

# annual report

## 2014



International  
Labour  
Office

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## Committee on Accountability

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In 2014, three new cases were referred to the Committee on Accountability by the Treasurer and Financial Comptroller (TR/CF) pursuant to Article 13.30 of the Financial Rules.

**Case No.1:** The Committee examined a case of suspected financial misconduct and fraud by two members of staff following allegations by a whistle-blower. The Committee upheld the findings of an investigation undertaken by the Office for Internal Audit and Oversight and concluded that the actions of the two officials amounted to fraud. The Committee recommended that the matter be referred for appropriate disciplinary action up to and including summary dismissal and that the losses be recovered from the Officials.

In the examination of this case the Committee also recommended that the role of the ILO finance assistant be further reviewed in light of the admittance by the official of negligence in the conduct of their duties. The Committee also recommended further review of the project finances over the full length of the project activities.

**Case No.2:** The Committee examined a case of financial misconduct in relation to the purchase of equipment resulting in financial loss to the Office. The Committee noted that the official concerned had admitted to having prepared, signed and submitted a report confirming receipt of the goods causing the ILO to settle the supplier invoice in full when in fact the goods had not been received. The Committee found no evidence of any intention to defraud the Office for personal gain but that the Official's action had resulted in financial loss. The Committee concluded that the official had been grossly negligent in the discharge of their duties. The Committee noted that when confronted with the allegation, the official had offered their resignation and ceased to report to work. The Committee therefore recommended that consideration be given to the retention of end-of-service monies due to the official in order to recover the financial loss incurred as a result of gross negligence.

**Case No.3:** The Committee examined a report documenting alleged lacunae in the management and administration of a technical cooperation project, which allowed an unbudgeted liability to arise, thus resulting in significant financial loss to the Office. The Committee concluded that whilst it was not possible to fix responsibility for the loss on any individual or individuals, the events revealed systemic weaknesses in some ILO procedures. The Committee recommended that measures be taken to improve the oversight of project appraisal and approval mechanisms and that there be a clear separation between the two processes. The Human Resources Development Department should be consistently involved in the appraisal and approval processes.

The members of the Committee for 2014 were Mr Egger (Chairperson), Mr Chughtai (FINANCE), Ms Beaulieu (JUR) and Mr Villemonteix (HRD). Ms O'Neill (HRD) served as Secretary.

**Date:** 23 December 2014



Philippe Egger  
Chairperson  
Committee on Accountability