



**AUDIT OF THE  
CANADIAN EMBASSY  
PARIS**

**OCTOBER 2004**

**Foreign Affairs Canada and International Trade Canada  
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## EXECUTIVE SUMMARY

1.1 An audit of the General Relations, International Business Development, Consular Affairs and Administrative Affairs programs was conducted from January 20 to February 3, 2003. The Administrative and Consular Program was last audited in February 1994.

1.2 In general, all programs at this Mission are well managed and enjoy dynamic, experienced leadership that is highly committed to achieving the Mission's objectives. Employee moral is generally good and has been bolstered since the arrival of the HOM, who is accessible to all and works closely and effectively with the minister plenipotentiary and all the program heads.

1.3 Canada-\*\*\*France relations have never been so good and the effective implementation of the Public Diplomacy Program helped boost Canada's status a key partner of France. The entire Mission (particularly General Relations) is involved in the success of the ambitious Canada-France 2004 project. The main purpose of this \$19-million project is to update Canada's image as a modern country that is proud of its traditions and its history. The Canadian Cultural Centre (CCC) runs a diversified and highly visible cultural program that is celebrated in the local media and appreciated by various cultural groups. The International Business Development Program's work environment is good. Developing strategic objectives and reorganizing it in the medium term will allow for increased regional coverage and boost its effectiveness, among other things. However, its meagre financial resources will reduce the program's ability to develop as it should. The Consular Affairs Program provides effective and efficient service to some 600,000 Canadians who visit France each year. The Administrative Affairs Program provides excellent service to the three Missions in Paris (OECD, UNESCO and the Embassy).

1.4 All the recommendations in this report strive to improve the effectiveness and efficiency of the programs and promote compliance with the legislation and regulations governing the Department. The key points stemming from the audit are that it will be necessary to: establish a training plan for all Mission employees; encourage the preparation of activity plans; reorganize the International Business Development Program, as mentioned above; \*\*\* and promote full compliance with the Official Hospitality Outside Canada policy.

## **GENERAL RELATIONS**

### **2.1 Management of the program**

2.1.1 This section, one of the Embassy's most significant and most dynamic, has only seven officers, three of whom are LES officers, and one administrative assistant. The main focus of two of the four Canada-based staff (CBS) officers is our relationship with La Francophonie.

2.1.2 A minister-counsellor does a noteworthy job of supervising this section. He has been able to create a pleasant and productive work environment within his section, giving everyone a sizeable amount of autonomy of action. However, the lack of leadership can sometimes be felt. Also, management would be improved if weekly section meetings were resumed. The team spirit that prevails is appreciated by everyone, but the assistant's experience and skills are not being used to their fullest.

2.1.3 The establishment of internal and external political connections is more than adequate. Two experienced officers who have very good local contacts provide follow-up on it. As for the triangular relationship (Canada-Quebec-France) which is one of the foundations of the section, it is going well, and since the new ambassador's arrival at post, it has been harmonious and appreciated by all.

2.1.4 It will be necessary to ensure that the team spirit that prevails in this section is preserved, because it is essential to productivity. The activity sectors must also be specifically determined—for example, cultural diversity, the pursuit of public diplomacy and the monitoring of the triangular relationship within the post-2004 framework.

### **2.2 Francophonie**

2.2.1 This section has two CBS officers and is part of the Political Section. It operates very efficiently and in a highly independent manner. It makes consistent and ample contributions to various activities of the International Organization of La Francophonie (OIF) for routine meetings, those of the institutions, and regular official visits.

2.2.2 Its main relationship with the Political Section consists in establishing political connections relating to Africa; this task is done by a junior officer. Indeed, this section reports more or less directly to the sherpa located in Brussels and to IMD in Ottawa. This means that the Political Section's organizational chart must be amended to show a relationship of operational cooperation with this section but not a dependency. Both officers' appraisal reports are drafted by the sherpa.

2.2.3 Relations with the Secretariat of La Francophonie located in Paris and relations with France as the leading donor make Paris the ideal site to pursue this

relationship. La Francophonie has taken on a greater scope, having transformed itself from a cultural and technical cooperation agency into a political forum. It would be wise, then, to seriously consider Canada's financial contribution to the OIF in relation to the recent increase in France's contribution. As a result of this recent decision, our contribution as second-largest donor went from 15 percent to 11 percent, while France's sits at 80 percent. Our role as well as our future influence may suffer.

### **Recommendation for the Mission**

**2.2.4 Amend Political Affairs' organizational chart to show an operational relationship with the Francophonie Section and a direct link with the sherpa in Brussels.**

### **Mission Action Plan and Time Frame**

**2.2.4 The step was taken, the Francophonie Section is now a distinct unit within the Political Section and the organizational chart will be duly amended.**

### **Recommendation for IMD**

**2.2.5 Seriously consider increasing Canada's financial contribution to the OIF.**

### **IMD Action Plan and Time Frame**

**2.2.5 In the current fiscal context, an increase in Canada's contribution to La Francophonie seems to us to be highly unlikely.**

## **2.3 Canada-France 2004**

2.3.1 Changing the nature of Canada-France relations for years to come is the main purpose of this ambitious project developed within the Political Section. In the order of \$19 million, it will be aimed at the people of France on the occasion of the 400th anniversary of the first French settlement in North America. It will present France with an updated image of a modern Canada that is proud of its traditions and its history.

2.3.2 During our stay, we had the opportunity to participate in the preparatory meeting as well as the third meeting of the France-Canada Working Group, which has a strong Acadian element. This meeting piqued keen interest among the French and secured their firm commitment to ensure the success of this venture. From now on, it must be ensured that all parties involved—in both Ottawa and France—actively participate in the implementation of its six main projects as well as their various components. All necessary efforts in this regard must be made because it is one of the

largest projects that any embassy's General Relations Program has ever undertaken. The program has already succeeded in desegregating the various sections of the Embassy by having them work together to develop and implement the project, and in bringing about the active cooperation of Canadian Heritage and locations of interest in New Brunswick.

2.3.3 To ensure close monitoring of the project, the minister-counsellor must immediately be seconded from the Political Section so he can fully dedicate himself to coordinating all its components.

2.3.4 Training already obtained by DFAIT's evaluation service should continue, as well as strict monitoring of expenses and the implementation of appropriate access to information mechanisms. As for the replacement head of the Political Section, that person must be given specific tasks to ensure the continuity of the program.

### **Recommendations for the Mission**

**2.3.5 Immediately second the minister-counsellor from the Political Section so he can fully dedicate himself to the Canada-France 2004 project.**

**2.3.6 Give specific tasks to the replacement head of the Political Section to ensure the continuity of the program.**

### **Mission Action Plans and Time Frames**

**2.3.5 This measure became effective on April 1, 2003.**

**2.3.6 The new head of the Political Section rapidly found his niche and his method of operating in his new duties. In addition to coordinating the work of his excellent team, he is managing high-level visits (like those of PM Raffarin to Canada and PM Chrétien to France in May and June 2003), building a network of high-level contacts and participating in the development of bilateral cooperation activities and the analysis of French foreign policy.**

### **2.4 Public Affairs**

2.4.1 This section is made up of five officers (including one CBS) plus support staff. With the abolition of the minister-counsellor position in Cultural Affairs, the Academic Relations Unit has been added to it. The section is managed by an EX-01 level officer who arrived at post last summer.

2.4.2 This program head was called upon to lead a dynamic, independent team that was already highly involved in the 2004 file. However, some friction did exist within the team. Furthermore, supervisory relations involving the 2004 file were problematic because the 2004 file was being managed by the head of the Political Section. \*\*\*

2.4.3 The section did do excellent work, though. It was involved in carrying out the 2004 project, to which it provided undeniable support. It set up first-rate events that appear on the Web site; the site is the envy of other European missions.

2.4.4 For his part, the section head took his new academic relations responsibilities very seriously; they included 18 centres for Canadian studies in France, among other things. He was involved in the scholarship program and in the promotion of studies in Canada. In the past, these responsibilities fell to the CCC. Here, however, we point out the need to clarify the CCC's organizational chart with regard to the devolution of this new responsibility to the head of the Public Affairs Section. He agreed to take on two major projects within Canada 2004 and studied the revitalization of networks (including France-Canada and the AFEC [French association for Canadian studies]). He definitely holds a management position that habitually poses a challenge for the incumbent.

### **Recommendation for the Mission**

**2.4.5 Introduce a change in leadership so that the section's objectives can be successfully met and unity of action for Canada 2004 can be ensured.**

### **Mission Action Plan and Time Frame**

**2.4.5 On April 1, 2003, the Mission instituted a management change in the Public Affairs Section. Henceforth, the manager responsible for the 2004 project will head the section, with support from a new counsellor who will begin work as of summer 2004, thereby ensuring consistency and unity in the section's objectives, priorities and activities. The previous manager was appointed head of the Political Section.**

### **2.5 Canadian Cultural Centre**

2.5.1 The Canadian Cultural Centre was inaugurated in 1970. It is located at 5, rue de Constantine in Paris. It has 15 employees (some part-time), including a director, who is a career diplomat or appointed by order in Council. In 2003, the CCC's budget was \$1,377,000, including \$807,000 from the Embassy, \$120,000 from DFAIT's Cultural Affairs Division, \$200,000 from the Public Diplomacy Program and \$250,000 from the Canada-France 2004 project. The CCC also houses the four-person Academic

Relations Program managed by the head of the Embassy's Public Affairs Section. This program has a budget of \$12,000 which comes from the International Academic Relations Division (ACE). Finally, the CCC houses the offices of the NFB and Telefilm Canada, which pay rent. Currently, one activity is often funded out of several of the aforementioned budgets. It therefore becomes difficult to know the total cost. Furthermore, the lack of a per-activity business plan makes it difficult to justify the CCC's budgets.

2.5.2 The CCC not only contributes to the projection of Canadian culture but helps tighten the close bonds that exist between our two countries. Its program is conducted in four activity sectors: writing and screen arts; visual arts; performing arts; and documentation service and academic relations. It is estimated that the CCC currently attracts nearly 50,000 visitors per year.

2.5.3 Since his arrival in 1998, the current director has been conducting a diversified and highly visible cultural program that puts his experience as a journalist to good use. According to several people we met with, the CCC has never been so celebrated in the local media or so appreciated by various cultural groups. It was also on the director's initiative that the CCC brought all the foreign cultural centres and institutes together in 2002 to set up the *Forum des instituts culturels à Paris* [forum of foreign cultural institutes in Paris] and to organize "Foreign Cultures Week."

2.5.4 In terms of the management of the CCC, the director would be wise to create a team environment that fosters closer cooperation between himself and the various sectors \*\*\*. His requirements concerning results, while commendable in terms of programming, put a number of stresses on a limited and very busy staff.

2.5.5 In this respect, it would be highly desirable to give greater support to unit heads by providing each with a full-time assistant instead of the current part-time arrangement. The heavy workload of the unit heads puts too much pressure on them in terms of activity requirements. This situation has definitely influenced the departure or transfer of some employees, which affects the CCC's performance and programming, as well as staff morale.

2.5.6 Finally, with the abolition of the minister-counsellor position in Cultural Affairs at the Embassy, the director must be intimately connected with Cultural Affairs activities and discuss its programming and directions in order to harmonize our approach in this sector, which is essential to our relationship in terms of both the Paris region and France. Therefore, the connection with the Embassy's minister plenipotentiary remains vital, as does active participation in the Management Committee. It is also important to take advantage of and cultivate the vast network of contacts each Embassy section head has in order to attract key French figures (political, diplomatic, business, etc.) to the CCC.



2.5.7 As regards the Academic Relations Unit, the organizational chart—as mentioned in the Public Affairs segment—should be amended to reflect the operational relationship between the head of Public Affairs and the director of the CCC, while clearly indicating the head’s direct responsibility relationship with the Academic Services team. Furthermore, it is our opinion that the new position of documentalist in charge of academic information, which is currently being staffed, should be managed by the head of the Academic Relations Section.

2.5.8 The role and operation of the documentation centre should be reviewed as soon as possible to ensure optimum performance. A team should visit the CCC to review the documentation centre’s core objectives and the tools used to achieve them, taking into account its current clientele and the kinds of research conducted there. It could be given an additional mandate because of the introduction of a new unit promoting study in Canada to French and foreign students living in France. It would also be appropriate to study the use of modern tools such as the Internet to provide remote access to digitized documents and databases relating to CCC programs. Finally, the possibility of sharing work tools among all of DFAIT’s libraries could be beneficial and would enable the documentation centre to update its reference tools more easily. The current budget of \$30,000 per year to update its collection makes this task difficult.

### **Recommendations for the Mission**

**2.5.9 Prepare and have the Mission and ACD approve an activity plan for the CCC that clearly indicates the proposed events, their cost, their source of funding and their connection with the programs of the Mission and ACD. The CCC would find it beneficial to group the cost of each activity together to facilitate the CCC’s financial planning and management.**

**2.5.10 Study a reorganization of staff or budget to give greater support to unit heads by providing each with a full-time assistant.**

**2.5.11 Organize more frequent meetings to create a team environment that fosters closer cooperation and facilitates access to the director of the CCC.**

### **Mission Action Plans and Time Frames**

**2.5.9 The Cultural Centre intends to improve the submission of its activity program to the Mission and ACD for approval by establishing an action plan that will resemble a business plan where specific lines of the annual activity plan and the programming will be proposed. This activity plan will be discussed twice per year, at the beginning of the new fiscal year (April) and half-way through (early October). The plan**

will be made up of the essential programming elements in the units concerned, their cost, and where the funding will come from to carry them out. The plan will, however, leave necessary room for activities dictated by current cultural events or requests from Ottawa. It is understood that the proposed programming will be in keeping with the Mission's programs and those of Ottawa. As regards grouping the costs of each activity together, new management parameters will be implemented in conjunction with the Embassy to improve expense planning. We believe and we hope that this method will further facilitate the financial planning and management of our activities.

**2.5.10** This recommendation will be studied more carefully and may, if warranted, be the subject of a proposal to the geographic sector to obtain additional resources for support to the Cultural Centre's four (4) main programs.

**2.5.11** Some changes have already been made, particularly in terms of organizing more frequent meetings, in order to foster a team environment that looks to achieve closer cooperation and facilitates access to the director. This recommendation is valuable because it enables improved communication between employees and management and will foster dialogue and discussion. To carry out this recommendation, the director of the Cultural Centre has been organizing bi-monthly meetings with unit heads and monthly meetings with the entire staff since September 2003. Also, an annual seminar will be organized to gather employee comments and suggestions with a view to creating true team spirit and improved dialogue between management and all employees.

## **INTERNATIONAL BUSINESS DEVELOPMENT**

### **3.1 Overview**

3.1.1 France is one of Canada's key economic partners, with trade worth \$7.7 billion in 2001, making France Canada's seventh-largest trading partner. The aeronautics, telecommunications and electronics sectors account for a good portion of Canadian exports to France. France is also the third-largest investor in Canada, with a direct investment stock of \$23 billion. There are more than 600 French companies in Canada, in virtually all sectors of the economy. Scientific and technological cooperation is also growing between researchers, universities and research institutes from both countries.

3.1.2 Although the vast majority of large companies' head offices are located in Île-de-France, a movement to decentralize political and economic power is currently underway in France, placing increased importance on certain regional urban centres such as Lyon (manufacturing industries), Toulouse (aeronautics), Nice (high technology), etc. What is more, these large industrial centres have first-rate scientific and technological research capacities thanks to the presence of major research institutes and private sector R&D activities.

### **3.2 Management of the program**

3.2.1 The program is made up of 27 people, including a minister-counsellor, an economic counsellor and six other program heads covering investment, science and technology, space and trade promotion in all activity sectors (high technology, cultural industries, agriculture, consumer goods, the environment, natural resources, etc.).

3.2.2 The program's work environment is generally positive. The new minister-counsellor, who seems to be appreciated by both his Canadian and French colleagues, holds regular work meetings with his section heads and ad hoc meetings with all program employees. Communication between sections as well as between section heads and LES could be improved in some cases.

3.2.3 Locally engaged staff include several employees who have been at the Embassy for a number of years. Those of them who have reached the top of their pay scale mentioned the lack of motivation and fulfilment that sets in when the employer cannot reward improved performance. Within the division, the presence of several spouses \*\*\* should also be noted. The audit team wonders about the long-term consequences of the frequent departures caused by this staffing approach, especially the impact that rotations in the commercial officer positions have on corporate memory and the loss of in-depth knowledge of the local market.

3.2.4 Program officers maintain good working relationships with the Embassy's other programs, particularly those things involving Public Affairs and the Political

Division. Contact with the other missions in the region is sporadic and based on personal relationships between officers. There seems to be few regular discussions between program heads, and there is no strategy to refer the clientele of one mission to another.

3.2.5 The International Business Development Program should be run based on short- and medium-term strategic objectives in the French market. This would allow a shift from a largely reactive mode of operation to a more proactive one. From that should then flow activity planning in support of these objectives. Given the amount of effort spent on major trade fairs and exhibitions, Canada's participation and the Embassy's role in them should also be seriously assessed. The strategic importance of each industrial sector and each section should also be reviewed to ensure that human resources are properly distributed.

3.2.6 The number of section heads, as well as multiple sections, does not foster team work nor the development and implementation of a cohesive market strategy. Reorganization of the program should be considered as CBS and LES depart. Furthermore, there is no junior FS position within the program, which means that there is no one trained to take over management positions in the long term, either in France or elsewhere in Europe.

3.2.7 Locally engaged staff expressed the desire to receive planned career development pertaining to work tools to which they have access, as well as to their sector(s) of specialization. Training has been provided in recent years, but on an ad hoc basis.

### **Recommendations for the Mission**

**3.2.8 Identify strategic objectives for the entire program and subsequently for each of the sections and for each officer.**

**3.2.9 In the medium term, reorganize the International Business Development Program and provide for the creation of rotating junior positions within the new structure.**

**3.2.10 Establish a short- and medium-term training plan for program staff.**

### **Mission Action Plans and Time Frames**

**3.2.8 The first steps towards strategic planning took place during preparations for the 2003-2004 Client Service Fund plan, with emphasis on objectives rather than activities. In this respect, Paris's CSF plan was deemed one of the most impressive of the Trade Commissioner Service. The section-wide retreat in November 2003**

helped identify business lines to facilitate work the entire team had in common. We stepped up this planning within the framework of the 2004-05 cycle by preparing a plan that is focussed on the medium and short term and developed on an inter-sectoral basis, in order to identify synergies and put them to use.

Our plan also takes into account the fact that in some sectors it is important to make HQ aware of the need for a European approach. This is especially the case for the defence sector, where we have produced a study paper on the European market, which is in the middle of a transition. This led to the setting up of an interdepartmental study group in Ottawa. Another sector for which we favour a European approach is that of S&T cooperation, especially within the framework of European Union research programs.

We also intend to review how the Embassy is involved in preparations for major trade fairs that often have a scope extending beyond France and where France is perhaps not even a target market.

**3.2.9** We are proceeding with a review of the program with a view to reconfiguring it, including the reclassification of rotating positions as the incumbents depart. The opening of a regional office as recommended in point 3.4.5, especially without additional resources, will have a major impact on the division of the section's responsibilities and priorities and on the arrangement of positions.

**3.2.10** One of the outcomes of the retreat was the setting up of a training committee within the section, the purpose of which was to determine training needs and objectives, as well as to combine these needs with those of the Embassy's other units to maximize opportunities and reduce costs. However, the lack of training budget at the Embassy and HQ, despite on-line training opportunities, limits our efforts in this regard.

The section also set up a recognition committee at the retreat. This committee will focus on appropriate and fulfilling ways in which excellence could be recognized. The favoured approach is that of monetary awards, like those that exist for EXs. Awards and honours were not favoured at all.

### **3.3 Sections of the IBD Program**

3.3.1 Officers in the various sections always work in a largely reactive mode and should be strongly encouraged to network more, both in Paris and the regions. Everyone expressed the willingness and the desire to travel more, but mentioned in turn the workload, the lack of long-term planning, and especially the meagre financial resources as dissuading factors. The program is conducted based on activity planning rather than clearly identified and integrated strategic objectives. The very structure of the program contributes to the retention of operational barriers between its six sections. The problem of overtime that is often worked but not claimed because of an inadequate budget must also be noted.

3.3.2 At this time, the program's sections are largely run independently from one another. There is good reason to further integrate objectives and activities and share contacts so as to maximize results and avoid duplicating efforts. In particular, sectoral officers should be invited and encouraged to participate in investment and S&T programs.

3.3.3 The economic section produces a daily media review. Although it is of high quality and very useful to certain users, it is not aimed at our key clients. Considerable time and human resources are needed to produce it. Other sources exist to provide this service (Public Affairs' media review, Citrix, etc.). The time and resources that are freed up could be reassigned to tasks that focus on carrying out the trade commissioners' six basic services.

### **Recommendations for the Mission**

**3.3.4 Establish better cross-cutting integration of sections' activities.**

**3.3.5 Eliminate production of the daily media review.**

### **Mission Action Plans and Time Frames**

**3.3.4 Response 3.2.8 indicates how we are setting about integrating objectives and activities. It should be noted that following the retreat we increased opportunities for joint work, thus leading to improved integration. Furthermore, we are integrating the section's activities with those of the Embassy to increase Canada's profile in France, particularly through the 2004 activities: participation with the minister plenipotentiary in the "*Entretiens Jacques Cartier*" in Lyon; forum on cultures, mission of cultural industries in Lille as part of the Ambassador's participation in the "Lille, 2004 Cultural Capital of Europe" events; Canada Day on the Place du Trocadéro.**

**3.3.5 The media review was eliminated on the same day we received the recommendations. We then studied complementary sources from which to obtain relevant information. We reviewed and changed subscriptions and other sources of information to make the best use of on-line information sources. We also intend, depending on budgets, to take advantage of opportunities to train team members on those information sources (CITRIX and Factiva).**

### **3.4 The New Approach**

3.4.1 The New Approach is being instituted in Paris without hitting any major snags; obviously, the officers see a definite advantage in it, especially as regards the use of work tools. In 2002, the IBD Program received a contribution of \$214,000 for Client Service Fund (CSF) allocations, while some 56 PEMD applications have targeted the French market over the past two years. The use of WIN seems widespread, with the exception of S&T programs and those promoting cultural industries. The last client survey revealed a high satisfaction rate and good positioning of this program within the framework of our European operations.

3.4.2 The existence of an infocentre would relieve sectoral officers of routine requests from local clients and contacts that could be handled quickly. The same goes for logistical duties associated with missions, trade fairs and high-level visits that require a large number of officers. Valuable time would thus be freed up to enable more proactivity and regional travel. Officers would have more time for activities with greater value-added. Reassignment of staff within the same program could ensure this information centre is implemented in the very short term.

3.4.3 At first glance, French SMEs represent top-notch partners and clients for Canadian SMEs. However, most of them are located in the regions. With the exception of the Investment Section, regional coverage by other sections is minimal. The Rhône-Alpes region has had permanent representation in Canada for several years, in recognition of the interest shown by Canadian companies. Furthermore, honorary consuls in the regions are not automatically involved in business development activities.

### **Recommendations for the Mission**

**3.4.4 Create an infocentre and a logistics unit.**

**3.4.5 Ensure increased regional coverage on a strategic basis. Consider opening a regional trade office, likely in Rhône-Alpes. Review the mandate of honorary consuls to encourage their involvement in trade-related activities.**

## **Mission Action Plans and Time Frames**

**3.4.4 We have identified and reassigned internal resources for the implementation of an InfoCentre. It has been operational since the fall and handles a growing number of requests, fully consolidated with all the section's officers. The managers of the InfoCentre have already considerably improved the way in which we interact with French inquirers, which has made it possible to target requests and reduce requests that are not applicable. This approach is of interest to the other InfoCentres we are in contact with and may be the subject of a Horizons best practice.**

**The creation of a logistics unit, however, raises some issues, in particular the fact that the person who could likely fill this role holds only a part-time position. Without additional resources, it is difficult to see how this person—who works with the nine business development officers—could take on additional duties.**

**3.4.5 The plan for regional coverage is part of our strategic plan. It should be noted that this will likely entail additional expense, especially in terms of travel and possibly overtime. Furthermore, it will be necessary to ensure that everyone has communication tools (for example, Signet Remote Access [SRA] or Blackberry) that let them access their messages when they are travelling.**

**Setting up a regional office, possibly in Rhône Alpes, was the topic of preliminary discussions with officials of the city of Lyon and with our Honorary Consul in Lyon. The issue of resources will be crucial, though, because the Mission does not have the funds needed to create regional offices. It would be necessary to ensure that such an office would become permanent: officials from the city and the regional council let us know just how poorly received our decision was to close the consulate. Above all, they must not be disappointed again, because the result would definitely be negative for Canada.**

**We assume there will be no additional human resources made available to us and that we will therefore have to reassign resources from Paris. Insofar as this will affect LES, there will be repercussions in terms of the Embassy's obligations. Insofar as these measures will affect the available resources in Paris, it will be necessary to review the relevance of supporting certain sectors.**

**We have increased our cooperation with the honorary consuls and as far as possible (the fact that they also have business activities) we**



**have called upon their services when the Ambassador, Minister Plenipotentiary and Minister-Counsellor were travelling in the regions. We have also called upon their services within the context of recruiting for the forum on cultural industries. We automatically ensure that they are updated on major files and developments, without “drowning” them in a flood of information.**

## **CONSULAR AFFAIRS**

### **4.1 Management of the program**

4.1.1 The program is well managed by an FS-02 officer with extensive experience. The staff respond to his leadership style, which encourages initiative and a satisfactory degree of communication. Informal meetings are held each week and formal meetings are held as required. Work descriptions and evaluations are up to date. Major events, such as the annual conference of honorary consuls and the regional consular conference, are part of the section's annual work plan. The resources make it possible to provide effective, efficient service. Last year, a passport and citizenship assistant position (LES-05) was added to meet an increased service need and to better balance the workload. Overtime is kept to a minimum, even in the summer when service requests increase. This can be attributed to the new position and to the four to five weeks' worth of temporary help from a Passport Office employee whose salary is jointly paid by HQ and the Mission. This has enabled the Passport Office to get a good handle on the Mission's vision for operating the program.

4.1.2 The program officer (LES-09) position was recently staffed after a long-standing officer retired. An internal competition was organized and the successful candidate comes from the Public Affairs Section. The new officer must take a consular training course in Canada.

### **Recommendation for the Mission**

**4.1.3 Ensure that the new consular affairs program officer takes a complete consular services training course.**

### **Mission Action Plan and Time Frame**

**4.1.3 Done. The senior program officer took intensive training at HQ in September 2003.**

### **4.2 Service to Canadians**

4.2.1 The program manager and the consular affairs program officer (LES-07) handle all the consular affairs cases. Nearly 600,000 Canadians visited France in 2001, and the number of Canadian visitors is growing. Canadian citizens who reside in France can obtain a full guide, prepared and updated by the Mission, providing a wealth of information on a wide range of topics. The Mission visits or contacts Canadians being held in detention in France at least once per year. Generally speaking, the consular affairs program officer is the first point of contact for Canadians in difficulty. Many kinds of cases are reported, some very complex, that often require decisions to be made without prior consultation. The classification level of this position is below the standard,

given the complexity and discretion required. In London, a similar position is classified at the LES-08 level. The Mission will perhaps want to re-examine the position to ensure that it is properly classified by comparing it to similar positions in a large mission (such as London or Washington).

4.2.2 The section is always busy, but the workload is much heavier between June and October. The reception area, shared with the Immigration Program, is located on the mezzanine. Given the requirements of both programs, it is difficult to meet the needs of all clients. Consular Affairs clients are met with at a completely open wicket because of space limitations. The Mission should contemplate building a “cabin” that would enclose the wicket in order to protect clients’ privacy. Given the current situation, clients are invited to cross the reception area into the Consular Section. Clients are not, however, isolated from the offices of consular staff. The collection area in particular needs to be isolated, and a Dutch door should be installed there. Furthermore, the barrier that used to exist at the entrance to the corridor leading to the other office area should be reinstalled. This would dissuade clients from venturing into the corridor and would enhance security. The Chancery renovation project should address these needs.

4.2.3 The CAMANT system is stable and functions well. The draft of the consular contingency plan, a new requirement for this Mission, is finished, since the program manager had already done what was required. The Mission received the computer input screen from HQ and is doing its best to input the information. The COMIP statistics are up to date; employees compile the data at least once per week (most of it daily) to enter it in the system. For two years now, according to the trend, less time has been spent working, but the number of cases has been increasing. Interviews revealed that not all members of the section were compiling statistics in the same fashion. The number of people registered on the list of Canadians living abroad is currently around 1,800. The module allowing on-line registration has been useful, although certain files are found in more than one place, while others are still on the list of files to be activated, which appears on the screen even after the Mission has done what is needed to make them active. The reason for this problem is not clear. The Mission should request help from HQ to promote consistent registration of the number of cases and the time spent on this, and to verify if the on-line registration system needs to be improved.

### **Recommendations for the Mission**

**4.2.4 Re-examine the classification of the consular affairs program officer position (LES-07) to ensure that its level is appropriate.**

**4.2.5 Include Consular Affairs Program security needs in the Chancery renovation project.**

- 4.2.6 Request help and training from JPO for consistent registration in COMIP and for problems connected with the on-line ROCA system.**

#### **Mission Action Plans and Time Frames**

- 4.2.4 The position description will be reviewed before the end of June 2004 and, if warranted, a formal classification request will be sent to the members of the Classification Committee through human resources channels.**
- 4.2.5 This recommendation was brought to the attention of SRD officials, who are responsible for preparing the plans within the context of the Chancery renovation project, and will be taken into consideration.**
- 4.2.6 A simplified version of COMIP will soon be available to the Missions. An improved version of ROCA will eliminate the problems of the current system.**

#### **4.3 Passports and citizenship**

4.3.1 The Mission issued 3,700 passports in 2002, a slight increase over the previous year. Service standards were almost always met or surpassed. The workload is evenly divided between the passport assistants and applications are assigned in turn as they are received. This is efficient and ensures a balanced division of the work. It also allows the client to deal with just one assistant from the beginning to the end of the process.

4.3.2 The Passport Office's compliance rates are less than one percent. Reports are produced on time and the Mission's response to requests for corrective actions, if needed, is good. From time to time, a passport is not issued in order, since each assistant has a limited supply of them (a box of 50 or fewer), and because of staff absences, some of them can get ahead in relation to the others. The passports and labels were reconciled with the passport management program at the time of the audit. The supply is properly stored in a secure area.

4.3.3 A good number of Canadians need emergency travel documents (221 emergency passports in 2002, an increase of 58% over the previous period). Most of those were issued in the summer and fall. The Mission successfully tested a facilitation letter (or pass) instead of an emergency passport. This is, in certain cases, a more efficient way of helping Canadians who only need a travel document to return to Canada. The fundamental issue is to get local authorities to recognize the letter as an acceptable travel document. Before the high season, the program manager should study, with the carriers and authorities concerned, the viability of this way of doing

things. Before adopting this procedure, the security repercussions of using a facilitation letter must also be studied.

4.3.4 A cash register was installed in the office of the consular affairs assistant and cashier to centralize revenue collection and improve treasury management. Because of a programming error, the consular affairs assistant and cashier is able to cancel transactions and liquidate the day's cash receipts (function Z). This is a shortcoming. Only the program manager should be able to access these functions. The cash register must be reprogrammed and these responsibilities must be clearly separated to ensure a suitable level of control.

### **Recommendations for the Mission**

**4.3.5 Continue to use facilitation letters/passes as an alternative to emergency passports when security is not jeopardized.**

**4.3.6 Give the program manager responsibility for cancelling transactions and liquidating the day's cash receipts in the cash register.**

### **Mission Action Plans and Time Frames**

**4.3.5 Done. The air carriers and document control companies at the airports were consulted. The pass system is operational in Paris and was extended to certain honorary consulates.**

**4.3.6 Done. The cash register was reprogrammed in February 2003.**

### **4.4 Honorary consulates**

4.4.1 There are six honorary consulates in France (including the one in Saint-Pierre-et-Miquelon) that provide all consular services. The Mission has designated an assistant to deal with each honorary consulate, thereby providing a certain amount of consistency. An annual meeting of all honorary consuls is held at the Mission and considered to be very productive. An annual evaluation of each honorary consul is done, and these are up to date. The Mission was in a position to provide some training to assistants working in three of the honorary consulates.

## **ADMINISTRATIVE AFFAIRS**

### **5.1 Management of the program**

5.1.1 The program is headed by a very experienced counsellor (Administrative Services) who oversees a solid management team. A high level of professionalism is evident throughout the organization and all of the team members contribute positively to the high morale observed. Besides the management of the Administrative Affairs Program for the Mission and the Cultural Centre, the Mission also provides most of the administrative services to the OECD, UNESCO, VIMY, Telefilm, the NFB and representatives of a number of other federal departments. The director communicates effectively with all levels of the organization, for example at weekly meetings with administrative managers to discuss current affairs.

5.1.2 Most of the LES in the Administrative Affairs Program have been there for a long time and have a thorough knowledge of their duties. The generally high quality of administrative service delivery could be enhanced through the establishment of service standards. These standards would provide a management tool for periodically measuring efficiency and managing the expectations of service recipients.

### **Recommendation for the Mission**

**5.1.3 Administrative Services should establish service standards for all service areas.**

### **Mission Action Plan and Time Frame**

**5.1.3 We entirely subscribe to this recommendation and intend to adopt the service standards, which have already been the focus of intense discussion at HQ and which, if we understand correctly, will be implemented in April 2004. As soon as they are distributed, we will move quickly to adapt them to our Mission. Our objective will be to implement them by the fall of 2004, because we recognize the value of such arrangements for better measuring our effectiveness as regards the expectations of our clientele.**

### **Performance evaluations and training plans**

5.1.4 Historically, Human Resources has taken responsibility for ensuring that program managers prepare employee performance evaluations based on employees' anniversary dates. Previously, HR relied on performance evaluation reports to support entitlements to salary increments. However, given the numerous delays in receiving evaluation reports, HR had to implement a rigorous follow-up process. Despite the numerous reminders, a number of evaluation reports remained outstanding.

Consequently, HR developed a formula that, once signed by the manager, serves as confirmation of the employee's entitlement to a salary increment. Although HR's efforts are commendable, it is ultimately the managers' responsibility to inform HR if they propose to deny an annual increment. The LES Committee also expressed the need to improve communication between managers and staff, including feedback on performance.

5.1.5 Management needs to place greater focus and importance on the preparation of performance evaluations. If a manager does not contact HR before an annual increase, HR should assume that the manager is satisfied with the employee's performance. The performance evaluation process should also be used as an opportunity to set expectations and to finalize training plans, which is lacking at all levels of the Embassy.

### **Recommendations for the Mission**

5.1.6 **HR should send managers a single notice of an upcoming salary increment. Managers should then be responsible for informing HR in a timely manner of cases where increments are to be held back.**

5.1.7 **The Mission should adopt a procedure for determining employee training needs and finalize annual training plans.**

5.1.8 **The HOM and members of the CMM should assume greater responsibility for ensuring that performance evaluation reports are submitted on time.**

### **Mission Action Plans and Time Frames**

5.1.6 **The Mission's current approach ensures manager responsibility and encourages dialogue between the supervisor and the employee, an approach we feel is more effective under the circumstances.**

5.1.7 **We subscribe to this recommendation and intend to work towards submitting an annual plan that will take into account the needs of all of the programs and include local opportunities and the (numerous) opportunities provided by Foreign Affairs' Training Institute. We must point out, however, our difficulty in obtaining funding for training that is outside our Mission budget.**

5.1.8 **The Management Committee has been informed. The efforts undertaken will be continued and even increased.**

## **Cafeteria facilities**

5.1.9 The 1994 inspection report indicated that a local supplier had been permitted to use the cafeteria facilities to prepare and serve meals to staff without a contract. It was recommended at that time that an official agreement be drawn up between the service provider and the Embassy and signed by both parties. This issue still has to be settled.

## **Recommendation for the Mission**

5.1.10 **The Physical Resources Bureau was consulted and is of the opinion that the Mission should formalize the cafeteria arrangement, taking into account health risks, liability, local taxes and financial issues. Competitive bids should be considered and an official contract implemented. Other issues such as the VAT, health codes and security concerns should also be addressed. The Mission would probably be better advised to consult its lawyer to ensure that all of the legal and other requirements are met with regard to local laws, including food services legislation.**

## **Mission Action Plan and Time Frames**

5.1.10 **Thank you for your efforts. We would hope, through you, to benefit from the experience of other missions that have encountered the same problems as the Paris Embassy. As regards health, we had already been in contact with health authorities from the City of Paris in 2002 to look into the possibility of regular inspections to verify compliance with health regulations. Your formal recommendation presents us with another opportunity to come to grips with the problem and attempt to regulate a situation that has gone on for too long. We feel that it is important to continue to provide our employees with a place to eat as dictated by local practice for employers with 50 or more employees. We will therefore prepare a draft agreement and have our lawyer go over it to ensure that everything is in order. We will also solicit various proposals for management of our cafeteria as soon as possible. We hope to implement the new arrangements by fall 2004.**

## **5.2 Human resources**

### **Management of the program**

5.2.1 The HR Division comprises seven people under the supervision of the HR director. This division provides complete human resources services to employees at the



Embassy, the Cultural Centre, OECD and UNESCO. It also provides payroll services to local Telefilm and NFB employees and guides hired by the Department of Veterans Affairs at Vimy and Beaumont-Hamel. This division is also responsible for general services including the arrival and departure of Canadian officials and their accreditation with FAC, reservation services and diplomatic mail and postal services.

5.2.2 The HR director, a very proactive, forward-looking manager, has identified a certain number of areas for improvement and has effectively implemented new tools such as the SAGE pay system. One current initiative is conducting an in-depth analysis of current HR organization with a view to reassigning tasks to better achieve the program's objectives. While we acknowledge that payroll activities are working well, there is reason to believe that efficiency could be improved if tasks and staffing responsibilities were reassigned to help in the relocation of CBS and HR administrative activities.

5.2.3 The director of HR is to be commended for some of the value-added initiatives such as improvements to the Mission's Intranet site, an orientation video for new CBS and a data bank of tools for interviews. However, to implement these initiatives and others with minimal interruption of daily activities, additional resources would be necessary. Assigning a half FTE would be an excellent investment.

### **Recommendations for the Mission**

**5.2.4 The director should complete his analysis of HR organization and submit the recommendations and revised work descriptions to the director of administrative services for examination and approval.**

**5.2.5 An additional half FTE should be assigned to HR for the next financial year, after which it would be a good idea to re-assess the need for it.**

### **Mission Action Plans and Time Frames**

**5.2.4 Since the audit, HRD has completed the analysis of its various activities. All of the tasks and responsibilities for all staff were reviewed in accordance with the division's mandate and objectives. A reorganization plan was submitted and then approved by the counsellor. This plan, which was temporarily implemented successfully, will be reviewed/adjusted as required \*\*\*.**

**5.2.5 We believe that the current staff complement is adequate for carrying out our entire mandate and achieving our objectives, but we will be sure to review the issue in light of the changes generated by the reorganization indicated in the preceding paragraph.**

## Compensation

5.2.6 Compensation activities are the responsibility of two competent and experienced officers, an LES-05 and an LES-06. Over the past year, a new compensation and leave administration system (SAGE) was implemented. Although the learning curve has been quite steep, the benefits are numerous, especially the consolidation of pay and leave data, which minimizes the manipulation of data and potential for error. The officers have yet to receive training for all of the SAGE modules. Knowledge of the system's advanced features provides an opportunity to improve the management of data such as leave records (hours vs. days).

5.2.7 In 2000, France legislated a 35-hour work week for all public and private sector employees. Senior management held numerous consultations with the local authorities (including Foreign Affairs), our lawyers at other embassies, the competent authorities in Ottawa and the LES Committee with regard to implementing the legislation. Both management and employees indicated that to maintain current service levels, they needed to continue working 37.5 hours per week. A proposal to compensate employees for the 2.5 hours over and above the legislated 35 hours was submitted to HRD/HRL for approval. The compensation package, which proposes seven days of work recovery time (RTT) and payment of 1.5 hours overtime per week, was approved.

5.2.8 The LES Handbook has not been updated since 1994. The LES Committee expressed a desire for an early review because they feel benefits have fallen behind marker organizations. Last year, HRL informed all missions of the development of a plan for an upcoming review of LES guides. Since Paris did not inform HRL of any specific needs, the next review has been scheduled for 2004-2005.

## Recommendations for the Mission

**5.2.9 Ensure the LES officer responsible for leave management is scheduled for training on the use of the advanced functionality of the SAGE.**

**5.2.10 The director of administrative services and the HR director should review the status of the Employee Handbook and determine whether it should be reviewed soon. The result of their review should be communicated to HRL and an action plan negotiated.**

## Mission Action Plans and Time Frames

**5.2.9 Since the audit, in addition to the initial training, LES-05 and LES-06 officers have received further training on the SAGE pay software. More advanced training is planned to enable us to derive maximum**

**benefit from the various modules and particularly those relating to overtime and leave.**

- 5.2.10 Our files indicate that a review of the Employee Handbook was completed in 2001. Since then, other changes have been made and incorporated into our Handbook. This document, which is kept up to date, is posted on our Intranet site. The HRL Division has since indicated that it was going to review our Employee Handbook when its team came to Paris in 2004-2005 to review our LES fringe benefits. This will enable us to comply entirely with this recommendation. The next version of our Handbook will of course include the application procedures for the 35-hour week, which came into force on April 1, 2002.**

### **Staffing**

5.2.11 An HR officer (LES-06) is responsible for all tasks involving the staffing process and also participates as a member of selection boards for competitions up to the LES-05 level. The HR director is on selection boards for competitions at the LES-06 level and above. The HR officer is also responsible for related activities such as reliability checks and follow-up on performance evaluation reports.

5.2.12 The current HR officer is on a one-year acting assignment until August 2003. Before that, she worked in the Property Section. Despite the fact she had no human resources experience, she did not receive training on the functions involved in her new job. The fact that the HR director does not have an HR background either has significantly weakened the staffing function and related support to management. \*\*\* It is therefore important that a training plan be developed for the current officer to address the organization's need for sound advice on staffing matters.

5.2.13 HR ensures that the selection process is fair and transparent. Competition files are well-documented and the director conducts post-competition boards with unsuccessful internal candidates. The fair and transparent approach can be expanded by including LES supervisors as members of the selection boards.

### **Recommendations for the Mission**

- 5.2.14 A training plan should be developed for the LES staffing officer so the organization has the staffing expertise needed to advise management regarding staffing matters.**
- 5.2.15 LES supervisors should be included as members of the selection boards, especially in cases where the successful candidate will be reporting directly to an LES supervisor.**

## **Mission Action Plans and Time Frames**

- 5.2.14**        **\*\*\* it is of course desirable for us to provide regular training for the incumbent of this position, who must keep completely up to date in an area as complex as human resources management. All training needs will be incorporated into our general training plan for the whole Embassy.**
- 5.2.15**        **This recommendation makes a lot of sense. We had already decided to implement it for some competitions, especially in cases where the local officer is the direct supervisor.**

## **HR-related processes**

5.2.16        In December 2002, Paris launched an extensive operation to update LES security clearance. This project had not been completed at the time of our audit: over 50% of the files required updating. With sustained effort, the HR Division should soon complete its security clearance renewal program.

5.2.17        It should also be noted that there is no clear indication of who is responsible (manager, HR, Security) for the various tasks necessary to complete the reliability checks, including personal education and employment data monitoring and criminal checks.

5.2.18        During our review of the Security Program, it was noted that a large number of employees no longer employed at the Embassy continued to have valid access codes in the IDAC system. Cancellation of the access codes is normally actioned by Security on HR's advice of an LES's last day of employment. Communication between HR and other administrative sections could be improved with the introduction of a clearance form similar to that used for the departure of a CBS.

## **Recommendations for the Mission**

- 5.2.19**        **Management should develop a working plan to ensure timely review and update of the reliability checks.**
- 5.2.20**        **Clear roles and responsibilities with regard to the completion of reliability checks should be defined and communicated.**
- 5.2.21**        **HR should implement the use of a clearance form for departing LES to ensure the administrative sectors are informed in a timely manner. Procedures supporting the use of the clearance form should also be established and communicated to management.**

## **Mission Action Plans and Time Frames**

- 5.2.19** As the head of ISCT noted while in Paris, the Mission has completed its update of all files.
- 5.2.20** Actually, the roles will be reviewed over spring 2004 to determine who in Security or Human Resources is in the best position to assume this responsibility.
- 5.2.21** We took note of your comments and are making arrangements for the corrections to be made over the spring of 2004.

## **5.3 Physical resources**

### **Management of the function**

5.3.1 Generally speaking, the physical resources function is well managed under the leadership of an experienced AS-04 who reports to the MCO. He is supported by 14 employees, some of whom were hired recently. The new employees, in the positions of property manager (LES-09) and material manager (LES-06), will be trained as quickly as possible. The weekly meetings of section heads and daily meetings with a technical group foster effective communication. Contracts are well-managed and those above 1,500 euros are reviewed by the Market Review Committee. The Mission's Property Management Plan was nearly completed at the time of the audit, and it is a very comprehensive planning document. The inventory files are being updated for all properties, including the Cultural Centre, the office and the Official Residence of the Permanent Delegate to UNESCO. An asset inventory must be drawn up to include these properties. Except for four staff quarters that are still pending, all of the inventories are up to date. A number of files do not specify the purchase date of the furniture in the staff quarters (SQ), a necessary piece of information for life cycle planning. The inventory of assets in storage must be updated and surplus property should be disposed of.

### **Housing Committee**

5.3.2 The Mission's Housing Committee is active. It is more difficult to distribute housing some years because of differences between program needs and family configurations. Reorganization of the Committee is underway to reduce its membership by half and outline new statutes. Mission management plans to renew a certain number of members annually so that within three years, all programs will be represented. The MCO is a voting member of the Committee. This practice is not encouraged because of the perceived conflict of interest, since the MCO controls a number of the resources connected with this function.

## **Recommendation for the Mission**

**5.3.3 The MCO should not be a voting member of the Housing Committee.**

## **Mission Action Plan and Time Frame**

**5.3.3 The Housing Committee's new statutes were adopted and implemented. They make provision for all programs, including Administrative Affairs, to chair this Committee. Committee members will decide on this point since the same statutes clearly stipulate that members will elect their chair at the beginning of each new season. This had in fact been deemed an excellent idea by the Inspector General. The administrative officer is a full member of this assembly and has voting rights. Finally, it should be noted that decisions are reached through consensus rather than by vote.**

## **Chancery**

5.3.4 The Chancery will be undergoing major renovations over the next three years. This work will address the problems of use of space in certain sections, beginning with the CIC and consular reception areas. Generally, the Mission has enough space, but the overall plan needs to be improved to better accommodate all of the programs. As part of the renovations, there are plans to install a central heating and air conditioning system, which should address numerous complaints by staff with regard to the quality of air circulation. Updating the lighting will reduce the cost of service to the public by 20% per year. SRP has frequently consulted the Mission to ensure the appropriate action plan is selected and it is hoped the work will begin in fall 2003.

## **Official Residence**

5.3.5 The Official Residence, an extensive heritage property with a garden, has had a substantial maintenance program over the last few years and requires additional short-term funds. The building is 250 years old and the electrical and heating systems are nearly worn out. To remedy the situation, SRSF is planning certain projects as part of its maintenance plan, spread out over five years. The Official Residence contains a number of works of art such as century-old clocks in serious disrepair. Given the age and distinctive character of these items, they should be included in the Department's heritage property list. Funding for repairs could come from this budget.

5.3.6 The Official Residences of the permanent representatives to the OECD and UNESCO are rented by the government. They are well situated and suited to functions. The first property received the necessary attention when the current HOM occupied the premises and it is now in excellent condition. As regards the second, the

Mission is negotiating its purchase with the owners, but has been unable to reach a satisfactory agreement with them.

### **Staff quarters**

5.3.7 The Mission's inventory includes 58 SQs, seven of which are owned by the government. The SQs are visited at least once per posting cycle, usually from the time the CBS move in and once again before they leave. All aspects of the condition of the SQs are noted and an action plan is established long before they are reoccupied. Because of lack of staff, annual visits have not been scheduled, but such an activity would be very useful to management.

5.3.8 The purchase of the SQs is an attractive option, but the Paris market has become very expensive. The vacancy rate in Paris has never been lower. Rents have been going up and are expected to increase by 15% next year. The Department's relatively weak spending power means that purchases are limited to small or poorly-situated SQs. The Mission was able to replace some apartments that were older, larger and costly to maintain with reasonably large and less expensive SQs. This year, there are plans to dispose of two smaller two-bedroom apartments that are currently unoccupied. The Mission uses the local version of a lease providing the best protection for the government: the Mission can cease rental of an SQ through a written notice submitted one month in advance, and the owners must normally provide the Mission with a written notice of their intent six months in advance. Relations with the owners are usually excellent and the Mission has never had trouble getting them to carry out maintenance and renovations when required.

### **Client services**

5.3.9 Complaints of slow service have been received from clients. Some delays, especially during summer 2002, can be attributed to staff turnover (three positions) and rental and accommodation of seven new SQs. \*\*\* The improvement of client services is a priority for the section and better communications are planned. The Mission is currently in the process of purchasing large appliances locally, which makes it easier to get maintenance work done that is under warranty. As regards the purchase of furniture for the SQs, the Mission is continuing a review of the prices and service standards of local suppliers to determine whether it is possible to procure comparable items locally at prices comparable to Canadian prices. That would reduce the need to order from Canada, since delivery has sometimes taken up to three months.

### **Recommendations for the Mission**

**5.3.10 Draw up a complete inventory of items in commercial storage and plan to dispose of surplus property.**

- 5.3.11**      **Ask SRMZ to record antiques at the Official Residence on the Department's heritage property list.**
- 5.3.12**      **Schedule an annual visit for each SQ.**
- 5.3.13**      **Complete the feasibility study on purchasing furniture locally for SQs rather than ordering them from Canada.**

#### **Mission Action Plans and Time Frames**

- 5.3.10**      **This is done at the end of the moving season as is the case every year and surplus property will be sold or given to non-profit organizations.**
- 5.3.11**      **This step was taken in spring 2002 and we had also started to draw up the inventory of items that could be part of this list. For some of them, we had asked for quotes to have them repaired or reconditioned. We repeated our request and discussed it again recently and HQ even suggested Paris be used for a pilot project to launch its new initiative.**
- 5.3.12**      **We recognize the enormous value of this recommendation because it would greatly assist us in medium- and long-term planning. We will therefore carefully assess its advantages and drawbacks in terms of mobilized resources and those we use for responding to all of the other requests.**
- 5.3.13**      **We are still working on this and hope to obtain results before the new orders are submitted in 2004-05.**

#### **5.4 Financial management**

**5.4.1**      The finance director is responsible for applying the Department's financial procedures. He is supported by an assistant who supervises five employees and by the data base administrator (DBA). This section annually processes some 8,000 requests for payment totalling over \$35 million.

**5.4.2**      Finance provides an efficient service for managers and employees at the Mission, OECD, UNESCO and the Cultural Centre. The employees are dynamic and demonstrate excellent team spirit. The financial files are very well maintained, filing is impeccable and financial controls are excellent except for those relating to hospitality expenses.



## **Official hospitality**

5.4.3 The audit revealed that the Official Hospitality Outside Canada directive was not always applied. The Mission Management Committee (MMC) does review unit costs for hospitality on a yearly basis. The last review by the Committee was on April 1, 1999. The necessary forms are not always completed adequately. The total individual allocation is not necessarily indicated, the journal vouchers do not always provide sufficient detail and the indirect expenses claimed do not always comply with the directive in this regard. Finance does not receive the original files to do a verification in compliance with section 9.11.14 of Chapter 9 of the Financial Management Manual. The original files are kept by claimants rather than by Mission administration. Moreover, Mission management had not applied the hospitality directives sent by MKM to all missions on July 27, 2002.

### **Recommendation for the Mission**

**5.4.4 Ensure complete compliance with the Official Hospitality Outside Canada directive for old and new hospitality claims.**

### **Mission Action Plan and Time Frame**

**5.4.4 Mission management recognizes the importance of strict compliance with this policy to ensure complete compliance with the hospitality directive. We have therefore updated our instructions based on MKM's directives and your own recommendations. Our new instructions were the focus of a preliminary discussion by the Management Committee and a final project is about to be submitted for approval and implemented immediately. The new rates have however already been approved and communicated to the various programs.**

### **Data base administrator position**

5.4.5 Responsibility for supervision of the data base administrator is not particularly clear. This employee divides her time between financial tasks for the Mission and assistance to over 20 missions when they experience difficulty with the IMS accounting system. This is the responsibility of the SMFF at HQ. There is therefore a certain degree of ambiguity with regard to supervision of this position.

### **Recommendation for the Mission**

**5.4.6 Clarify the role and responsibilities of the data base administrator with RAM and SMFF.**

## **Mission Action Plan and Time Frame**

**5.4.6 This issue was the focus of a meeting between our finance director and SMFF to clarify the roles and responsibilities of each. It was agreed that the time and responsibilities of the incumbent would be concentrated entirely on the needs of the Mission in the near future. From our perspective, this issue has now been settled.**

## **Memorandum of understanding with the bank and cashed cheques**

5.4.7 In September 2002, the Mission met with the bank to review and amend the understanding between the two parties. At the beginning of February 2003, the new memorandum of understanding had still not been drawn up by the bank. It was therefore not possible for the auditor to review the agreement. Moreover, the auditor was not able to examine the cheques issued and cashed, since banks in France do not return cancelled cheques.

## **Recommendation for the Mission**

**5.4.8 Complete the memorandum of understanding with the bank, send it to SMFF and obtain a copy of cashed cheques if necessary.**

## **Mission Action Plan and Time Frame**

**5.4.8 We obtained the draft from the bank and it was sent to Ottawa (SMFF). For lack of copies of cashed cheques, the Mission asked the bank to make available to us the microfiches containing all copies of cashed cheques.**

## **Bank signing authority and signing authority under section 33 of the FAA**

5.4.9 For nearly 20 years, bank signing authority and signing authority under section 33 of the FAA have been delegated to the finance director's assistant. The latest changes to the delegation of signing authority for financial documents no longer permit delegation of this authority to her. These changes do not take into account the fact that, for some of the large embassies like Paris, there may be situations where it would be acceptable and effective to delegate financial authority to responsible and productive local employees. This proposal is in keeping with Treasury Board's Modern Controllershship initiative, which recommends the effective use of resources and a risk assessment philosophy.

5.4.10 On October 25, 2001, a message from SMFF was sent to Paris and a number of other missions informing them of a departmental policy prohibiting an LES from having bank signing authority or signing authority under section 33 of the FAA. The

message from SMFF contained few specifics with regard to this departmental policy, which represents a change in the authority permitted previously. Generally, the risks in most of our missions abroad justify this new policy, but not in every case.

### **Recommendation for SMD**

**5.4.11 SMD should review the signing authority delegation policy with a view to permitting some financial authorizations to be granted to designated local employees on an exceptional and justified basis where the Mission demonstrates that circumstances permit and internal control measures are in place to prevent the incorrect and inappropriate use of this authority.**

### **SMD Action Plan and Time Frame**

**5.4.11 In special cases, SMD will permit and justify certain authority being granted to local employees. All requests must be accompanied by an explanation of the current circumstances and compensatory control measures that will be implemented to prevent inappropriate activity.**

### **Cheques**

5.4.12 All of the cheques issued in Paris are signed using a plate that reproduces the Ambassador's signature. On August 21, 2001, a message from SMSP addressed to Paris confirmed that the Treasury Board was authorizing the use of a signature plate. On August 22, 2001, another message from SMSP explained that the sender had discussed this issue with SMF, which had indicated that it no longer wanted signature plates used.

5.4.13 The Mission maintains adequate controls with regard to this plate, its use and the signed cheques, which reduces the risk to a level similar to that of having the cheques signed by hand.

### **Recommendation for the Mission**

**5.4.14 Together with SMF, the Mission should review whether discontinuing the use of the signature plate is justified in every instance within Treasury Board's Modern Controllership framework, which recommends the effective use of resources and adoption of a philosophy hinging on sound risk management ensuring some flexibility in the context of appropriate controls.**

## **Mission Action Plan and Time Frame**

- 5.4.14** We agree with your observations, which confirm that we were using the plate in an acceptable manner in terms of financial controls. Since that time, with the arrival of a new Ambassador, we have decided not to have a new signature plate made, because our numerous efforts over the past two years have resulted in a considerable reduction in the number of cheques we issue.

## **Honorary consuls**

- 5.4.15 Verification of expenses for the six honorary consuls indicates that the agreements between the parties are being observed. Now that the honorary consul of Lille receives a permanent advance, she will have to comply with the consular instructions in Chapter 7, section 7.5.3. The honorary consul must have a separate bank account in her own name for transactions relating to her consular functions.

## **Recommendation for the Mission**

- 5.4.16** The supervisory Mission must ensure that the honorary consul forwards a copy of the bank statement for her operating account with her report of operating expenses for the preceding month for audit and reconciliation purposes.

## **Mission Action Plan and Time Frame**

- 5.4.16** The Mission made the changes to regulate the permanent advance issued in the name of our honorary consul in Lille.

## **Receipt and deposit of receipts and repayments**

- 5.4.17 Cheques can only be deposited in the account in Canadian dollars. Canadian dollar bills are thus converted into euros and deposited in the euro account. There is about a 10% loss upon conversion. Moreover, shipping costs for foreign currency, including Canadian dollars, are increasing.

## **Recommendation for the Mission**

- 5.4.18** Canadian dollars received in cash should be sent to HQ to avoid loss upon conversion and additional shipping costs.

## **Mission Action Plan and Time Frame**

- 5.4.18**        **The Mission had already decided in November 2002 to discontinue the practice of paying to have cash (Canadian dollars) transported to the bank and instead to send it to HQ once a week by diplomatic bag. The procedure is working very well.**

### **Purchase of euros**

- 5.4.19        In December 2002, SMFF announced that PWGSC had just signed a contract to purchase American dollars and euros for our missions abroad. The comparative study by Paris covering January 8 to May 20, 2002, indicates that \$171,849 would have been saved through the purchase of euros in Paris rather than Ottawa, a savings of about \$400,000 per year.

### **Recommendations for the Mission**

- 5.4.20**        **Update the Paris study to determine whether it is still advantageous to buy euros in Paris and whether this advantage is permanent.**

## **Mission Action Plans and Time Frames**

- 5.4.20**        **We feel this issue is no longer relevant. We had provided observations/proposals when Ottawa had decided to centralize the purchase of European currency because we felt the arrangement in place was not the most advantageous. Since then, changes in PWGSC's currency purchasing procedure appear to have yielded positive results.**

## **5.5 Information management technology**

- 5.5.1        This function is very well managed. HQ amalgamated network technicians and managers to train a new unit under the supervision of the regional system manager who services over 20 missions. The group of technicians is made up of three Canadian technicians providing support to the Paris Mission and a number of other missions over the phone or in person. The group responsible for the computer network is made up of one CBS and three LES employees who provide services to the three missions in Paris. The MCO sees that employees with regional responsibility are integrated into the Mission team by inviting them to participate in meetings and activities. This approach has worked well for the parties concerned.

- 5.5.2        \*\*\*

5.5.3 The Mission has no client service standard covering SIGNET or MITNET service delivery, but in most cases has been able to react immediately. Thus, the Mission does not draw up lists of work orders or service calls. Useful management information includes: determining the general areas where specific clients might require additional support because of repeated calls, permitting management to determine trends that could be incorporated into the training program and identifying material and software issues that might require greater attention overall.

5.5.4 Part of the LES administrator's work space includes a storage area. The inventory for parts and equipment on loan is up to date. \*\*\*

### **Recommendation for SXC**

5.5.5 \*\*\*

### **SXC Action Plan and Time Frame**

5.5.5 \*\*\*

### **Mission Comments**

5.5.5 **The information management and technology team in Paris is committed to remaining available and involved in this issue with SXS because it is in the interest of a substantial number of missions besides Paris. Since SXS must provide a report on measures to be taken in the event of a service interruption at HQ this year and planning of the rehabilitation project of the Chancery in Paris has already started, we encourage SXS to take this unique opportunity to work closely with SRP to adjust, if necessary, the plans that will be developed over the next few months.**

### **Recommendations for the Mission**

5.5.6 **Consider issuing service standards and following up on service requests.**

5.5.7 \*\*\*

### **Mission Action Plans and Time Frames**

5.5.6 **We subscribe to this recommendation for the valid reasons set out in the report. The Mission intends to use the client service standards**

already issued by SXD for HQ as a basis for defining and issuing its own standards.

In preparation for the development of its service standards, the Mission intends to survey its clientele through an investigation to better target objectives.

As regards following up service requests, the technical team is already doing this, but not by recording every service call or work order. This method of following up on every service request has already been implemented here in Paris through the use of the Remedy application. It proved that, in the end, systematic recording of all service requests hindered service delivery because the employees were devoting considerable time to Remedy. Our efforts have not met with the same success as Ottawa, which however has the advantage of the technical call centre.

The computer management and technology team in Paris, in cooperation with the MCO, now hopes to use other methods for gathering useful information for management .

**5.5.7**

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## APPENDIX A

### Mission Resources Fact Sheet

#### Human resources (FTE)

| <b>PROGRAM</b> | <b>CBS</b> | <b>LES</b> | <b>TOTAL</b> |
|----------------|------------|------------|--------------|
| Paris          | 52         | 160        | 212          |
| OECD           | 9          | 8          | 17           |
| UNESCO         | 1          | 5          | 6            |
| Total          | 62         | 173        | 235          |

#### Physical and material resources

| <b>CATEGORY</b>     | <b>OWNED</b> | <b>LEASED</b> | <b>TOTAL</b> |
|---------------------|--------------|---------------|--------------|
| Chanceries          | 2            | 1             | 3            |
| Cultural Centre     | 1            | 0             | 1            |
| Official Residences | 1            | 2             | 3            |
| Accommodation       | 7            | 51            | 58           |
| Storage             | 0            | 1             | 1            |
| Parking             | 0            | 29            | 29           |
| Total               | 11           | 84            | 95           |

#### Financial information (2002-2003)

|              |                     |
|--------------|---------------------|
| CBS salaries | \$4,797,113         |
| LES salaries | \$8,448,115         |
| Operation    | \$7,260,718         |
| Capital      | \$450,450           |
| <b>Total</b> | <b>\$20,956,396</b> |