



**AUDIT OF THE OFFICE OF THE  
CANADIAN EMBASSY  
NIAMEY**

**March 2006**

**Foreign Affairs Canada and International Trade Canada  
Office of the Inspector General  
Audit Division(ZIV)**

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## EXECUTIVE SUMMARY

The general relations, international business development, consular services and administration programs were audited on May 3 and 4, 2004. The last audit of the administration, consular affairs and international business development programs in Niamey was conducted in February 1997.

The office of the Canadian Embassy (OE) in Abidjan located in Niamey, Niger, is headed by a counsellor (Development) and consul who, as the office manager (OM), reports to the head of mission (HOM) in Abidjan. The primary function of the office is to handle the Development Program in Niger. However, La Francophonie will occupy a key position in exchanges between our two countries leading up to the Francophonie Games in December 2005. Canada is planning to contribute some \$2.6 million in financial assistance to these games. Unfortunately, administrative constraints at Headquarters delayed payment of this grant.

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This micro-mission is the only one that exists as a spoke mission completely dependent on Abidjan. Relations between the office in Niamey and our mission in Abidjan are good, although the priorities generated by the current crisis in Côte d'Ivoire are reducing the availability of managers to travel to Niger.

The responsibilities of the OM with regard to programs that do not fall under CIDA remain blurred. Administrative shortcomings, such as the lack of a review of the monthly accounts by the office manager, and the delegation of signing authority to the director of the Program Support Unit, who is not a Canadian government employee, indicate that the management controls normally applied by an OM are lacking.

The report makes a total of six audit recommendations, all directed at the mission. Management has responded to each recommendation with current and projected actions and decisions. Management states that all of the recommendations have been given effect.

## **SCOPE, OBJECTIVES AND MISSION RESOURCES**

### **Audit scope and objectives**

The audit looked at the mission's management and the general relations, international business development, consular services and administration programs at the office of the Canadian Embassy in Niamey. The appendix to this report lists the sectors and components studied as part of this audit.

The audit's objective was to:

- assess management systems and controls and program procedures and activities;
- check compliance with statutes, regulations and policies;
- gauge the reliability and accuracy of information available for decision-making and reporting purposes;
- check the effective and optimal use of departmental resources;
- make recommendations, if indicated, to enhance programs' cost-effectiveness, performance and efficiency.

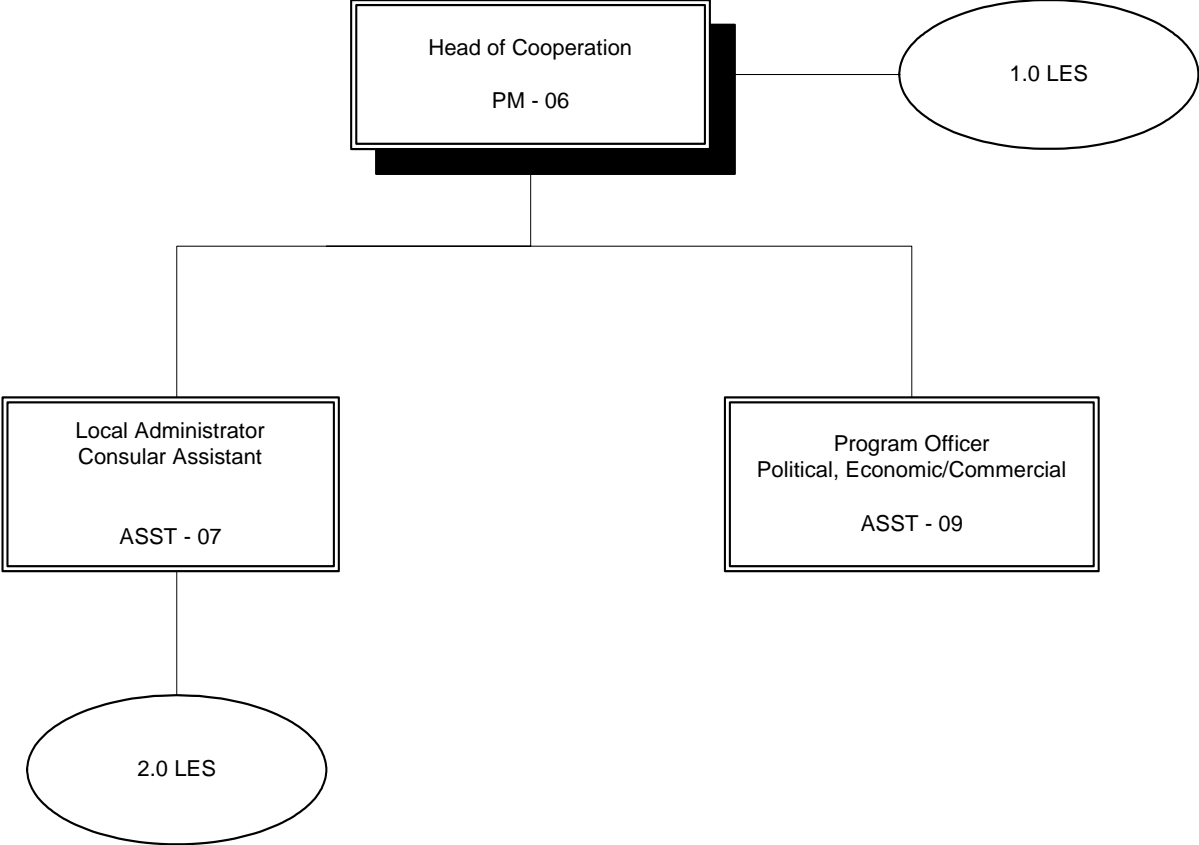
### Physical resources

<b>Assets</b>	<b>Government-owned</b>	<b>Government-leased</b>
Chancery		1
Official residence	n/a	
Staff accommodation		1
Vehicles	3	

### Financial information (2003-2004)

Operating budget (N001)	\$317,100
Capital budget (N005)	\$48,000
CBS salary budget (N011)	\$0
LES salary budget (N012)	\$88,317
<b>Total</b>	<b>\$453,417</b>

**Organization Chart**



## MANAGEMENT OF THE MISSION

1.1.1 The OM is responsible for this small mission that is dependent on the Canadian Embassy in Abidjan. He is the only Canada-based staff member at post and is supported by a team of five locally-engaged staff members (LES). This team is made up of an officer responsible for political affairs, public affairs and international business development (IBD), an administrator, an accountant, an assistant to the OM and a driver. The mission also hires contract workers to look after maintenance of the offices and grounds, and an extra driver.

1.1.2 The OM's primary responsibility is the development assistance program, which has an annual budget of C\$5 million for the bilateral component and C\$5 million for regional projects, for a total of C\$10 million. The Program Support Unit (PSU) handles logistics for the assistance program. We are sharing offices, a receptionist and operating costs with them. There is a written agreement setting out each party's share.

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1.1.3 The role and responsibilities of the OM with regard to the political, public affairs, international business development and administration programs are not clearly defined. The managers of these programs in Abidjan play a role in setting objectives and monitoring programming, but the OM's role in Niamey remains blurred. A memorandum of agreement between the two missions is currently being developed, and once completed, should clarify this situation. The gaps identified with regard to financial controls indicate that the OM's replacement, who will be arriving at post in summer 2004, would be well advised to use the *Head of Mission Guide to Mission Management* to tighten financial controls. It would also be worthwhile for the MCO in Abidjan or his assistant to visit Niamey more frequently to monitor the development of the administration program and support the OM in this area. Last, the new OM should visit Abidjan shortly after his arrival at post in Niamey to meet with the HOM and managers of the various programs in order to get a good understanding of his role and responsibilities and to set priorities for each program.

1.1.4 Since his arrival in 2000, the OM has established good contacts with local leaders and has had no difficulty in assembling all of the necessary players to respond to the expectations and needs of the HOM in Abidjan.

### Recommendations to the mission

**1.1.5 More clearly define the role and responsibilities of the office manager and complete the memorandum of understanding between Abidjan and Niamey.**

- 1.1.6 The new OM should consult with the HOM and the various managers in Abidjan shortly after his arrival in Niamey to establish with them the goals and objectives for the programs in Niamey.
- 1.1.7 The new OM should use the *Head of Mission Guide to Mission Management* to gain a better understanding of his responsibilities as OM and ensure that the financial controls are adequate.

#### **Mission actions and time frames**

- 1.1.5 The Memorandum of Agreement between Abidjan and Niamey was signed in October 2004. It defines the roles and responsibilities of Niamey and Abidjan with regard to the management of the mission, the political/public affairs program, the commercial program, the consular program, finance, information management, staff, physical resources, security, immigration and CIDA.
- 1.1.6 The HOM and the new OM met three times in Niamey and we received a visit in October 2004 from the MCO and Head of the Immigration Section in Abidjan. We also had a visit in December 2004 from the Political Officer in Abidjan and one in March 2005 from the Commercial Officer in Abidjan in conjunction with “Canada Day in Niger.” There are plans for the MCO or his assistant to visit the mission in 2006.
- 1.1.7 The OM will consult this Guide, which is available on the Intranet.



## **GENERAL RELATIONS**

2.1.1 The General Relations Program is delivered by a program officer under the direction of the OM and the General Relations manager in Abidjan. This officer's time is divided up as follows: political reporting (30%), economic reporting (30%), international business development (30%) and public affairs (10%). He has a very good knowledge of the local political system and the contacts necessary for keeping abreast of the political situation.

2.1.2 Political reporting is mainly a summary of the daily press sent to Abidjan, Headquarters and CIDA. Owing to a lack of resources, economic reporting is based mainly on economic reports produced by the World Bank. These reports are valued by everyone and provide the information necessary to follow the development of Niger's political and economic situation.

2.1.3 As indicated in the Abidjan report, the public affairs program has been focussed mainly on the Week of La Francophonie. The crisis in Côte d'Ivoire and a small budget limit the availability of the HOM and the manager of this program in Abidjan in terms of taking on any more activities in this area.

## **INTERNATIONAL BUSINESS DEVELOPMENT**

3.1.1 As indicated above, the program officer spends 30% of his time on this program. In 2001, he took a week of training at Headquarters. He maintains very good relations with the OM and the commercial officer in Abidjan. The commercial officer visited the mission in January 2004 and is planning another visit in January or February 2005 for Canada Day as part of the Client Service Fund (CSF) initiatives.

3.1.2 Our trade is limited to about \$4 million in both directions and there is little potential except for projects funded by international financial institutions. There are a few Canadian companies that invest in the gold, petroleum and gas sectors. The mission was closely monitoring a file involving the premature withdrawal of an exploration permit.

3.1.3 The amount of time the OM and the program officer spend on this program, though not a lot, is sufficient for meeting and communicating with representatives from Canadian companies in Niger, monitoring their operations and implementing the few CSF-funded initiatives.

## **CONSULAR SERVICES**

4.1.1 Under the supervision of the OM, the local administrator is also responsible for consular services. This program is also very well supported by the consular team in Abidjan.

4.1.2 Though there are not many requests for consular services in Niger, the few consular cases are processed in a competent manner. The registration of Canadians in the ROCA system is up to date (157 registrations), the COSMOS system is used to manage the few consular cases and the time assigned to each consular activity registered in the COMP system. There is an up-to-date emergency plan that relies on wardens to contact Canadian nationals in the event of an emergency. The travel advisory is revised once a year or as required.

4.1.3 This mission possesses only a few emergency passports, which are rarely issued. They are kept in a secure place with proper controls. Passport applications are referred to Abidjan for processing. This service functions well.

## **ADMINISTRATION**

5.1.1 Under the OM's supervision, the level 7 local administrator is responsible for all administrative services, including human resources, finance, goods and equipment, communications and computers. He is also responsible for consular services and 20% of his time is taken up with providing services involving applications for immigration visas. The administrator is supported by a level five accountant.

5.1.2 Generally, the administrator and his team provide excellent service. The observations and recommendations below are intended to improve management controls and encourage the effective use of resources and compliance with the regulations.

### **Financial supervision by the OM**

5.1.3 The team has noticed that the OM does not review the mission's accounts or the bank reconciliations prepared by the accountant. The review of the mission's accounts and bank reconciliations are essential controls that ensure a minimum level of supervision of the mission's financial activities.

### **Recommendation to the mission**

**5.1.4 The OM should review and approve the mission's accounts and bank reconciliations every month.**

## **Mission actions and time frames**

**5.1.4** Since arriving at post in August 2004, along with the local administration officer, the new office manager plans, manages and applies very strict controls with regard to the mission's budget. For example, when he assumed the position and until the end of the 2004-2005 year, the OM closely monitored the status and implementation of the budget by conducting regular meetings in this regard with the local administrator and the office accountant.

In accordance with the Abidjan/Niamey Agreement, bank reconciliations are finalized and approved by the MCO in Abidjan, who sends the original to Ottawa and a copy to Niamey.

As a follow-up to the audit recommendation, the accountant of the mission, upon receiving the final copy of the bank reconciliation, submits the monthly bank statements to the OM, who certifies in writing on the appropriate form that he has reviewed them.

## **Financial and signing authority**

5.1.5 The OM has delegated to the director of the Support Unit, who is not a Department of Foreign Affairs officer, authority under section 33 of the *Financial Administration Act* (FAA), to approve requests for payment for the mission. The HOM in Abidjan also delegated cosigning authority to him for mission cheques and other bank documents. Even though the director of the Support Unit rarely exercises these authorities, they should be revoked because they do not comply with the Department's financial policies.

## **Recommendation to the mission**

**5.1.6** Revoke signing authority granted to the director of the Support Unit.

## **Mission actions and time frames**

**5.1.6** The signing authority granted to the director of the Support Unit was immediately revoked. The Abidjan/Niamey Memorandum of Agreement (page 20) will be amended to reflect this decision. It should be noted that since the arrival of the new office manager in August 2004, the director of the Support Unit has not signed a single office cheque.

## **Duplication of efforts**

5.1.7 The accountant in Niamey does not have access to the IMS accounting system. He records all financial transactions on a spread sheet to track the mission's expenses and budget and to send them to Abidjan for capture in the IMS. This is a duplication of efforts. As recommended in the Abidjan report, it would be useful to train the accountant in Niamey on the IMS \*\*\*.

## **Computer networks**

5.1.8 The mission has two computer networks for e-mail communication. Before the Signet-Mitnet was installed in 2001, the mission shared a computer network with the Support Unit and used it to send and receive e-mails. The mission has had two systems ever since. An electronic device was even installed to make it possible to switch from one system to the other using a single screen. The mission pays 37% of the operating costs of the Support Unit's network, that is, over \$24,000 per year. There is no valid reason for this.

## **Recommendation to the mission**

**5.1.9 Stop using and paying for the Support Unit's computer network.**

## **Mission actions and time frame**

**5.1.9 The Office stopped paying for the Support Unit's computer network in October 2004.**

## ANNEX

The following tables indicate the sectors and components reviewed in each program to determine compliance with policies and procedures and to assess their effectiveness and usefulness. Each section and item listed reflects the specific audit guides posted on the Intranet site of the Office of the Inspector General (ZID) . These manuals list the detailed audit criteria and procedures.

The on-site work is based essentially on an ongoing assessment of materiality and related risk. This is done through communication with HQ bureaux, including briefings by line management and the functional bureaux responsible for each of the areas listed below, review of relevant HQ and mission documentation and past audit findings and an analysis of recurring trends and systemic issues.

During the audit, audit issues and lines of enquiry are further refined from information gathered through interviews with the HOM and program managers, a confidential survey of all staff, a meeting with the LES Committee, individual interviews with staff, and results of other documentation reviewed.

The level of audit work for a given area is therefore based on issues and information identified and gathered at all levels, HQ, mission management, and mission operations. Accordingly, not all areas receive equal attention. More work and time are devoted to material and high risk issues, particularly those of interest to management. Occasionally, due to time limitations or other factors, it is not possible to provide audit coverage for all areas. Areas not covered are noted in the Scope and Objectives section of the report.

**Mission Management**

Accountability agreements	Communications
Strategic and operational plans	Hub and spoke relations
Program integration and coordination	Other government departments
Committee structure	Performance measurement

**General Relations Program**

Management of the program	Media relations
Program planning	Cultural affairs
Political relations	Performance measurement
Economic relations	

**International Business Development Program**

Management of the program	Investment
Program planning	Science and technology
New approach framework	Trade policy and market access
Trade development	Performance measurement

**Consular Program**

Management of the program	Citizenship services
Service to Canadian citizens	Honorary consuls
Passport processing	Admission to Canada

**Administration Program**

Management of the program	Service standards
Program planning	Communications
Policies, systems and procedures	Performance measurement

**Human Resources**

Management of the HR function	Classification
Staffing	Pay and benefits
Staff relations	Training and development
Official languages	Health and safety
Community program activities	Import of goods

**Physical Resources**

Mission property management plan	Official vehicles
Chancery	Inventories
Official residence	Material management
Staff quarters	Recreational property
Maintenance	Disposals

**Finance**

Budget process	Reconciliations
Control framework	Banking
Expenditure authority and payment	Cash accounts
Receipt and deposit of money	Advances
Transfers (COs, IOs and SOs)	Petty cash
Cost recovery	Currency conversion
Contracting	Hospitality

**Information Technology**

Training	Capacity
Equipment configuration	Contingency and back-up
Systems	Web sites
Service	PSAT