

# The Office of Internal Oversight comes of age

Nearly four years ago, George Bartsiotas was appointed Director for Internal Oversight, the office that keeps a close eye on the OSCE's management of resources and internal control mechanisms. A former Foreign Service officer, Mr. Bartsiotas has held senior executive positions in the U.S. Department of State and in international organizations abroad. He recently shared his thoughts with the OSCE Magazine on efforts to promote modern internal audit practices in the Organization.



Director for Internal Oversight George Bartsiotas

## **OSCE Magazine: What is the role of the Office of Internal Oversight (OIO)?**

**George Bartsiotas:** The OIO carries out an independent and objective assurance and consulting function. The Office was established in 2001 to improve and to add value to the OSCE's activities. It does this through audits, evaluations and investigations, and by advising on risk management processes and governance issues.

## **How do OSCE managers view the OIO coming to audit?**

While it may be natural for managers to be guarded when auditors are at the front door, I must say that managers in the OSCE are not as guarded as they used to be. Many are now inviting us proactively to work with them. We are not only a valuable barometer of financial health, but we also help managers to determine the best ways to achieve their objectives. Part of our job is to make recommendations on areas that need improvement and to disseminate best practices and lessons learned throughout the Organization.

## **Does the auditing function receive adequate support in the OSCE?**

An organization would be unhealthy if top management did not nourish auditing work and allow auditors to work without fear or favour. Fortunately, we in the OIO receive good support in terms of resources and recognition for our work. In a relatively short period of time, we have converted a small audit unit into a fully fledged internal oversight office that operates on the basis of best practices and that adds value to the

OSCE. We recently passed a quality assurance assessment by an independent validation team, confirming just that. And while the participating States' support has been vital in terms of resources, it's the support of the current Secretary General that has been instrumental in strengthening the audit function and its independence.

## **Regarding the OIO, what keeps you awake at night?**

Naturally there are things that worry me. We are doing our best to tackle auditing work related to the adequacy of control and compliance measures. But good internal controls by themselves do not always prevent wrongdoing. There are very few control barriers that cannot be hurdled by someone determined to commit a fraudulent act. In a political setting such as ours in the OSCE, fraud that carries with it even the smallest financial implications can become a high-profile event. So what keeps auditors awake is the possibility that someone out there may be misappropriating assets, falsifying financial statements or committing other illegal acts.

## **So what is the OIO doing about that?**

Preventing fraud entails understanding not only what motivates people to commit it, but also what actually causes fraud. Most fraud cases come to the surface as a result not of audits, but of tips from co-workers and whistleblower hotlines. You can find our hotline at [www.osce.org/oio](http://www.osce.org/oio). We are currently reviewing the OSCE ethical framework and code of conduct, and developing fraud-awareness guidelines to ensure that managers can be held accountable for their actions. Simply said, OSCE officials have an obligation to spend public money with economy, efficiency and effectiveness, and to avoid waste, fraud and mismanagement.

## **Are there other areas in the OSCE where more can be done?**

Yes, we need to institutionalize the OSCE evaluation process with the support of the governing bodies. I know of no organization that considers itself well managed without having a performance-based and systematic evaluation system in place. It all comes down to this: Unless you set expectations for your programmes, and unless you set benchmarks to measure your progress, you have no chance of evaluating, with any degree of validity, whether or not your money is being spent effectively and efficiently, and no chance of holding people accountable for their actions. This is why the performance-based system that is being introduced in the OSCE is important: Among other things, it will set clear expectations up front and will provide the framework for effective evaluations later on.

## **How do you see the OSCE a few years from now?**

More focused on what it does best, and more streamlined in the way it goes about things. I think that people will come to realize that you cannot spread the OSCE's resources thin by continuing to add programmes and activities while expecting the Organization to maintain its unique *modus operandi* and be effective in executing its core activities.

**Eva Biaudet**, a member of the Finnish parliament, has been appointed **OSCE Special Representative on Combating Trafficking in Human Beings**. She is expected to assume her post at the beginning of 2007.

Supported by the Secretariat's Anti-Trafficking Assistance Unit, Ms. Biaudet will be at the forefront in implementing the OSCE Action Plan to Combat Trafficking in Human Beings. The plan advocates protecting victims' rights, bringing perpetrators to justice, and adopting prevention measures that take human rights into account.

"Working with our partners, I hope we in the OSCE can significantly raise the awareness of politicians, the media and civil society about the fact that trafficking in human beings affects us all, so that we can join forces to translate anti-trafficking programmes and policies into action," Ms. Biaudet told the *OSCE Magazine*. "We have a responsibility to make our part of the world a trafficking-hostile environment. We owe it to every individual — whether adult or child, man or woman — to give real meaning to human rights and freedoms."

As Finland's Minister of Health and Social Services (1999-2000 and 2002-2003),



Ms. Biaudet launched a Nordic-Baltic campaign against trafficking in human beings and was engaged in bringing the issue to the centre of public debate.

As a member of parliament since 1991, she has helped shape Finland's trafficking-related legislation. She has also been taking active part in the human rights work of NGOs, with a special interest in child protection, refugees and gender matters.

A law graduate of the University of Helsinki, Eva Biaudet was a deputy member of the Finnish delegation to the OSCE Parliamentary Assembly.

She succeeds Helga Konrad, who served in the post from May 2004 to May 2006.

German diplomat **Herbert Salber** was appointed **Director of the OSCE Secretariat's Conflict Prevention Centre (CPC)** with effect from 6 November. He succeeds Lamberto Zannier of Italy, who served in the post from September 2002 to August 2006.

Most recently, Ambassador Salber was based in Moscow, where he headed the German Embassy's department for economic and scientific relations from July 2004.

Ambassador Salber has been closely associated with the work of the Organization and its field operations for several years. He was Deputy Head of Germany's Permanent Mission to the OSCE (1997-2000), moving on to Kazakhstan where he served as Head of the OSCE Centre in Almaty (August 2000-August 2001). Later, under the OSCE Chairmanship of Portugal in 2002, he was appointed Special Adviser on Central Asia.

After completing his studies in French and Russian philology at the Universities of Bonn and Toulouse, he joined his country's foreign service, serving in Belgrade and in Managua, Nicaragua. His later assignments, which includ-



ed representing Germany on the United Nations Special Commission (UNSCOM), led him to specialize in matters relating to security policy and arms control.

At the German Federal Foreign Office in Berlin, he headed the division dealing with EU relations with south-eastern Europe, Eastern Europe, the Caucasus and Central

Asia (September 2001-February 2002) and, later, the division dealing with EU relations with the Commonwealth of Independent States, the Western Balkans, Turkey, Asia, Africa and Latin America (January 2003-July 2004).

Part of the OSCE Secretariat in Vienna, the CPC supports the OSCE Chairman-in-Office and the Secretary General in implementing the Organization's tasks in early warning, conflict prevention, crisis management and post-conflict rehabilitation.

Aside from its prominent role and expertise in the Organization's politico-military dimension, the CPC is also involved in a number of projects and activities in the field, focusing on education, border security and management, and other security-related issues.

Ambassador **Paraschiva Badescu**, a career diplomat from Romania and a specialist in CSCE/OSCE affairs, assumed her new position as **Head of the OSCE's new Mission to Montenegro** on 12 September.



Ambassador Badescu had been Acting Head of the Mission since it was established by the Permanent Council in June 2006. Prior to this, starting in January 2005, she was Deputy Head of the OSCE Mission to Serbia and Montenegro and also Head of the Office in Podgorica.

From January 2002 to July 2004, Ambassador Badescu was Head of the OSCE Centre in Ashgabad, Turkmenistan. She served as Senior Adviser to Romania's OSCE Chairmanship in 2001, leading the Political, Military and Institutional Section.

"The OSCE has long been an important part of my whole life, ever since I was Deputy Head of my Foreign Ministry's Department for the CSCE and other Euro-Atlantic institutions in the early 1990s," she said.

From there, she was assigned to the Permanent Mission of Romania to the OSCE and other international organizations in Vienna, completing her term as *chargé d'affaires* in 1997. Back in Bucharest, she was Deputy Head of the Foreign Ministry's Department for the OSCE, the Council of Europe and regional organizations until 2000.

Paraschiva Badescu either led or was a member of a number of Romanian delegations that negotiated several significant multilateral agreements in the politico-military area. Her most recent role in the Foreign Ministry was that of Special Adviser for Security and Strategic Issues.

She holds a master's degree in philology from Bucharest University. In 2004, she received an award as the best Romanian diplomat working in an international organization.