidence that ITC has established arrangements for: (a) maintaining a complete and accurate listing of its field-based personnel disaggregated by clearly defined categories of staff and non-staff personnel; and (b) regularly reviewing its field workforce structure to identify opportunities to establish staff posts.	30 September 2022
2	ITC should: (a) re-assess its approach regarding deployment of offices in the field; and (b) develop guidelines for opening field offices based on lessons learned and building on checklists and guidelines already developed by individual projects.	Important	O	Receipt of evidence that ITC has re-assessed its approach for deployment of field offices and developed formal guidelines for opening field offices.	30 September 2022
3	ITC should strengthen the arrangements for involving the Division of Programme Support in the project design phase for large projects to help ensure that field level administrative support issues are adequately considered and addressed in project plans.	Important	O	Receipt of evidence of actions taken by ITC to strengthen the engagement of DPS in the design of large projects.	30 September 2022
4	ITC should: (a) establish a framework for developing, referencing, translating and disseminating guidelines and procedures for its field operations; and (b) develop a plan of action for developing guidelines and procedures for all key areas building on the already existing guidelines developed by individual projects.	Important	O	Receipt of evidence that: (a) ITC has established a framework for developing, referencing, translating and disseminating guidelines and procedures for its field operations; and (b) developed a plan of action for establishing guidelines and procedures for all key areas.	30 September 2022

¹ Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

² Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

³ Please note the value C denotes closed recommendations whereas O refers to open recommendations.

⁴ Date provided by ITC in response to recommendations.

STATUS OF AUDIT RECOMMENDATIONS

Audit of the International Trade Centre's framework for supporting field operations

5	ITC should establish formal feedback mechanisms on administrative support issues to help ensure that risks, challenges and bottlenecks are identified and effectively addressed.	Important	O	Receipt of evidence that ITC has established formal feedback mechanisms on administrative support issues to help ensure that risks, challenges and bottlenecks are identified and effectively addressed.	30 September 2022
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APPENDIX I

Management Response

Management Response

Audit of the International Trade Centre's framework for supporting field operations

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	ITC should: (a) maintain a complete and accurate listing of its field-based personnel disaggregated by clearly defined categories of staff and non-staff personnel; and (b) regularly review its field workforce structure to identify opportunities to establish staff posts.	Important	Yes	(a) HR and IT (b) SMC	Q3 2022	ITC will address the discrepancy between the staff directory on the intranet and the data from HR. This will enable the organization to review its field workforce structure at any given time. With that being said, it should be noted that establishing field staff posts is an independent issue as it largely depends on the availability of project funds. Therefore, reviewing its field workforce structure will not necessarily lead to establishing field staff posts. ITC's deliverables under this recommendation will be: (a) a complete and accurate list of all ITC personnel, disaggregated by clearly defined categories of staff and non-staff personnel, available on the intranet; (b) minutes of SMC meetings where its members discussed ITC's field workforce structure to identify opportunities to establish staff posts.
2	ITC should: (a) re-assess its approach regarding deployment of offices in the field; and (b) develop guidelines for opening field offices based on lessons	Important	Yes	(a) SMC (b) DCP	Q3 2022	ITC will review its approach on its deployment of physical presence in the field and develop a corporate guide on opening field

¹ Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

² Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

Management Response

Audit of the International Trade Centre's framework for supporting field operations

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
	learned and building on checklists and guidelines already developed by individual projects.					offices, which will include relevant lessons learned and good practices such as the checklists. These efforts will allow the organization to expand its field presence in a more organized, streamlined and strategic way. ITC's deliverables under this recommendation will be: (a) minutes of SMC meetings where its members discussed ITC's approach for deployment of field offices; (b) formal guidelines for opening field offices.
3	ITC should strengthen the arrangements for involving the Division of Programme Support in the project design phase for large projects to help ensure that field level administrative support issues are adequately considered and addressed in project plans.	Important	Yes	Project Design Taskforce	Q3 2022	ITC will strengthen the engagement of DPS in the project design process of relevant, large-scale projects that require a formal field presence with its own staff and a dedicated local office structure. This recommendation will therefore not always apply to smaller ITC projects who do not involve a local office or a permanent field presence by ITC staff. It should be noted DPS staff are not formally members of the Project Design Taskforce (PDTF) but DPS staff are called upon for assistance or briefing by project developers when requested by PDTF. ITC will continue to ensure that PDTF calls on inputs from relevant DPS sections during the

Management Response

Audit of the International Trade Centre’s framework for supporting field operations

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						<p>project design process. This includes, inter alia:</p> <ul style="list-style-type: none"> (i) Requesting during PDTF’s project logframe meetings that project developers brief and seek formal inputs from sections such as FM, HR, Legal Unit or Procurement Services, as well as ITC’s communications unit, depending on the needs of the project, and before the project is cleared by PDTF for presentation to SMC. (ii) Ensuring that PDTF’s review of projects make specific reference to links with DPS when relevant, and highlight to SMC through comments on the project portal about any need for DPS sections to be consulted. (iii) Ensuring that ITC project documents continue to provide necessary details on the proposed project’s necessary staff resources, structure of project governance mechanisms, and arrangements for a local project office, so that this information continues to be available to SMC members including Director DPS. (iv) Inviting relevant DPS sections’ representatives to logframe meetings with PDTF as needed, in particular for the review of large projects that require the

Management Response

Audit of the International Trade Centre's framework for supporting field operations

Rec. no.	Recommendation	Critical ¹ / Important ²	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
						establishment of a project office in the field and the permanent presence of ITC staff during the life of the project.
4	ITC should: (a) establish a framework for developing, referencing, translating and disseminating guidelines and procedures for its field operations; and (b) develop a plan of action for developing guidelines and procedures for all key areas building on the already existing guidelines developed by individual projects.	Important	Yes	(a) SMC (b) DCP in collaboration with DEI/DMD/OED/DPS	Q3 2022	Building on existing project-based initiatives, ITC aims to develop office-wide standard guidelines and procedures for its field operations in order to ensure consistency of practices across countries and to improve operational efficiency. The guidelines will cover topics such as financial, asset and human resources management. As an immediate solution, video tutorials on the travel process and recruitment of consultants and individual contractors have been made available on the ITC intranet. ITC's deliverables under this recommendation will be: (a) minutes of SMC meetings where its members discussed a framework for developing and disseminating the guidelines for field offices; (b) a plan of action for developing the guidelines with clear milestones and timeframes, agreed on by all divisions concerned across the organization.
5	ITC should establish formal feedback mechanisms on administrative support issues to help ensure that risks,	Important	Yes	DCP in collaboration with Divisions with operational projects	Q3 2022	ITC plans to put in place a system on the intranet for its personnel including in the field to provide

Management Response

Audit of the International Trade Centre’s framework for supporting field operations

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	challenges and bottlenecks are identified and effectively addressed.					<p>feedback on administrative issues so as to ensure their admin-related challenges and bottlenecks are properly addressed.</p> <p>On a related note, ITC in 2020 and 2021 organized the Training for Impact and Compliance, a series of internal training sessions on administrative and project management processes. It served as an informal platform for collecting feedback on administrative procedures from project teams as well as for improving awareness on and compliance with these procedures. Moreover, ITC currently plans to conduct a review of administrative procedures and functions. That will also help the organization ensure that risks, challenges and bottlenecks faced by project teams are reflected in administrative procedures.</p>