

1502nd meeting, 19 June 2024

11 Programme, Budget and Administration

11.2 Directorate of Internal Oversight

Annual Report 2023

Item to be considered by the GR-PBA at its meeting on 4 and 18 June 2024

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¹ This document has been classified restricted until examination by the Committee of Ministers.

I. Foreword

1. The annual report of the Directorate of Internal Oversight (DIO) is submitted pursuant to Section VI paragraph 41 of the DIO Charter. It presents an overview of the key activities carried out by the DIO for the Internal Audit Division, the Evaluation Division and the Investigation Division in 2023.

2. 2023 was a year of significant challenges in the staffing for the DIO: the position of Director was vacant for the first five months of the year and several other positions remained vacant for several months, affecting the Directorate’s ability to deliver its work programme and carry out sufficient audit work in 2023 to give an overall opinion on governance, risk management and internal control.

3. The legal framework for the investigation function was changed at the beginning of 2023 giving investigation in the DIO a broader mandate on investigating wrongdoing but excluding harassment. The recommendation follow-up report to the Secretary General was revised and, following a recommendation of the Oversight Advisory Committee, is now issued every six months. The DIO work programme developed during 2023 for the period 2024-2027 is aligned with the Programme and Budget, integrated between functions and covers the same four-year period as the Programme and Budget.

II. Overview

4. The DIO provides independent oversight through internal audit, evaluation, and investigation to support informed decision-making, strengthen the Council of Europe’s integrity framework, improve the Council of Europe’s operations, and help it accomplish its objectives. The DIO promotes a culture of accountability, transparency, and organisational learning.

Figure 1: Vision, mission and standards of the DIO

Purpose and Mission	The purpose of the Directorate of Internal Oversight (DIO) is to provide independent and objective assurance, consulting and other services designed to add value and improve the Council of Europe’s operations and help it accomplish its objectives. It contributes to evidence-based decision making and organisational learning, and aims to strengthen the Organisation’s integrity, transparency, and accountability framework. To this end, it provides independent and objective audit, evaluation, investigation, and advisory services.
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DIO Function	Mission	Standards
Internal Audit	To enhance and protect organisational value by providing risk-based and objective assurance, advice and insight, and by bringing a systematic, disciplined approach to assessing and improving the effectiveness of risk management, internal control and governance processes.	The Internal Audit function adheres to the mandatory elements of the Institute of Internal Auditors’ International Professional Practices Framework, including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing and the Definition of Internal Auditing.
Evaluation	To provide systematic and impartial assessments of activities, projects, programmes, strategies, policies, topics, themes, sectors, operational areas or institutional performance, to help the Council of Europe enhance its capacity, assess its performance and demonstrate its comparative advantage and value.	The Evaluation function is governed by the Organisation’s Evaluation Policy, which takes inspiration from the norms and standards for evaluation established by the United Nations Evaluation Group and the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD DAC).

Investigation	To help the Council of Europe to ensure the proper use of its funds and resources, prevent and investigate fraud and corruption, and protect its reputation and interests, by carrying out inter alia preliminary assessments and investigations in line with the Organisation’s legal framework.	The Investigation function is governed by adherence to the Organisation’s legal framework and aims to follow common principles, guidelines and best practices for investigations, such as the ones enshrined in the Uniform Principles and Guidelines for Investigations and complementing guidelines adopted by the Conference of International Investigators and those set out in the case-law of the Court, where applicable.
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III. DIO staffing and budget

A. Staffing

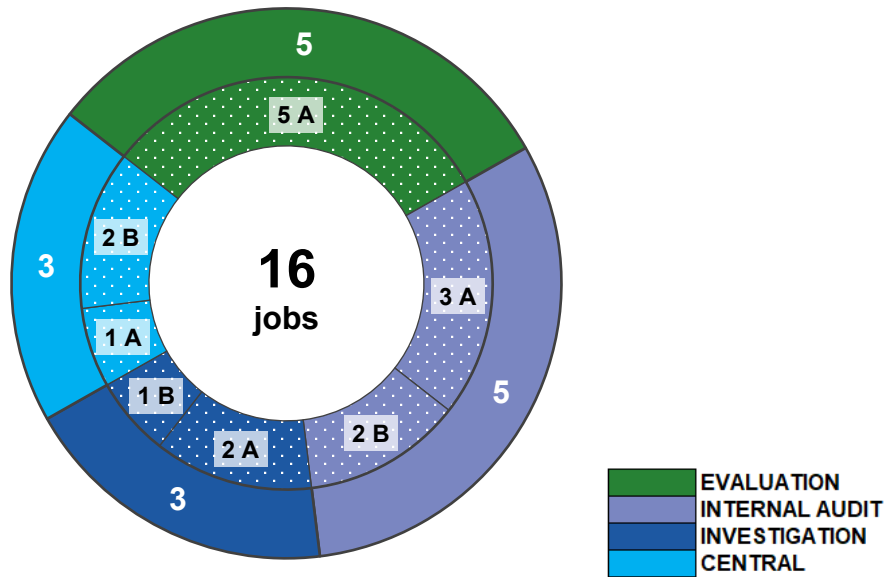


DIO has 16 jobs



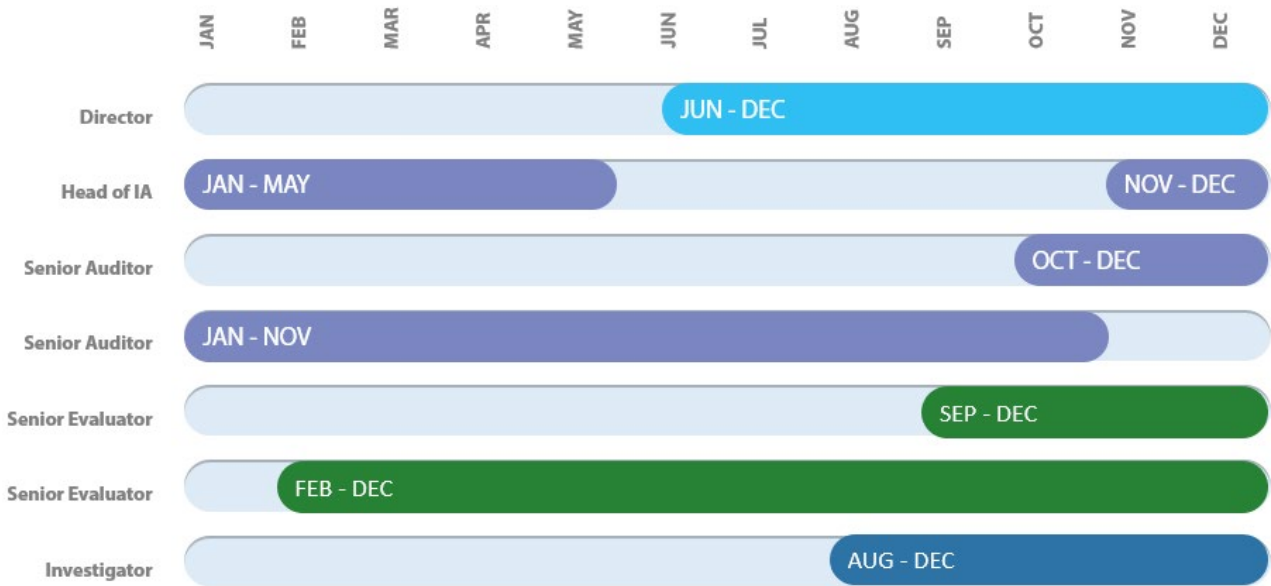
31% are men and 69% are women²

Figure 2: Number of jobs per division in 2023 (including split by A & B-grade)



²The data was calculated using the incumbent gender for the position regardless of the number of months of vacancy during the year.

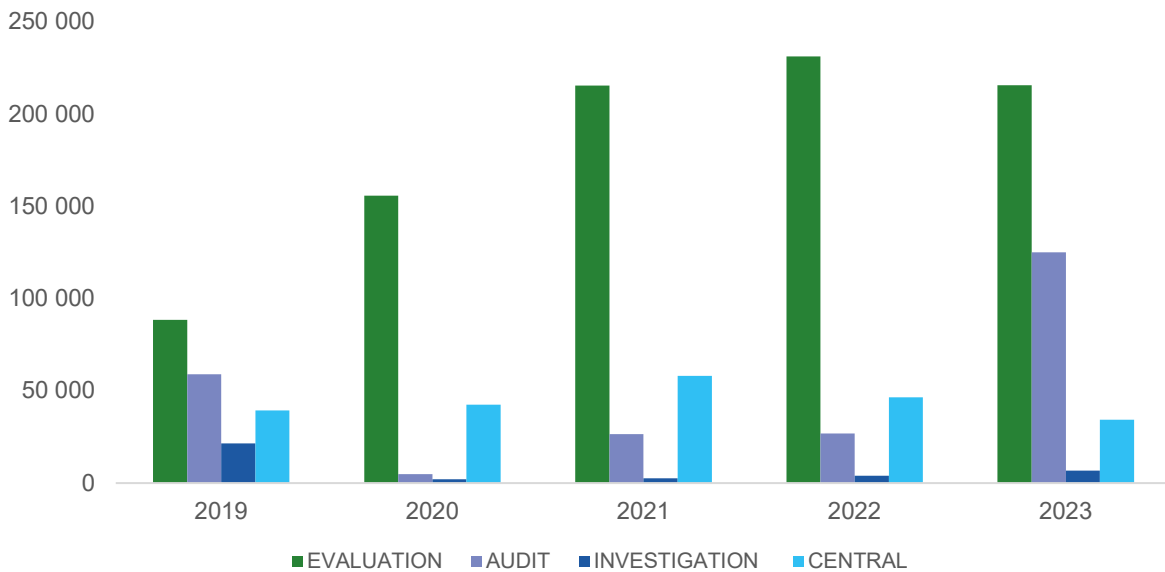
Figure 3: Jobs with vacancies (in grey) in 2023



B. Operational Budget

5. Figure 4 below provides a breakdown of the DIO operational budget. The operational expenditure for the Internal Audit function was higher in 2023 than in previous years as some of the savings from vacant positions were used to outsource one audit.

Figure 4: DIO operational expenditure by division over the last five years (in Euros)



C. Continuous Talent Development

6. During 2023, the DIO staff continued to develop professional skills through starting, maintaining or completing professional examinations / studies (CIA – Certified Internal Audit qualification, CFE - Certified Fraud Examiner training, IPDET - International Program for Development Evaluation Training), attending subject-specific trainings as well as trainings offered by the Directorate of Human Resources and undergoing respective examinations.

D. Statement on Independence

7. In accordance with the DIO Charter, adopted by the Committee of Ministers, the DIO enjoys operational independence. This independence is essential to carry out its mandate, as the DIO provides independent and objective audit, evaluation, investigation, and advisory services, contributes to evidence-based decision making and organisational learning, and aims to strengthen the Organisation's integrity, transparency, and accountability framework. As stated in paragraph 20 of the DIO Charter, the Director of Internal Oversight shall make an annual statement to the Committee of Ministers on whether or not the independence of the function has been maintained. In 2023, the autonomy of the DIO remained intact. Challenges related to budget and staffing constraints were encountered during the year and were communicated to the Secretary General.

IV. Internal Audit

A. Internal Audit function

8. The aim of the internal audit function is to provide independent assurance, advice and insight in order to enhance and protect organisational value, contribute towards evidence-based decision making, and promote organisational learning, transparency, integrity and accountability. This is done by conducting different types of assignments: performance audits, compliance audits, Information Technology audits and advisory services (at the request of management) related to governance, risk management and/or internal control. When it comes to internal control and risk management assignments, best practice is followed by using internationally recognised models such as the COSO (Committee of Sponsoring Organisations of the Treadway Commission) Internal Control – Integrated Framework and the Enterprise Risk Management Framework as a basis for audit work.

B. Audits carried out in 2023 and their results

9. The 2023 annual work programme was based on an analysis of inherent risks and was discussed with the Oversight Advisory Committee and the External Auditor. It took into consideration contributions from senior management, discussions of the Ministers' Deputies, the relevant ongoing reform measures and the Organisation's organisational risk register. The work programme was endorsed by the Secretary General and taken note of by the GR-PBA.

10. In accordance with the DIO Charter, the Director of Internal Oversight reports to the Secretary General on the performance of the Internal Audit function against agreed key performance indicators. One of the performance indicators relates to the implementation of the work programme:

Performance indicator	Results
Percentage of implementation of internal audit work programme (target: 100%)	In 2023, the implementation percentage of internal audit work programme was 50%

11. Out of eight assignments planned for 2023, three were finalised, two were still in progress at the end of the year and three had to be postponed to 2024 due to staff shortages (see Appendix A for details on the engagements performed and their findings). An additional output was produced insofar as the results of the staff survey on organisational culture (conducted in the framework of the ongoing audit on organisation culture) were shared so as to feed into the People Strategy 2024-2027.

12. Internal Audit carried out a follow-up exercise on the implementation of its recommendations (see Section D for a review of progress made in the implementation of audit recommendations).

Figure 5: Internal audit outputs for 2023

Status	
Audit reports	
1. Management of risks related to safety and security	✓
2. Recruitment at the Council of Europe	✓
3. Efficiency of the payroll management process	✓
4. Management of privileged accesses	Ongoing ³
5. Organisational culture	Ongoing
6. Internal control framework of the Secretariat of the Parliamentary Assembly	Postponed
7. External Office	Postponed
8. Staff absence rates	Postponed
Additional outputs	
9. Staff survey on organisational culture	✓
10. Follow-up of internal audit recommendations (DIO report)	✓
TOTAL INTERNAL AUDIT OUTPUTS 2023	
5	

C. Overall audit opinion on governance, risk management and internal control

13. Throughout the whole of 2023, Internal audit was affected by staff movements and vacancies:
- the post of Head of Division was vacant from 15 May to 31 October 2023 (5.5 months);
 - one of the two Senior Auditor posts was vacant from 1 January to 30 September (9 months) and the other from 1 November to 31 December (2 months);
 - the Division had a temporary staff reinforcement for 9 months out of 12.

14. As a consequence of these staff movements and despite the work and commitment of the remaining staff, Internal audit was unable, for the second consecutive year, to carry out sufficient work in 2023 to give an overall opinion on governance, risk management and internal control. Steps taken in 2023 to address the issue included the finalisation of the 2022 external recruitment procedure for senior auditors which led to the recruitment of a reserve list candidate in October 2023, the use of staff appropriations to outsource one audit in the second half of 2023, the organisation of an internal procedure to identify a new Head of Division and a new external recruitment procedure for senior auditors, which was launched in October 2023 and finalised in March 2024. A call for tenders for the provision of IT audit services was organised in 2023 so as to have the contract up and running at the beginning of 2024 to mainstream IT into most of the audits foreseen in the work programme for 2024 in addition to performing a specific IT audit.

D. Implementation of agreed management actions

15. In accordance with the Institute of Internal Auditors' Standards and the DIO Charter, the Internal Audit function reports on the implementation of recommendations.

³ Situation as at 31 December 2023. Draft audit report issued March 2024.

16. The follow-up exercise focuses on the implementation of recommendations over a two-year reference period (see Figure 6 for those audits conducted during the reference period under review).

17. Eighty-six recommendations were made during the reference period: 84 were accepted, two were not. Those which were not stemmed from the audit on the management of mobile devices⁴ and the programme office in Podgorica.⁵

18. When it comes to the implementation rate for the reference period, it stood at 44%⁶ as at 31 December 2023. This rate is low, yet acceptable given the complexity and diversity of recommendations made as well as the number of recommendations issued towards the end of the reference period (26 out of 47 open recommendations).

Figure 6: 2022-2023 audit assignments

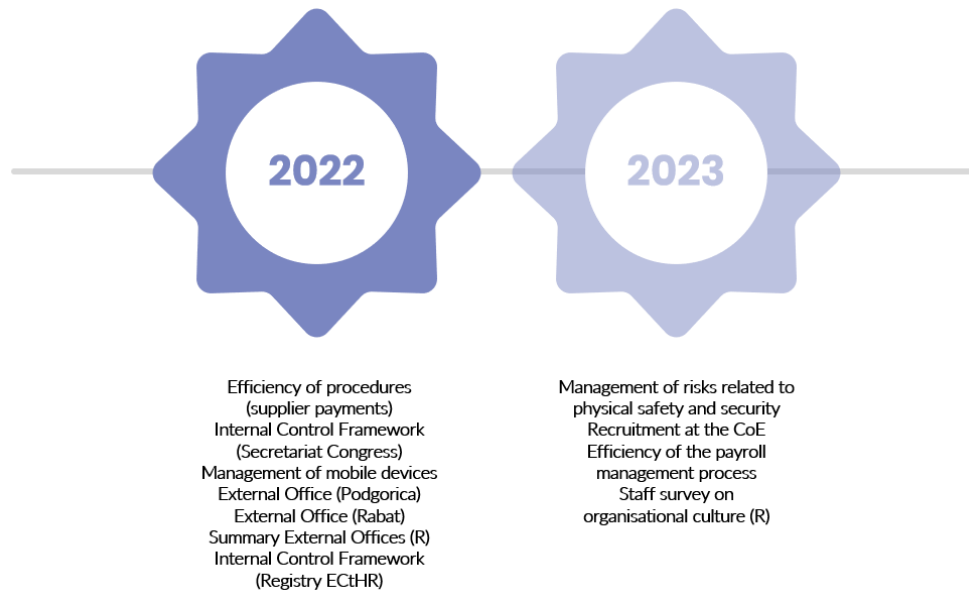
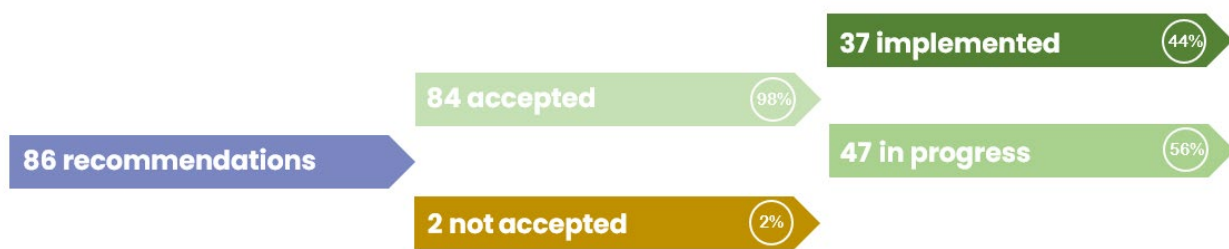


Figure 7: Internal audit recommendation implementation rate as at 31 December 2023



Source: TeamMate+

19. In terms of impact, the recommendations which were implemented in 2023 contributed to increasing efficiency of processes (payment of suppliers), addressing compliance and internal control issues, clarifying roles and responsibilities between second- and third-line functions, reinforcing IT security (implementation of a Mobile Device Management software solution), reinforcing accountability for financial management in the field, helping ensure the quality, completeness and timeliness of reporting (Project Management Methodology IT tool), and in the framework of the revision of the Organisation's internal legislation, addressing Organisation-wide issues such as gifts and outside activities.

20. The internal audit function follows up on those recommendations which have been open for more than two years and fall outside the reference period. The number increased from 23 as at 31 December 2022 to 33 as at 31 December 2023.⁷ This is notably due to the ageing of a package of recommendations stemming from the 2021 audit on IT security governance: 38 out of the 47 recommendations have already been implemented, leaving 9 which are in still in progress. Revised target implementation dates have been agreed upon and implementation is expected in 2024.

21. In order to foster the implementation of audit recommendations, the DIO remains in frequent contact with Major Administrative Entities and provides assistance, explanations and advice, as needed. The DIO also provides training on, and user support for, the use of the IT tool for the follow-up of recommendations.

⁴ Activate mandatory encryption or read only mode on all storage devices.

⁵ Consider transforming the Programme Office in Podgorica into a fully-fledged office with a core team present in the field.

⁶ Over the course of 2023, the periodicity of the follow up of recommendations was changed – it is now carried out on a bi-annual basis (in March and September) instead of on an annual basis (in December). The data as at 31 March 2024 shows an increase in the number of recommendations implemented (55 out of 84 instead of 37) giving an implementation rate of 65%.

⁷ As at 31 March 2024, the figure had dropped to 15.

V. Evaluation

A. Evaluation function: Evaluation Division and decentralised evaluations

22. The Evaluation Division promotes accountability, informed-decision-making and learning by a systematic and impartial assessment of an activity, project, programme, strategy, policy, topic, theme, sector, operational area or of institutional performance. It is guided by pre-defined criteria – relevance, efficiency, effectiveness, coherence, impact and sustainability – established by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD). Evaluation in the Council of Europe follows the United Nations Evaluation Group norms and standards (UNEG).

23. The Evaluation Policy⁸ approved by the Committee of Ministers in November 2019 reflects international norms and standards, in particular as regards the independence, credibility and utility of the evaluation function and the transparency of evaluation results. It demands that evaluations are conducted with the highest standards of integrity and contribute to the enhancement of human rights, gender equality and respect for diversity.

24. It is worth noting that the term ‘evaluation function’ covers not only the Evaluation Division DIO-managed or conducted evaluations, but also decentralised evaluations. Decentralised evaluations, as outlined in section ‘D’, are evaluations managed by entities other than the DIO. For decentralised evaluations, the DIO Evaluation Division provides guidance, technical assistance and support to Major Administrative Entities on the selection of consultants, drafting of terms of reference, reviewing of draft evaluation reports and keeping track of the follow-up to evaluation recommendations.

B. Evaluation activities and their results in 2023

25. In 2023, the Evaluation Division issued three evaluation reports of evaluations launched in 2022:
- Cybercrime and Trafficking in Human Beings (under the Sub-Programme “Action against crime and protection of citizens”);
 - Independence and Efficiency of Justice Sub-Programme;
 - Civil Society Participation in Co-operation Activities (transversal).

26. The tables in Appendix B provide details of the evaluations’ findings. Figure 8 below includes links to all the publications in 2023.

Figure 8: Publications in 2023

	Evaluation Reports	Infographics	News
Evaluation of the Council of Europe’s work under the Sub-Programme “Action against crime and protection of citizens” – cybercrime and trafficking in human beings	<ul style="list-style-type: none"> - Full report (English only) - Abridged report - Management Response and Action Plan 	Facts & Figures	News item
Evaluation of the Council of Europe’s Independence and Efficiency of Justice Sub-Programme	<ul style="list-style-type: none"> - Full report (English only) - Abridged report - Management Response and Action Plan 	Facts & Figures	News item
Evaluation of the civil society participation in co-operation activities	<ul style="list-style-type: none"> - Full report (English only) - Abridged report - Management Response and Action Plan 	Facts & Figures	News item

⁸ Cf. CM(2018)159-final.

27. The fourth evaluation foreseen under the DIO work programme 2022-23 was an evaluation of the Culture, Nature and Heritage / Cultural Routes / Major Hazards Sub-Programme. The DIO issued this as an evaluative assessment because the final version has a narrower coverage of evaluation questions and issues, and a lower level of analysis than an evaluation.⁹

28. In accordance with its work programme, the DIO also launched the following evaluations in 2023:

- Evaluation of the Institution of the Commissioner for Human Rights;
- Evaluation of the Council of Europe's work on education for democracy: Citizenship education in formal education;
- Evaluation of the Steering Committee on Anti-Discrimination, Diversity and Inclusion;
- Evaluation of change management at the Council of Europe (transversal).

29. Following the usual evaluation cycle, these evaluation reports will be finalised in 2024.

C. Follow-up of recommendations

30. The Evaluation Policy foresees a management response and action plan following the finalisation of the evaluation reports. The Secretary General is responsible for the implementation of action plans to address recommendations and the Committee of Ministers follows their implementation. The recommendations are followed up for five years and DIO reports biannually on their implementation.

31. During the period 2019-2023, 13 evaluation reports (see Figure 9) were issued with a total of 118 recommendations. Out of these, 90% were accepted, 6% were partially accepted, 1% is under consideration and 3% have been rejected.¹⁰

Figure 9: Timeframe of evaluation reports

Timeframe	Evaluation Topics
First year Jan-Dec 2023	- Cybercrime and Trafficking in human beings - Independence and Efficiency of Justice - Civil society participation in co-operation activities
Second year Jan-Dec 2022	- Covid-19 pandemic - Venice Commission - Violence against women and domestic violence - Monitoring Mechanisms
Third year Jan-Dec 2021	- Results-Based Management - Prisons and Police - Conference of INGOs
Fourth year Jan-Dec 2020	- Strategy development and reporting
Fifth year Jan-Dec 2019	- Freedom of expression - Intergovernmental Committees

⁹ The assessment started out as an evaluation but, as a result of the external consultant's deteriorating medical condition, it did not meet the standards of an evaluation and was finalised by the DIO as an evaluative assessment. It has some valuable information for use of the department but as it is narrower than expected, the DIO did not apply the same processes for its dissemination, publication and follow-up (i.e. submission to the Chair of the Ministers' Deputies, request of a management response) as those foreseen for an evaluation report by the Evaluation Policy.

¹⁰ Evaluation of Intergovernmental Committees: Mobilise extra budgetary resources to support the work of intergovernmental committees (Rec.5).

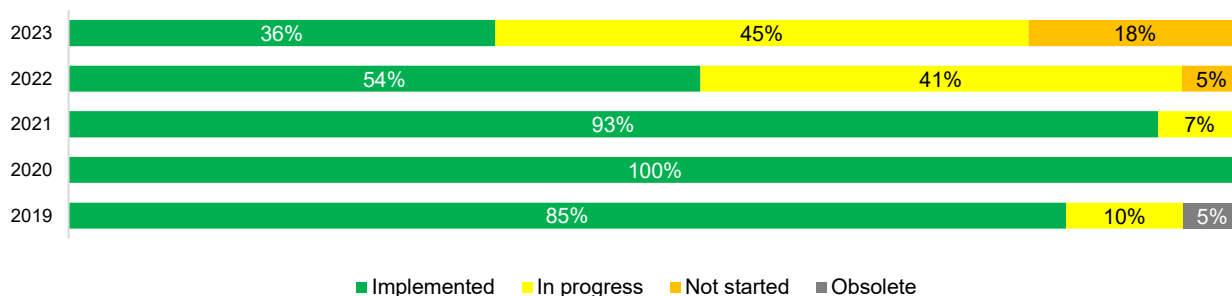
Evaluation of Covid-19 pandemic: Include the possibility of "exceptional monitoring" in crisis preparedness and checklist to adapt crisis responses agilely as they evolve. (Rec.5).

Evaluation of Action against Crime: Analyse and report on the feasibility of the present assessment model in cybercrime and consult with States parties and observers to identify areas for modifications or merging of work and outputs. (Rec.7).

Evaluation of Civil Society: Include resources for support to civil society in all country and thematic action plans and develop concrete measures to increase synergies among CSOs in countries where co-operation activities take place. (Rec.6 and 7).

32. Out of the accepted recommendations, 79% were implemented, 18% are in progress, 3% have not yet started and less than 1% is obsolete (for details see Figure 10). The acceptance and the progress in the implementation of evaluation recommendations can be considered satisfactory for the relevant reporting periods and the implementation of recommendations has contributed to positive impact.

Figure 10: Status of implementation of accepted evaluation recommendations by year of issuance of report



Source: TeamMate+

Performance indicator	Result
Percentage of evaluation recommendations implemented within 36 months of their acceptance by the relevant entities (target: 80%)	82% of evaluation recommendations were implemented in the third year after issuance of reports (2022: 100%)

D. Implementation of agreed management actions

33. Highlights from evaluation recommendations implemented in 2023:¹¹

- Civil society participation in co-operation activities: The Secretary General’s Roadmap on Civil society engagement with the Council of Europe 2024-2027 (SG/Inf(2023)28) was published on 15 December 2023. It provides the framework for more specific guidance on civil society participation in co-operation activities (Rec. 1).
- Action against crime and protection of citizens: Two staff satisfaction surveys were organised in 2023 as a means of consulting staff on working practices and management: one by the DIO itself on organisational culture and one by the Directorate of Human Resources on staff well-being (Rec. 5).
- Council of Europe support to member States in addressing challenges related to the Covid-19 pandemic: The Council of Europe has adopted a formalised crisis management structure, process and its main actors, in accordance with three levels of crises (operational incident; Major Administrative Entity-level crisis; major crisis for the Organisation). Selected elements of the crisis management structure are to be mobilised in a flexible way according to the type of crisis (Rec. 1).
- Venice Commission: The Rules of Procedure were revised and Principles of Conduct for members were adopted in 2023 to help ensure the highest standards of independence and technical knowledge. Similarly, the revised rules of procedure have clarified the working methods of the Venice Commission to formalise certain processes and procedures to ensure greater clarity and transparency (Rec. 1,7 and 8).
- Venice Commission: As of December 2023, after each Plenary Session, the Secretary of the Commission will organise a debriefing meeting with the ambassadors with a view to maintain and increase over time the Venice Commission’s dialogue-based and constructive approach in relation to member States (Rec. 9). In addition, an exchange of views between the President of the Venice Commission and the Committee of Ministers devoted to follow-up was held in November 2023. 15 Follow-up opinions were adopted in 2023. Several follow-up activities were organised in 2023. Additional focus will be put on follow-up in 2024 (Rec. 10). This will help further increase internal insights on the extent of the Venice Commission’s impact.
- Prisons and police: Co-operation was successfully extended to some EU countries, thanks to funds from Norway Grants and the Human Rights Trust Fund (Rec. 5).

¹¹ By order of publication of evaluation reports.

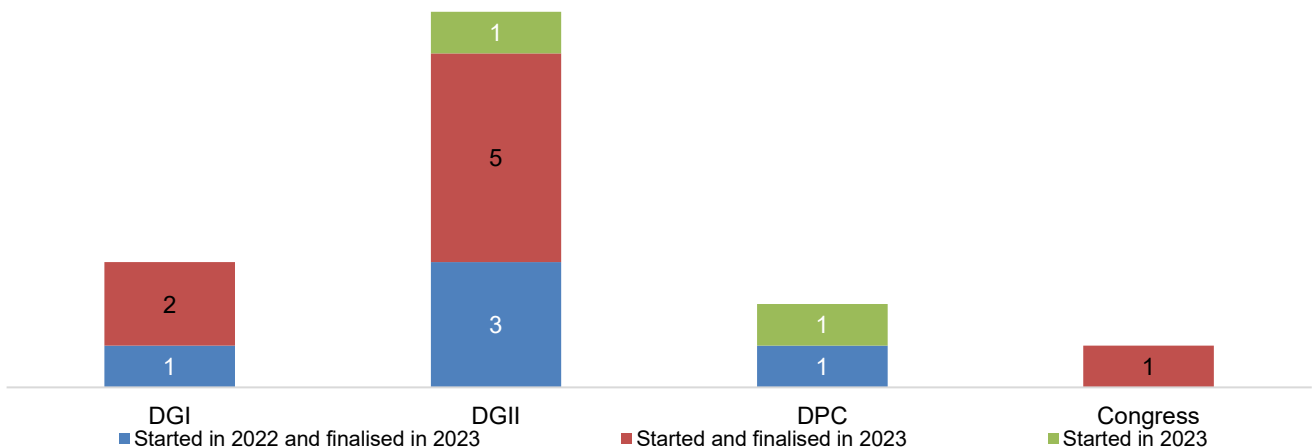
- Results-based management: The results-oriented management strategy (CM/Inf(2023)8) was sent to the Committee of Ministers on 31 March and presented to the GR-PBA on 12 April. It presents the Secretary General's strategic choice to use RBM for communication, accountability and learning needs and better-informed decision making. The strategy includes concrete measures which will be monitored by the management group. Information on the strategy's implementation will be integrated into the progress review reports (Rec. 3).

E. Decentralised evaluations

34. Since 2021, the DIO Evaluation Division is responsible for implementing the quality assurance framework for decentralised evaluations with the aim to ensure that Major Administrative Entities receive the necessary support to commission evaluations while allowing the Organisation to have a more complete overview of all evaluations. Through the framework, the Evaluation Division helps to improve the quality of decentralised evaluations and subsequently collect lessons learned and improve organisational learning.

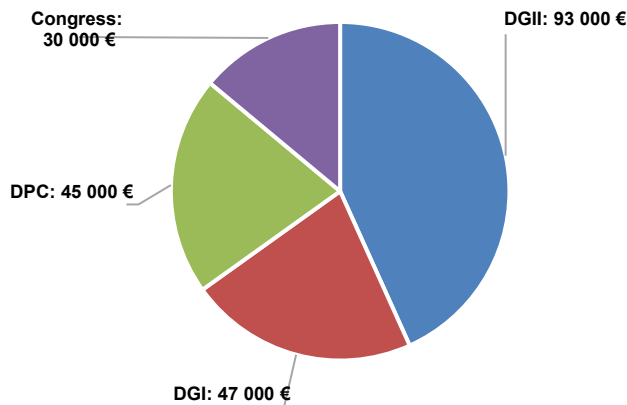
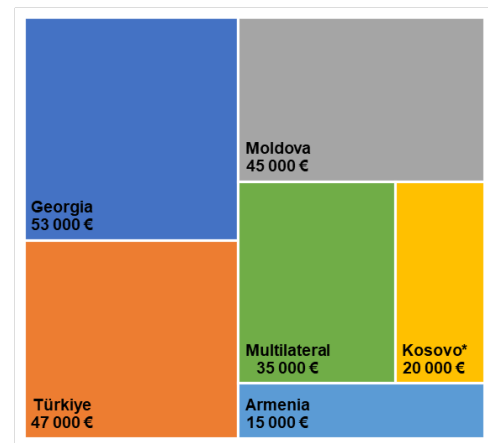
35. In 2023, the DIO provided support to 15 decentralised evaluations, ten of which were initiated in 2023 and five were initiated in 2022 and finalised in 2023. The support entailed quality checks of Terms of Reference and draft evaluation reports, as well as the provision of consultants under the DIO's framework contract for evaluation services. In some cases, technical advice was provided on other issues, including the timeliness, evaluability and data collection methodologies.

Figure 11: Number of evaluations per entity



36. In terms of capacity development, the DIO published a Frequently Asked Questions section on the decentralised evaluations website in 2023 in view of continuing efforts to enhance guidance for Major Administrative Entities. Furthermore, it conducted a training session on managing evaluations for about 50 field and headquarter-based project staff of the Co-operation in Police and Deprivation of Liberty Division.

37. In terms of budgetary resources, €215 000 in total were engaged for evaluation services across entities through the existing framework contract. The evaluation budgets ranged from €8 000 to €45 000 per evaluation. 90% of evaluations were funded from extra-budgetary resources and 10% from the Ordinary Budget.

Figure 12: Budgetary resources engaged in 2023 per entity**Figure 13: Evaluation budget per country**

38. In 2023, the DIO published nine evaluation reports out of ten finalised evaluations,¹² including their management response and action plans, that can be accessed on the [DIO's website](#).

- Evaluation of the Council of Europe Action Plan for Armenia 2019-2022;
- Evaluation of the Council of Europe project: "Education for Democracy in the Republic of Moldova";
- Evaluation of the Project: Horizontal Facility II "HELP in the Western Balkans";
- Evaluation of the European Union/Council of Europe Partnership for Good Governance Programme Phase II (PGG II);
- Evaluation of the project "The Path towards Armenia's Ratification of the Council of Europe Convention on Preventing and Combating Violence against Women and Domestic Violence (2019 – 2022)";
- Evaluation of the Intercultural Cities programme's services and tools;
- Evaluation Report of the Project: "Support for the execution by Armenia of judgments in respect of Article 6 of the European Convention on Human Rights";
- Evaluation of the Project "Promoting an integrated approach to end violence against women and reinforcing gender equality in Georgia";
- Evaluation of the Council of Europe Georgia Action Plan 2020-2023.

VI. Investigation

A. Investigation function

39. The Investigation Division provides the Organisation with the capacity to investigate allegations of wrongdoing relating to the Organisation's activities in an independent, professional, and objective manner. It is an essential component of the Organisation's risk management and accountability framework.

40. In 2023, the Organisation enhanced its institutional and policy framework to better prevent, detect, investigate, and sanction behaviour that runs contrary to the values set out in the Organisation's Code of Conduct. The new framework reflects the Council of Europe's zero-tolerance policy on fraud and corruption, all forms of harassment and unethical behaviour and any form of retaliation against persons reporting wrongdoing or co-operating with a preliminary assessment or an investigation.¹³

41. The following legal instruments governed the activities carried out by the Investigation Division:

- Charter of the Directorate of Internal Oversight;
- Staff Regulations and Staff Rules (in force as of 1 January 2023);
- Rule on investigations (in force as of 1 January 2023; replacing Instruction 65 on investigations);
- Speak Up: Council of Europe Policy on reporting wrongdoing and protection from retaliation (in force as of 1 June 2023);

*All references to Kosovo, whether to the territory, institutions or population, in this text shall be understood in full compliance with United Nations Security Council Resolution 1244 and without prejudice to the status of Kosovo.

¹² The tenth report was not published as it did not have a management response and action plan.

¹³ Set out in the Policy Statement by the Secretary General on Awareness and Prevention of Fraud and Corruption, and reiterated in the Secretary General's Governance statement published alongside the Financial Statements of the Organisation for 2022 (CM(2023)100).

- Code of Conduct (in force as of 1 January 2023);
- Policy on Respect and Dignity in the Council of Europe (in force as of 1 January 2023);
- Secretary General's Governance Statement (2023).

42. With the adoption of the legal instruments in 2023, the mandate of the DIO regarding investigative activities has been enlarged. As of 1 January 2023, investigations into fraud, corruption, and other forms of wrongdoing are to be carried out by the DIO.¹⁴ The Speak Up Policy has introduced the notion of “*wrongdoing affecting the public interest*”, thus expanding the scope of irregular behaviour to be addressed by the Organisation.¹⁵ The Policy highlights that the Council of Europe strives to uphold its ethos of professionalism, integrity and respect and the values that underpin them (namely independence, trustworthiness, responsibility, dignity, diversity and discretion), and stipulates that conduct which runs contrary to these values will amount to wrongdoing affecting the public interest. The definition of the notion is wide and covers various types of behaviour that could adversely affect the Organisation's activities, staff, and resources. Examples provided in the policy include, *inter alia*: accepting a bribe; abusing the status of staff member of the Council of Europe or the privileges or immunities that attach thereto; failing to disclose a major conflict of interest; corrupt behaviour by a Council of Europe contractor; accepting instructions from a representative of a government or another third party, etc.

43. In line with standards for administrative investigations carried out by international organisations, allegations or suspicions of wrongdoing may be reported by anyone (be it a member of the Secretariat or a third-party external to the Organisation), in an anonymous or non-anonymous way.

44. Allegations reported under the Speak Up Policy may concern:
- current and former Secretariat members of the Council of Europe;
 - members of its organs, bodies, committees and working groups;
 - persons involved with the Organisation's activities;
 - consultants and other contractors.

45. As of 1 January 2023, investigations into allegations of harassment involving members of the Secretariat (with some exceptions) are to be carried out by the Directorate of Human Resources (DHR), which shall resort to external investigators.¹⁶

46. To achieve expected results, investigative activities need to comply with applicable legal provisions and standards. The investigation function thus aims to adhere to the Organisation's legal framework, as well as to follow internationally accepted common principles, guidelines, and best practices for investigations.¹⁷

B. Awareness-raising and prevention activities

47. The prevention of wrongdoing is considered more efficient than investigations into such conduct post factum. Therefore, the DIO is committed to its awareness-raising and preventive work and carries out various activities to this end.

¹⁴ Exceptions addressing some specific situations are foreseen in the Speak Up Policy.

¹⁵ For comparison, as per Article 4 of Rule 1327 (in force until 1 January 2023), Secretariat members had a duty to report any reasonable suspicion of misconduct they deem to be fraud or corruption to the DIO.

¹⁶ In the event that a person considers that they have been harassed by the Secretary General, Deputy Secretary General, Director General of Administration or the Director of Human Resources, the appropriate reporting channel is to the Directorate of Internal Oversight, rather than the Director of Human Resources, as set out in Speak Up: Council of Europe Policy on reporting wrongdoing and protection from retaliation.

¹⁷ Such as the ones enshrined in the Uniform Principles and Guidelines for Investigations and complementing guidelines, adopted by the Conference of International Investigators and those set out in the case-law of the European Court of Human Rights, where applicable.

Training

48. The completion of the compulsory e-learning on '*Ethics*' and on '*Fraud Awareness and Prevention*'¹⁸ as at 31 December 2023 are: 91% of the active staff members and staff members on unpaid leave have completed the e-learning on '*Ethics*' and 84% completed the e-learning on '*Fraud Awareness and Prevention*'.¹⁹ The Investigation Division offers, on request, specific training. In 2023, a training on "*Detection of red flags of fraud in electronic documents*" was delivered at the Treasury, Payments, and Accounting Department (Directorate General of Administration).

Fraud-Risk Assessments

49. In 2023, the Investigation Division continued its work on promotion of fraud-risk assessments, to help management mitigate the risk of fraud and corruption. The Division applied its reviewed fraud-risk-assessment framework, consisting of revised tools (linking risks with red flags, internal controls, results of audit work, assessment of residual risks, etc.), methodology, videos, surveys, and website content.

50. In 2023, the DIO conducted the second fraud risk assessment with the Treasury, Payments and Accounting Department. As a result of the assessments, actions for follow up were identified (mainly in terms of compliance and awareness-raising) and most of them were swiftly implemented.

Review of declarations of interest

51. Staff members with formal financial roles and/or involved in procurement or grant awards are obliged to submit declarations of interest annually to allow transparency and management of situations that could give rise to potential conflicts of interest.²⁰

52. As of 1 November 2023, the Ethics function has been entrusted with certain responsibilities with regard to conflicts of interests, including advising Secretariat members and other persons on declarations of interests, reviewing the annual and ad hoc declarations of interest submitted by Secretariat members, monitoring risks of conflicts of interest in this respect, and advising on mitigating measures as appropriate.²¹

53. For 2023, the Investigation Division monitored the declarations of interest, published news raising awareness about the declarations, and issued a report summarising its main findings and recommendations to address detected issues.

54. Overall, a steady increase in the number of Secretariat members making a positive declaration has been noted over the last years. This positive trend might reflect various awareness-raising activities, amendments made to the relevant internal rule, and enhancement of the Organisation's culture and accountability framework. However, a decline in the percentage of submission of mandatory declarations of interest most likely stems from the expansion of the number of people in these roles by almost a third and will require a more thorough analysis.

55. Figure 14 captures the main trends observed in the declarations of interest submitted by the deadline (31 January 2023) and an additional cut-off date (1 September 2023.) Figure 15 captures the main trends in terms of compliance by 1 September 2023 and responsiveness by staff with formal financial roles. Figure 16 reflects the profile of the persons who submitted a declaration. As some persons filed multiple declarations during the year, this number differs from the total number of declarations appearing in Figure 15. Figure 17 reflects the risk level of "significant interests" and "memberships and other interests" appearing in declarations of interest.

¹⁸ Both introduced in 2019.

¹⁹ According to information provided by DHR on 21 March 2024. The numbers include current staff (all types of employment contracts) but do not include trainees.

²⁰ As per Rule No. 1282 of 18 October 2007 on the declaration of interests in the context of procurement and grant award.

²¹ Secretary General Decision on the Mandate of the Council of Europe Ethics Officer (in force as of 1 November 2023).

Figure 24: Submission of declarations of interest

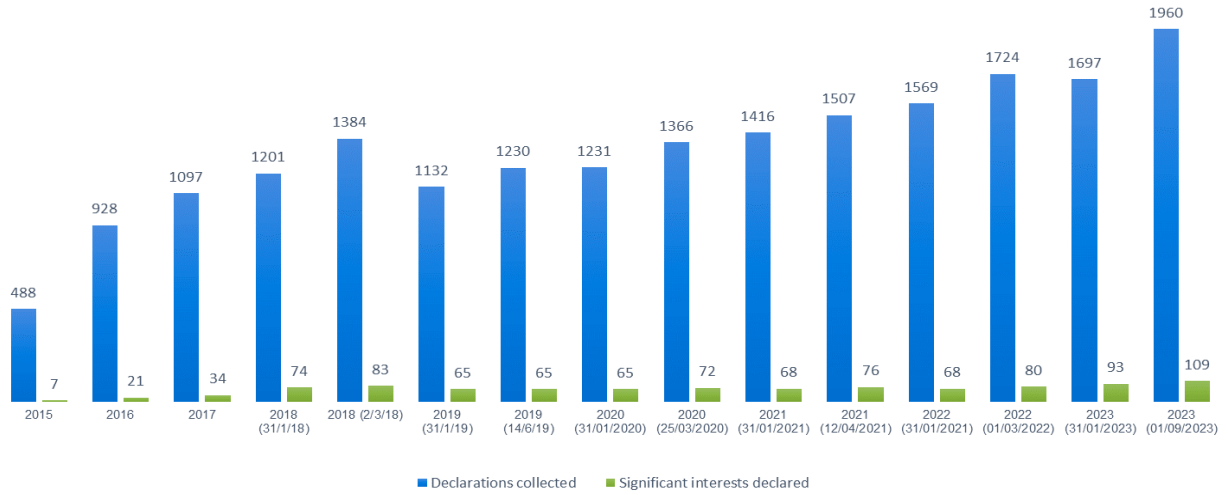


Figure 15: Compliance – main trends

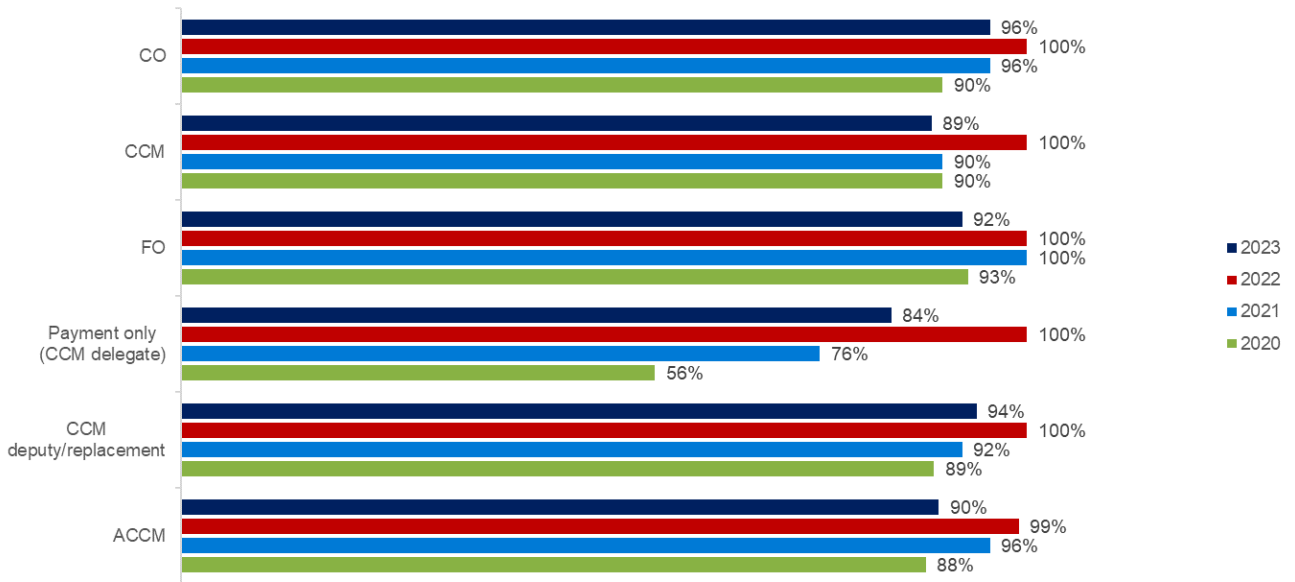


Figure 36: Profile of persons submitting a declaration of interest

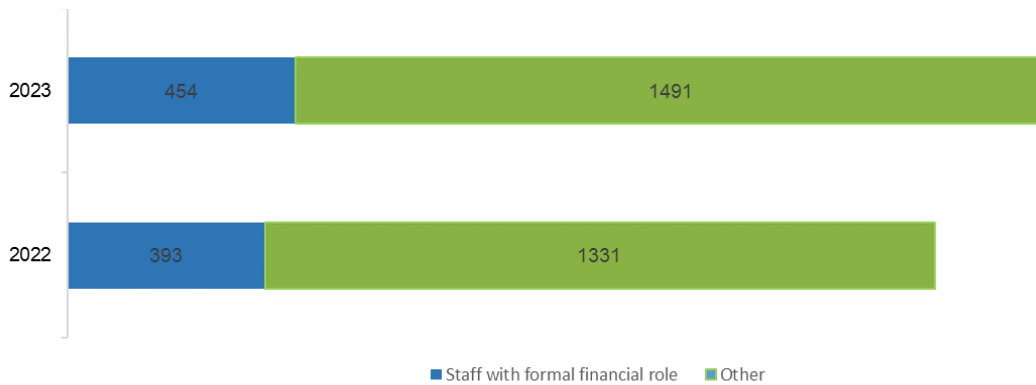
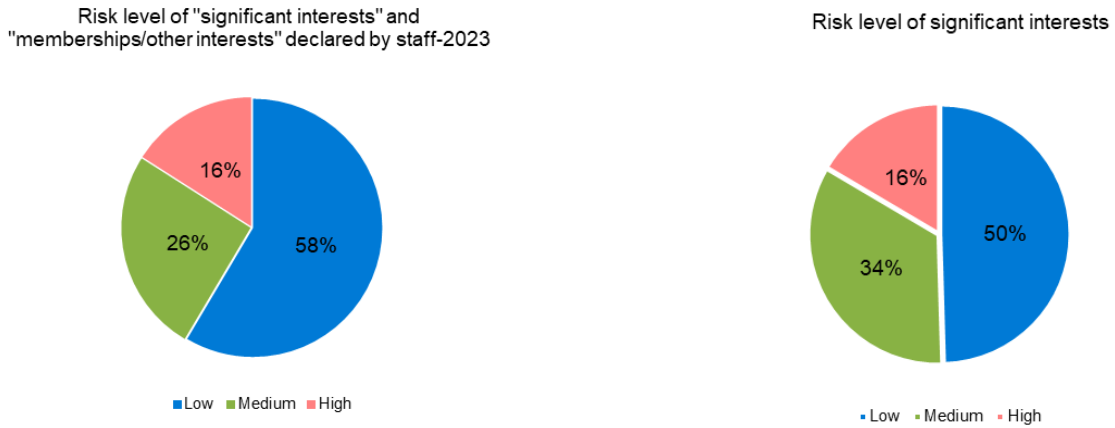


Figure 47: Risk level appearing in declarations of interest



Other awareness-raising activities

56. As a result of the changed legal framework, the DIO adapted its website and online reporting form. In addition, a presentation was given to the network of Confidential Councillors and staff new to the Organisation are now systematically made aware of the obligations towards reporting wrongdoing. On 1 December 2023, the Secretary General²² presented the new Ethics framework in an event to all staff. News items published throughout the year included website content with videos and infographics published during the international “*Fraud Awareness Week*”.

57. Key performance indicators relating to awareness-raising and training can be found in Appendix B.

C. Detection and investigation

Cases (preliminary assessments and investigations)

58. In 2023, the Investigation Division received and screened 3 247 communications through its various reporting channels.²³ Most of these communications, however, did not fall within its mandate or concern the Organisation. Allegations received are counted as cases only if they require further scrutiny and/or investigative activities.

59. In 2023, 23 new cases registered were registered and 5 cases carried over from 2022.²⁴ Out of them, 7 cases were closed after initial consideration, 8 were closed after preliminary assessments, and 13 cases were still ongoing as of 31 December.²⁵ None of the cases examined in 2023 resulted in further investigation. Six of the cases for which preliminary assessments were opened were registered in the second part of 2023 and the respective activities could not be completed by the end of the year. Figure 18 shows the number of new cases registered per year (2014-2023) and Figure 19 shows the status of cases registered in 2023 as of 31 December 2023.

²² The meeting was opened by the Secretary General and followed by remarks by the Director General of Administration, Director of Human Resources and the Chair of the Staff Committee. The Head of Investigation Division (DIO), the Ethics Officer, and the Head of the Staff Support Unit (DHR) presented the new instruments in detail.

²³ 3003 communications were received on alert.dio@coe.int (from 1 January 2023 to 13 October 2023, when the mailbox was replaced with a new reporting venue); 227 submissions were made through the Wrongdoing Reporting Form, and 17 through other channels (e-mail to staff of the Investigation Division, meeting, phone call, regular mail, etc.)

²⁴ Alerts potentially relating to the Council of Europe and falling within DIO’s mandate are further processed and registered as cases.

²⁵ The purpose of a preliminary assessment is to record and establish the basic facts, assess if the alleged facts can be substantiated, check what supporting documentation or other materials can be found, preserve and secure basic evidence and assess whether the opening of an investigation is justified.

Figure 58: Number of new cases registered per year

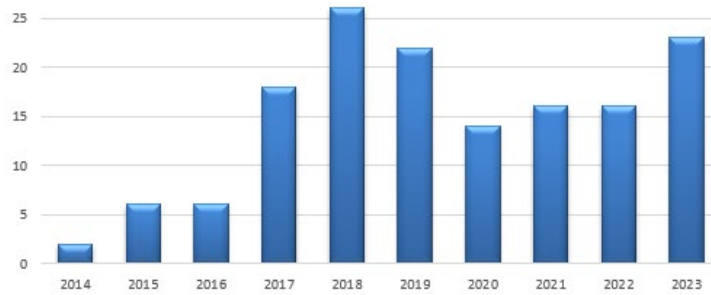
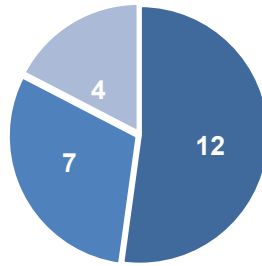


Figure 69: Status of cases registered in 2013



- Preliminary assessments (including those leading to an investigation)
- Closed after scrutiny (including alerts passed on to other functions)
- Ongoing screening (as of 31 December 2023)

60. Key performance indicators relating to investigative processes can be found in Appendix B.

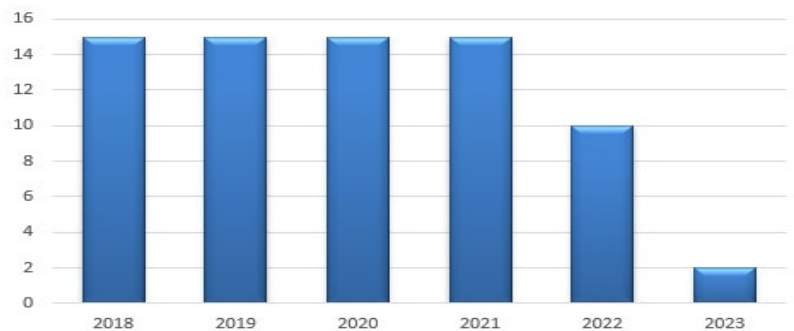
D. Follow-up to recommendations issued by the Investigation Division

61. The investigation function issues disciplinary, administrative, financial, and judicial recommendations. Recommendations might be issued at the end of a preliminary assessment, an investigation, or following other activities (e.g. monitoring of declarations of interests, ad hoc reviews, fraud-risk assessments, etc.).

62. The Investigation Division issued two recommendations, one from the annual review of declarations of interests carried out in 2023 and a second from a preliminary assessment.

63. Figure 20 shows the number of recommendations issued by the Investigation Division in the period from 1 January 2018 to December 2023.

Figure 20: Number of recommendations



64. Key performance indicators relating to implementation of recommendations can be found in Appendix B.

VII. DIO Strategy 2021-2024

65. The DIO Strategy 2021-2024 sets out strategic objectives and indicators for the Directorate as well as highlighting critical success factors and core values and principles. Progress in relation to the implementation of the strategy is detailed in Appendix B.

VIII. Oversight Advisory Committee

66. The Oversight Advisory Committee provides an independent advisory function to the Committee of Ministers and the Secretary General on the governance, risk management and control systems of the Council of Europe. It is governed by its Terms of Reference.²⁶ The Oversight Advisory Committee met three times in 2023. All Oversight Advisory Committee activities undertaken in 2023 are available in the Oversight Advisory Committee's annual report for 2023.²⁷

²⁶ Resolution CM/Res(2022)4 on the revised terms of reference of the Oversight Advisory Committee.

²⁷ Annual report from 1 December 2022 to 30 September 2023 (CM(2024)40).

Appendix A – Summary of audits and evaluations

2023 Audits

Audit: Management of risks related to safety and security

Audit Objectives

To assess the adequacy of the process for the management of risks related to physical safety (including health risks) and security, in particular the governance process for decision making.

Audit Opinion, Strengths, Recommendations

Audit Opinion

The audit opinion “**some room for improvement**” was given on the management of risks related to physical safety and security insofar as prioritisation was not based on a formal risk appetite. This is called for in order to reconcile, where appropriate, the risk exposure level with the risk appetite and hence to enable the Security Management Team to make informed decisions on the management of these risks.



Strengths

- Governance of physical safety and security is adequate for the management of these risks.
- Operating structures are established, and roles and responsibilities clearly defined.
- Physical safety and security risks are properly managed and mitigation measures for the risks clearly identified and implemented.

Main recommendations

- Develop a more detailed risk appetite for physical safety and security risks, based on the Secretary General's governance statement and the Organisation's overall risk appetite and intended for practical use by Directorate of General Services, and for informed decision making by the Security Management Team.
- Review needs in terms of the frequency of the updates to security plans of external offices and ensure they reflect risk appetite levels.
- Draw up a practical in-house guide intended to provide a more detailed regulatory framework, as provided for by the Council of Europe's security management system.

Audit: Recruitment at the Council of Europe

Audit Objectives

To review the efficiency and effectiveness of the recruitment process: is the Council of Europe attracting the talents it needs and do its recruitment processes adequately support this ambition?

Audit Opinion, Strengths, Recommendations

Audit Opinion

The audit opinion **“needs corrective action”** was given on recruitment at the Council of Europe.

If the Council of Europe is to attract the talent it needs, its external recruitment

processes need to support that ambition. For this to happen, the processes need to be simpler, quicker, more efficient and more effective.



Strengths

Recruitment management system

- Workforce planning conducted in 2019 and 2023.
- Recruitment in line with workforce planning in certain areas (Registry ECtHR & EDQM).
- Practical guide for human resources advisors drawn up following the entry into force of the new Staff Regulations.
- Training on competency-based interviewing.

Attractivity

- Procedure on the use of social media for recruitment purposes formalised.
- Council of Europe participation in job fairs.
- Clear, structured and attractive external recruitment vacancy notices with a systematic inclusion of the Council of Europe's mission and its values.
- Recourse to specialised communication agencies to help with sourcing in certain areas (Registry ECtHR & EDQM).
- Onboarding programme for new staff.

Recruitment process

- Compliant recommendation and appointments procedures.
- Compliant diplomas and reference checks.
- Personal data mapping underway.

Equal opportunities and diversity

- Policy on Equal Opportunities
- Policy on Diversity being prepared.
- Due account of diversity, inclusion and non-discrimination in the Staff Regulations and the People Strategy.
- Organisation of competitions and the use of competency based interviewing.
- Written papers anonymised and marked by two independent correctors.
- Assessment grid for interviews to be conducted by recruiting managers drawn up and shared with them.
- Specific mention to diversity, inclusion, non-discrimination in all vacancy notices.

Main recommendations²⁸

- Digitalise the whole recruitment process to save time and optimise the process. This should help the Directorate of Human Resources to adequately manage the process and focus their time and efforts on high-value tasks. Once the future Application Tracking System is up and running, roles and responsibilities of the various stakeholders involved in the process will need to be redefined, training will need to be provided and effective communication on changes performed. This will call for an investment in terms of resources over time, but once these changes are implemented, the Directorate of Human Resources will be better placed to move towards process management and hence develop a system whereby its performance and effectiveness can be measured and monitored. For this, the Directorate of Human Resources needs to be proactive and focus on continuous quality improvement.
- Finalise the many ambitious projects it has embarked on over the years. With the new Staff Regulations and Staff Rules, it is important to formalise, communicate and provide training on all areas related to the recruitment process. This will help develop a shared understanding and common culture amongst those involved in human resources processes.
- Develop and implement a Council of Europe employer brand, which is immediately identifiable by potential candidates and conveys a positive perception of the Organisation as an employer. The process needs to evolve in such a way that vacancies are more visible in, and attractive to, candidates from all 46 member States.
- Simplify the recruitment process and enable the Directorate of Human Resources to focus on its core business. Reducing the time spent on (largely manual) administrative and co-ordination tasks should free up time for more human resources management and advice. For instance, the audit challenged the recent suppression of the compulsory participation of human resources representatives in interview panels given that there is no such thing as zero bias – the Directorate of Human Resources needs to ensure that recruitment processes are fair and transparent, that due account is taken of equal opportunities and diversity, and that competency-based interviews are conducted in a consistent and professional manner.

²⁸ To help the Directorate of Human Resources prioritise the steps required to implement the various audit recommendations, they were broken down into a series of sub-recommendations and split by type (compliance, best practice and innovation). Compliance is a regulatory requirement, good practice is recommended whereas innovation will help the Organisation move forward, particularly at a time when the Council of Europe is elaborating its new People Strategy.

Audit: Efficiency of the payroll management process

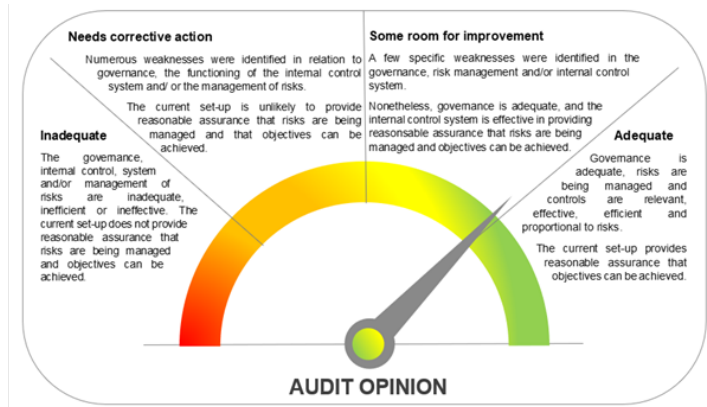
Audit Objectives

To assess the overall efficiency of the payroll process, the use of IT tools and the adequacy and relevance of internal controls by entities concerned

Audit Opinion, Strengths, Recommendations

Audit Opinion

The audit opinion on the payroll management process was between **“some room for improvement”** and **“adequate”** in so far as governance and risk management are adequate yet there is room for improvement in terms of the efficiency of the process and associated controls.



Strengths

- Adequate segregation of duties throughout the payroll process (for permanent staff and daily interpreters on temporary staff contracts).
- Controls requested of operational entities in respect of the payroll for permanent staff are well understood – they have the means and information required to do so effectively.
- Payroll performed within prescribed deadlines (as laid down in the Staff Regulations).
- Payroll staff with the necessary competencies and experience.
- Versatility of payroll staff; back-up arrangements in place to ensure business continuity.
- On-the-job training.
- Documented operational procedures.

Main recommendations

- Render the payroll process as paperless as possible (reduce printing, paper-based controls, circulation of paper files, same data being inputted twice on the basis of paper files etc.).
- Measure performance by selecting and monitoring KPIs.

Organisational learning

- More information sharing on the management of staff appropriations, notably best practices, between Financial Officers.

Evaluation reports completed in 2023

Evaluation of the work under the sub-programme “Action against crime and protection of citizens” – cybercrime and trafficking in human beings

Evaluation objective

To assess the performance in cybercrime and trafficking in human beings from a learning-oriented and forward-looking perspective to benefit the implementation of new and upcoming conventions.

Conclusions/Recommendations

Conclusions: Strengths

- The initiatives in cybercrime and trafficking in human beings have been highly successful.
- GRETA monitoring reports pay significant attention to gender equality and to the rights of some of the most vulnerable groups, and the recommendations are context relevant. The Cybercrime Division has actively promoted public reflection on the gender dimension of cybercrime and ICT-enabled crimes from the 'victims' perspective.
- Non-state actors contributed to co-financing some Cybercrime Division projects from 2006 to 2014; this was an essential contribution helping establish the Council of Europe as a world leader in cybercrime.
- Robust planning and involvement of key stakeholders were vital to the success of a complex international negotiation for standard-setting, such as the process leading to the issuing of the Second Additional Protocol to the Budapest Convention.
- The Council of Europe's dynamic triangle is seen as its most significant and distinctive added value in the two thematic areas of cybercrime and trafficking in human beings. Other elements of the Organisation's added value include the Court judgments as well as the Parliamentary Assembly as a unique mechanism to exert peer pressure on national parliaments.

Conclusions: Issues to be addressed

- There are spaces for improvement in setting official targets for the two thematic areas.
- To achieve legislative change in cybercrime, assessment work and technical co-operation activities are relevant conditions but insufficient; media coverage and inclusion in national policies are also required.
- GRETA's attention to gender equality reflects a binary approach to gender, while issues affecting the LGBTQ+ communities are given insufficient attention.
- Some lengthy bureaucratic procedures and approval processes negatively affected timeline, flexibility and speed of delivery.
- Staff at the project offices are paid substantially lower salaries than those paid by other organisations in the same countries for positions requiring equivalent qualifications. This has repercussions in terms of staff retention and recruitment of new staff.
- As a result of the absence of onboarding procedures, new staff at the project offices must learn on the job, which reduces efficiency.
- Cybercrime staff report overplanning with consequences in terms of increasing workload and pressure to deliver within tight deadlines.

Recommendations

- Redefine the scope of the sub-programme and its Theory of Change, aligning it with management structures for greater coherence.
- Revise the co-operation strategy in trafficking in human beings to unleash its potential.
- Develop a strategy of alliances to support legislative change, including engagement with media, for both sectors.
- Set up a forum for dialogue with civil society on cybercrime.
- Put in place (for the entire Council of Europe) staff consultation mechanisms and processes.
- Share lessons from implementation and implement recommended adjustments.
- Analyse and report on the feasibility of the present assessment model in cybercrime and adopt relevant measures.
- Redefine modalities for setting the indicators and targets formulated in the Programme and Budget documents to make them more relevant.

Evaluation of the civil society participation in co-operation activities

Evaluation objective

To assess the current practice of civil society participation in co-operation activities.

To assess the strengths and weaknesses of civil society participation in co-operation activities, including the extent to which the human rights approach is applied.

Conclusions/Recommendations

Conclusions: Strengths

- The Council of Europe successfully manages politically sensitive relationships such as between Civil Society Organisations (CSOs) and authorities.
- Civil society participation in co-operation activities improves project results and reinforces CSOs' influence over authorities regarding human rights.

Conclusions: Issues to be addressed

- Greater potential links at organisational level with local CSOs not fully taken advantage of.
- More depth and breadth to civil society participation in co-operation activities is desirable.

Recommendations

- Include a section on civil society participation in co-operation activities in the civil society roadmap being developed.
- Communicate with CSOs on a regular basis on how they can be involved in Council of Europe work beyond projects.
- Develop the stakeholder module of the PMM IT tool to track participating CSOs.
- Build project staff capacity to engage CSOs in co-operation activities to connect to the overall work of the Organisation.
- Explore alternative procedures that better enable a wider range of participation, particularly CSOs in precarious situations.
- Include resources for different forms of support to civil society in all country and thematic action plans and programmes.
- Develop measures to increase synergies among CSOs in countries and prioritise working with CSOs collectively.
- Integrate participation goals and indicators into individual project and programme design and include a section on civil society in annual reports.
- Meet regularly with other international organisations and donors to exchange good practices on civil society participation.

Evaluation of the Council of Europe's sub-programme on Independence and efficiency of Justice

Evaluation objective

To determine the extent to which the sub-programme was relevant, effective and efficient.

Establish what impact the evaluated bodies have had in terms of contributing to the observance of Article 6 ECHR in the Council of Europe member States.

Conclusions/Recommendations

Conclusions: Strengths

- The sub-programme work is highly relevant, and generally effective.
- The sub-programme has been successful in delivering its outputs and in achieving immediate and intermediate outcomes.
- The implementation of Article 6 of the Convention is positively affected by the sub-programme.

Conclusions: Issues to be addressed

- There is space for improvement and potential for increased effectiveness and impact of the sub-programme.
- The Consultative Council of European Judges (CCJE) and Consultative Council of European Prosecutors (CCPE) require more resources to be able to respond to present needs and challenges more effectively.




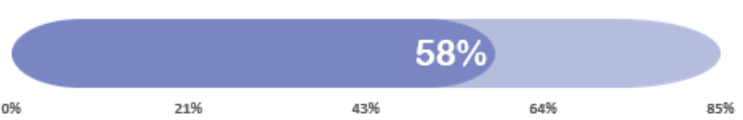
Recommendations

- The Human Rights Directorate should establish a sub-programme co-ordination mechanism and develop a shared working and management space; designate a focal point for the rule of law and establish a consultation process with the Venice Commission Secretariat.
- The sub-programme should consider reformulating its Theory of Change, implement more tailored monitoring and translate opinions and tools into national languages.
- The CCJE and CCPE Secretariats should receive a budget increase in order to hold two plenary meetings per year; organise more in-person events for international and national networks of legal professionals.
- The Council of Europe European Commission for the Efficiency of Justice (CEPEJ) Secretariat should clearly delineate its work to focus on efficiency and quality of justice; increase engagement and use of its pilot courts network and carry out an assessment for CEPEJ's services across member States.
- The Co-operation Programmes Division should implement a more fitting organisational structure, introduce process to ensure limited overlap with other sub-programme bodies and strengthen engagement with civil society organisations and justice professionals at national levels.

Appendix B – Implementation of the DIO Strategy

The Directorate of Internal Oversight developed a Strategy for 2021-2024 stating strategic objectives, performance indicators and targets for their achievement. The Strategy also contains a requirement to assess the progress on the implementation of the strategy and report on it in the Annual Report of the Directorate. The strategic objectives, key performance indicators, targets and results for the Internal Directorate are detailed below together with some short explanations in respect of progress.

Internal Audit

Objective	Indicator	Actual	Target
Internal Audit reports (or other outputs) are relevant, strategic, timely and provide reasonable coverage & appropriate assurance	Percentage of transversal internal audit reports by the DIO discussed in SMG/other senior management	75%	 <p>0% 25% 50% 75% 100%</p>
	Percentage of reports addressing risks set out in the organisational risk register	60%	 <p>0% 20% 40% 60% 80%</p>
Internal Audit reports (or other outputs) are of high quality	Reviewed reports are positively assessed during quality assessment (internal –2020, external -2022)	YES	<p>The quality of audit reports was reviewed in the course of the 2022 external quality assessment. Overall, they were positively assessed.</p>
	Percentage of staff with relevant professional qualifications	30%	 <p>0% 25% 50% 75% 100%</p>
Stakeholders have an understanding of internal audit, value, purpose, concepts and processes	Results of “client” surveys	YES	<p>Auditee client satisfaction survey reviewed in 2023. Now sent systematically by the Director of Internal Oversight to audit clients after each assignment. Results feed into ongoing quality improvement process.</p>
Decision makers use Internal Audit reports	Percentage of recommendations implemented within 12 months after their acceptance by the relevant entities	58%	 <p>0% 21% 43% 64% 85%</p>
Internal audit processes are clear and in accordance with best practice and international standards	Results of self-assessment/external quality assessment (GC=Generally conforms to Standards)	GC	<p>The External Quality Assessment carried out in 2022 concluded that the Internal Audit function Generally Conforms to Standards.</p>

Indicators	Notes on implementation of strategy
Percentage of DIO transversal internal audit reports discussed in SMG/other senior management forum	To ensure that audit reports are relevant and strategic, the Internal Audit function planned to have all of its transversal audit reports discussed in the SMG or other senior management fora (Security Management Team, IT Governance Board etc.). Three out of the four transversal reports produced in 2023 were discussed in a senior management forum. The sector-specific reports were discussed with the management of the entities concerned.
Percentage of reports addressing risks set out in the organisational risk register	To ensure that audit reports are relevant and address major organisational risks, the Internal Audit function foresaw that at least 80% of its reports in 2023 would address those risks which are set out in the organisational risk register. The Internal Audit function was close to achieving this target in 2023 with the follow-up of recommendations stemming from three out of four reports being specifically listed alongside other mitigation measures in the organisational risk register. Reference was made to Internal Audit's annual opinion on governance, risk management and internal control.
Reviewed reports are positively assessed during quality assessment (internal –2021, external -2022)	To ensure that audit reports meet quality standards, the Internal Audit function regularly undergoes quality assessments. In 2022, an External Quality Assessment was carried out. It included an independent review of the quality of internal audit reports. Overall, the quality of audit reports was positively assessed.
Percentage of staff with relevant professional qualifications	To ensure audit work meets international auditing standards, internal audit staff need to possess the necessary relevant professional qualifications. A target of 100% was set for 2023. All the staff of the Internal Audit function are now seeking to obtain or are undergoing the necessary training to maintain their professional qualifications. In 2023, the function counted 1 CIA, 2 having passed CIA Part 1 (out of 3).
Results of “client” surveys	The audit client survey was reviewed in 2023. It is now systematically sent to audit clients by the Director of Internal Oversight after each assignment. The results feed into Internal Audit's ongoing quality improvement process.
Percentage of recommendations implemented within 12 months after their acceptance by the relevant entities	The actual rate of 58% of audit recommendations implemented within 12 months after their acceptance by the relevant entities was below target. This was mainly linked to the more complex and far-reaching nature of audit recommendations. In this connection, the External Quality Assessment recommended that this KPI be reviewed. A new KPI was adopted in the framework of the Programme and Budget 2024-2027 (percentage of audit recommendations implemented by auditees within the target implementation dates of the agreed action plans). If applied, the result would be higher (64%).
Results of self-assessment/external quality assessment (GC=Generally conforms to Standards)	The Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors require a Quality Assessment of the Internal Audit function to be conducted every 5 years. An External Quality Assessment was conducted in 2022 and concluded that the Internal Audit function generally conforms to the Standards. “Generally Conforms” is the top rating, and means that the IA activity has a Charter, policies and processes which are judged to be in conformance with the Standards. The next external quality assessment is foreseen before end 2027.

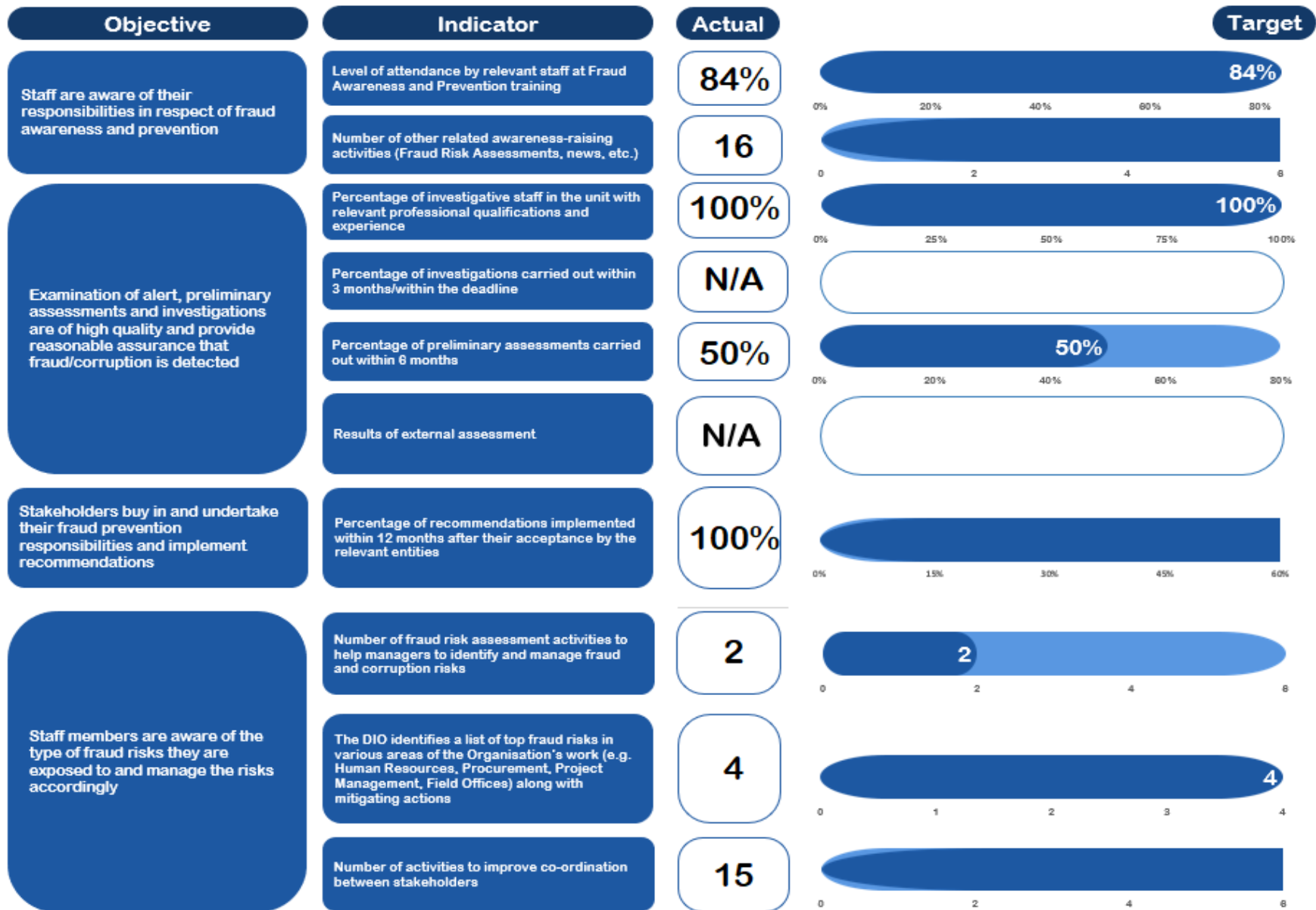
Evaluation

Objective	Indicator	Actual	Target
Evaluation reports (or other outputs) are relevant, strategic and provide reasonable coverage	Percentage of reports managed by the DIO discussed in SMC/other senior management	0%	0%
	Percentage of reports managed by the DIO discussed by the CM and/or relevant decision-making body	100%	100%
	Number of evaluation outputs produced in line with the evaluation work programme	5	5
Evaluation reports (or other outputs) are of high quality	Overall assessment of quality of evaluation reports during peer reviews (2022)	N/A	The Peer Review of 2022 assessed the evaluations led by the DIO-Evaluation Division to be mostly of good quality. The DIO-Evaluation Division has established an in-built external quality assurance system for its inception reports and final
	Percentage of staff with relevant professional qualifications	100%	100%
Stakeholders have an understanding of evaluation value, purpose, concepts and processes	Results of "client" surveys [Precise Key Performance Indicators and targets to be defined during survey design process]	✓	Client surveys were systematically introduced in 2023 and the first results can be analysed in 2024.
Decision makers use Evaluation reports	Percentage of evaluation recommendations implemented within 36 months after their acceptance by the relevant entity	80%	80%
	Number of citations in decisions and/or other policy documents which explicitly mention the results of evaluations/evaluation work	30	4 (target) 30
Evaluation framework and processes are clear, in accordance with best practice and international standards (United Nations Evaluation Group and OECD / Development Assistance Committee) and are respected	The peer review of the Evaluation function assesses the policy and its implementation to be in line with standards of the United Nations Evaluation Group and the OECD / Development Assistance Committee	✓	Overall, the findings of the Peer Review revealed that the evaluation function in the Council of Europe has been noticeably strengthened over the past years. Whilst the organisational evaluation culture has improved, the review found that it was still not mature.

Indicators	Notes on Implementation of strategy
Percentage of DIO managed reports discussed in SMG/other senior management format	None of the evaluation reports issued in 2023 were discussed at the Senior Management Group meetings and these meetings do not seem to be the right forum for such discussions.
Percentage of DIO managed reports discussed by the Committee of Ministers and/or relevant decision-making body	The DIO has presented all evaluation reports finalised in 2023 (Civil society participation in co-operation activities, Action against crime and protection of citizens, and Independence and efficiency of justice) to rapporteur groups (GR-PBA, GR-DEM, GR-J). The evaluation report on Covid-19 and the peer review of the evaluation function that were finalised in 2022 were also presented to the GR-PBA in the first quarter of 2023. The follow-up to the Evaluation of the Council of Europe's Programme on Combatting Violence against Women and Domestic Violence was also discussed during a GR-H meeting in December 2023. This objective can be considered as fully achieved.
Number of evaluation outputs produced in line with the evaluation work programme	The number of evaluation outputs to be produced for 2023 was targeted at 5 in the DIO work programme. The DIO produced 3 evaluations and one evaluative assessment. The peer review of the evaluation function was already published in 2022, therefore, this objective was achieved. ²⁹
Overall assessment of quality of evaluation reports during peer reviews (2022)	The peer review report highlighted that the Evaluation Division has established an in-built external quality assurance system for all its inception reports and final reports. The Quality Assurance Checklist for Evaluation Reports has over 50 criteria which were assessed by external consultants. The Peer Review team reviewed the quality assurance criteria and some examples and found the procedure provides reasonable assurance of quality.
Percentage of staff with relevant professional qualifications	All staff who worked at the Evaluation Division in 2023 completed at a minimum a course from the International Programme for Development Evaluation Training.
Percentage of evaluation recommendations implemented within 36 months after their acceptance by the relevant entity	One indicator showing the use of reports is the implementation rate of recommendations (for the third year) which was targeted at 80% and was reached at 82%.
Number of citations in decisions and/or other policy documents which explicitly mention the results of evaluations/evaluation work	The results of evaluations / evaluation work were mentioned on 30 occasions in 2023. This largely exceeds the target which was set at 4.
The peer assessment of the Evaluation function assesses the policy and its implementation to be in line with UNEG and OECD/DAC standards	The peer review of the evaluation function which took place in 2022 assessed the extent to which the implementation of the Evaluation Policy is in line with international practice. The Peer Review issued six recommendations.

²⁹ This indicator refers to the number of evaluation outputs published during the year and does not take into consideration other elements of the work programme.

Investigation



Indicators	Notes on Implementation of strategy
Level of attendance by relevant staff in Fraud Awareness and Prevention training	By 31 December 2023, 91% of the active staff members and staff members on unpaid leave had completed the e-learning on 'Ethics' and 84% completed the e-learning on 'Fraud Awareness and Prevention' according to information provided by DHR on 21 March 2024. The numbers include current staff (all types of employment contracts) but don't not include trainees.
Number of other related awareness-raising activities (fraud risk assessments, news, etc.)	The Investigation Division carried out in total 16 awareness-raising activities, surpassing its initial target. These included: 1 fraud-risk-assessment outputs (1 fraud risk assessment carried out in one entity); 1 contribution relating to the Organisation's secondary legislation (last round of comments for the Speak Up Policy); 3 news items (on declarations of interest, fraud awareness week, general news on the DIO's activities and new developments); 2 presentations on the Speak Up Policy and reporting requirements (to the network of Confidential Counsellors (June 2023)) and Organisation-wide (Ethics event; 1 December 2023); 4 awareness-raising sessions for newcomers with participation from the investigation function; work on 2 projects for a Wrongdoing Reporting Tool/Speak Up platform to reflect changes in the Organisation's legislative framework (1 short-term solution for amendment of the current tool; 1 long-term solution for the Speak Up platform); 1 report on declarations of interests; 2 e-learning: 'Fraud awareness and prevention' and 'Ethics' (permanent; review instigated in 2023/to be finalised in 2024).
Percentage of investigative staff in the unit with relevant professional qualifications and experience	The function has three jobs. The Head of Investigations and the Investigator have relevant professional qualification (respectively Master in Law and Master in Criminology) and more than 15 years' experience in investigations. The Head of Investigations is also a Certified Fraud Examiner. The Investigation Assistant, employed in DIO until 30 November 2023, also had Certified Fraud Examiner credentials.
Percentage of investigations carried out within 3 months/within the deadline	In 2023, the function dealt with 28 cases of suspected wrongdoing (23 new cases and 5 carried over from 2022) but the opening of an investigation was not considered necessary for any of them. With the introduction of the new legislative framework the deadline for completion of investigations was changed from three months to six months.
Percentage of preliminary assessments carried out within 6 months	In 2023, three out of the six preliminary assessments opened between 1 July 2022 to 30 June 2023 were completed within the target timeframe.
Results of external or self-assessment	In 2021, the DIO carried out an internal review (self-assessment) of the state of the investigation function to assess the overall adequacy of the organisational, structural, and operational arrangements for the Council of Europe's investigation function against benchmarks and standards issued by internationally recognised standard-setting bodies and other international organisations in the domain of international administrative investigations and identify areas for possible improvement and make recommendations in that respect. The review concluded that the function had evolved both in terms of regulatory framework and compliance with investigative standards; several recommendations were addressed to the Organisation aiming at further improving its accountability and integrity framework. In 2023, the Investigation Division followed up closely the implementation of the recommendations set out therein. An external assessment is considered for 2024.
Percentage of recommendations implemented within 12 months after their acceptance by the relevant entities	All recommendations issued in 2022 were implemented by June 2023.

<p>Number of fraud risk assessments to help managers to identify and manage fraud and corruption risks The DIO identifies a list of top fraud risks in various areas of the Organisation's work (e.g. Human Resources, Procurement, Project Management, Field Offices) along with mitigating actions</p> <p>Number of activities to improve co-ordination between stakeholders</p>	<p>In 2023, the Investigation Division reviewed its fraud risk assessment survey and carried out one fraud risk assessment at the Treasury, Payments and Accounting Department (Directorate General of Administration).</p> <p>In 2023, the Investigation Division contributed to the definition of the risk of fraud in the organisational risk register and mitigation measures (new mapping following the Reykjavik Summit). In 2022, the function identified three high risk areas and developed short videos to raise awareness about the risk of fraud and measures that could be taken to address them (i.e videos on fraud in procurement, fraud in grants, fraud in recruitment, and fraud-risk assessments).</p> <p>The investigation function participated in co-ordination meetings (11 meetings between the DIO, DHR, and EO, the Registry of the Court, and other stakeholders; 2 meetings with the Data Protection Officer) and activities involving external stakeholders (presenting a topic at the annual Conference of International Investigators, and attending the annual conference of the Associations of Certified Fraud Examiners).</p>
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