

2026 SPECIAL EXAMINATION

Report of the Auditor General of Canada to the Board of Governors of the International Development Research Centre



Office of the
Auditor General
of Canada

Bureau du
vérificateur général
du Canada

**INDEPENDENT
AUDITOR'S REPORT**

Special examination reports

Special examinations are a form of performance audit that is conducted within Crown corporations. The Office of the Auditor General of Canada audits most, but not all, Crown corporations.

The scope of special examinations is set out in the Financial Administration Act. A special examination considers whether a Crown corporation's systems and practices provide reasonable assurance that its assets are safeguarded and controlled, its resources are managed economically and efficiently, and its operations are carried out effectively.

More details about the audit objective, scope, approach, and sources of criteria are in About the Audit at the end of this report.

Cette publication est également offerte en français.

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Audit Summary

We examined how the International Development Research Centre implemented its corporate management practices and managed its operations during the period covered by the audit.

In examining the corporate management practices, we found a significant deficiency in board appointments, an important component of governance. On June 10, 2025, the Board of Governors had 10 vacancies, leaving it with only 4 out of a possible 14 governors. Although not within the corporation's control, these vacancies meant that the board could not meet the statutory quorum of 7 governors required for valid proceedings and decision making. Furthermore, because of the number of vacancies, most board committees were also not able to function, so the board could not fulfill many of its oversight roles and responsibilities. The **Governor in Council**¹ appointed 2 governors effective November 5, 2025, and another 2 effective November 13, 2025. These 4 appointments increased the number of governors to 8, enabling the board to meet quorum. The Governor in Council appointed another governor effective January 26, 2026, bringing the number to 9.

In examining other corporate management practices and the management of operations, we found that the corporation used many good practices but also some corporate and operational practices that needed improvement.

Our conclusion is that except for the significant deficiency related to the insufficient number of governors on the board, the corporation overall maintained its systems and practices that we examined during the period covered by the audit in a manner that provided reasonable assurance that its assets were safeguarded and controlled, its resources were managed economically and efficiently, and its operations were carried out effectively.

¹ **Governor in Council**—The Governor General, who acts on the advice of Cabinet and, as the formal executive body, gives legal effect to those decisions of Cabinet that are to have the force of law.

Introduction

Background

Role and mandate

1. The International Development Research Centre is a federal Crown corporation established in 1970. Its enabling legislation, the International Development Research Centre Act, mandates the corporation “to initiate, encourage, support and conduct research into the problems of the developing regions of the world and into the means for applying and adapting scientific, technical and other knowledge to the economic and social advancement of those regions.” The corporation reports to Parliament through the Minister of Foreign Affairs, who has designated responsibility for the corporation to the Secretary of State (International Development) since May 2025. The Minister of International Development was responsible for the corporation during the period covered by the audit prior to May 2025.

Nature of business and operating environment

2. The International Development Research Centre forms part of Canada’s foreign affairs and development efforts by promoting and funding research and innovation within and alongside developing regions to drive global change. It works with a wide variety of Canadian and foreign organizations, such as government agencies, granting councils, private sector organizations, and philanthropic foundations.

3. In support of its mandate, the corporation’s 10-year strategic plan outlined in its Strategy 2030 holds the following 3 objectives at its core:

- Invest in high-quality research and innovation in developing countries.
- Share knowledge for greater uptake and use.
- Mobilize alliances for impact.

4. The programming choices for Strategy 2030 aim to contribute to development outcomes that respond to the effects of climate change and persistent inequalities. The 5 programming choices include climate-resilient food systems, global health, education and science, democratic and inclusive governance,

and sustainable inclusive economies. They also aim to contribute to achieving various United Nations' Sustainable Development Goals and are anchored in a vision for a more sustainable and inclusive world. The corporation obtains most of its funding from the Government of Canada through parliamentary appropriations ([Exhibit 1](#)). As permitted by the International Development Research Centre Act, the corporation seeks and obtains additional funding from various donors that are interested in supporting research projects. The majority of the donor contributions come from foreign organizations, such as foreign bilateral agencies, and from global programs funded by various types of international organizations or countries.

Exhibit 1—The International Development Research Centre's revenues and expenses

Category	2020-21	2021-22	2022-23	2023-24	2024-25
Revenues— Parliamentary appropriations	\$145.7 million	\$148.6 million	\$158.3 million	\$166.2 million	\$161.5 million
Revenues— Donor contributions	\$56.9 million	\$66.3 million	\$71.4 million	\$86.4 million	\$120.3 million
Revenues— Investment and other income	\$0.6 million	\$1.3 million	\$2.2 million	\$2.1 million	\$5.1 million
Total revenues	\$203.2 million	\$216.2 million	\$231.9 million	\$254.7 million	\$286.9 million
Expenses— Development research programming	\$183.7 million	\$180.8 million	\$220.9 million	\$230.6 million	\$275.0 million
Expenses— Corporate and administrative services	\$21.0 million	\$20.9 million	\$24.3 million	\$24.3 million	\$26.9 million
Total expenses	\$204.7 million	\$201.7 million	\$245.2 million	\$254.9 million	\$301.9 million
Net result of operations	-\$1.5 million	\$14.5 million	-\$13.3 million	-\$0.2 million	-\$15.0 million

Source: International Development Research Centre audited financial statements

5. The corporation is headquartered in Ottawa, Canada, and has 5 regional offices, located in Montevideo, Uruguay; Nairobi, Kenya; Dakar, Senegal; Amman, Jordan; and New Delhi, India. As at March 31, 2025, it had a workforce of 366 employees, of whom 93, or about 25%, worked in the regional offices.

Focus of the audit

6. Our objective for this audit was to determine whether the systems and practices we selected for examination at the International Development Research Centre were providing the corporation with reasonable assurance that its assets were safeguarded and controlled, its resources were managed economically and efficiently, and its operations were carried out effectively, as required by subsection 138(1) of the Financial Administration Act.

7. Also, section 139 of the Financial Administration Act requires that we state an opinion, with respect to the criteria established pursuant to subsection 138(3), on whether there was reasonable assurance that there were no significant deficiencies in the systems and practices we examined. We report significant deficiencies when, in our opinion, the corporation could be prevented from having reasonable assurance that its assets are safeguarded and controlled, its resources are managed economically and efficiently, and its operations are carried out effectively.

8. On the basis of our risk assessment, we selected systems and practices in the following areas:

- Corporate management practices
- Management of operations

The selected systems and practices, and the criteria used to assess them, are listed in the exhibits throughout the report.

9. More details about the audit objective, scope, approach, and sources of criteria are in [About the Audit](#) at the end of this report.

Findings, Recommendations, and Responses

Corporate management practices

The number of board vacancies prevented the board from having quorum and resulted in a significant deficiency in corporate governance

Context

10. **Corporate governance.** The Board of Governors is accountable for the overall stewardship of the corporation. The board provides strategic guidance to management and oversees the activities of the corporation, ensuring that the corporation's business activities contribute to achieving its mandate. The corporation's Board Charter outlines its key responsibilities in the areas of strategic direction; performance management of the President and succession planning; risk management; information management and integrity; and governance and board effectiveness.

11. Under the International Development Research Centre Act, the Board of Governors consists of the Chairperson, the President, and not more than 12 other governors. The Chairperson, the board-elected Vice-Chairperson, and at least 6 other governors must be Canadian citizens. For the proceedings of any meeting of the board to be valid, 7 governors, at least 4 of whom are Canadian citizens, need to attend. The board is required to meet at least twice each year. All the governors are appointed by the Governor in Council through a process that is outside the corporation's control. Upon the expiry of their appointed terms, governors cannot continue serving unless they are reappointed. This is different from other Crown corporations, where board members can continue serving after their terms have expired until they have been replaced or reappointed.

12. The act and the Board Charter collectively require 4 board committees:

- The Executive Committee of the board is required by the International Development Research Centre Act and to meet at least 4 times per year. It consists of the Chairperson, the President, and at least 3 other governors. It exercises such powers and performs such functions of the corporation as assigned to it by corporate by-laws and submits minutes of its proceedings at the next board meeting. It has the authority

to exercise and perform all of the powers and functions of the board between meetings except for altering any fundamental policy of the corporation, increasing the total authorized budget of the corporation, and changing any by-laws. Its quorum is constituted by 3 members of the committee, at least 2 of whom are Canadian citizens.

- The Finance and Audit Committee assists the board in fulfilling its oversight responsibilities with respect to financial management and reporting, internal controls, internal and external audit, risk management, and standards for integrity and behaviour. It is also required by the Financial Administration Act and consists of at least 3 governors. The Board Charter requires the committee to meet at least 3 times per year.
- The Strategy, Program Performance and Learning Committee supports the board in fulfilling its governance responsibilities with respect to the corporation's strategic annual planning, program directions, performance monitoring, and organizational learning. It is to consist of a minimum of 4 and a maximum of 6 governors, including the President. The Board Charter requires the committee to meet at least 3 times per year.
- The Human Resources Committee assists the board in the oversight of the application of sound human resource policies and practices. It is to consist of at least 3 governors, including the President. The Board Charter requires the committee to meet at least 3 times per year.

13. **Strategic planning.** Organizations use a systematic strategic planning process to define their direction and make decisions about how to allocate resources to achieve their longer-term goals. The corporation's strategic planning process developed a 10-year Strategy 2030, which formalized its programming priorities and guides the corporation toward making meaningful contribution toward the achievement of the United Nations' Sustainable Development Goals by 2030. The corporation prepares an annual priorities, allocation, and budget document as one of the mechanisms to support the implementation of the long-term strategy.


14. **Corporate risk management.** Corporations must identify and mitigate risks that may threaten the achievement of their objectives. Various risks identified are to be assessed on the basis of the likelihood of occurrence and impact should they occur so that appropriate attention is devoted to their mitigation. Accordingly, putting in place well-defined mitigation strategies, risk appetite statements and tolerances, and time-bound, detailed action plans and then monitoring their effectiveness provides the basis for the



board and management to ensure that the corporation has effective practices to mitigate such risks. The corporation had identified key corporate risks, which fall within the themes of reputation, funding, cyber security, and the well-being of employees.


Corporate governance

15. **Findings.** We found that board vacancies constituted a significant deficiency in corporate governance ([Exhibit 2](#)).




Exhibit 2—Corporate governance—Key findings and assessment

Systems and practices	Criteria used	Key findings	Assessment against the criteria
Board appointments and competencies	The board collectively had the capacity and competencies to fulfill its responsibilities.	<p>The board developed a skills matrix that listed each governor’s general knowledge and area of familiarity within each of the corporation’s programming themes. The board identified areas for strengthening and shared this assessment with the minister responsible for the corporation at the time.</p> <p>The corporation developed and recommended a development and training plan, which was approved by the Executive Committee of the board.</p> <p>The corporation supported the board’s use of external experts on an exceptional basis to augment board governors’ knowledge of particular topics.</p> <p>Significant deficiency</p> <p>As of June 10, 2025, the board consisted of only 4 governors because of 10 vacancies, which prevented the board from holding valid meetings because it could not meet the quorum requirements. The number of vacancies ultimately resulted in the absence of a functional board and committees, compromising their oversight role and their ability to make decisions. In November 2025, the Governor in Council appointed 4 governors, bringing the number of governors to 8, which met the quorum requirements.</p>	

Systems and practices	Criteria used	Key findings	Assessment against the criteria
Board independence	The board functioned independently.	<p>The corporation had a code of conduct that applied to both governors and employees. Governors submitted an annual declaration that included an acknowledgement of and compliance with the code of conduct and a commitment toward serving in the best interest of the corporation.</p> <p>The Board Charter noted that management, not governors, approved funding to individual projects or recipients and also described how potential conflicts of interest were to be managed.</p> <p>When the Board of Governors was able to function, it:</p> <ul style="list-style-type: none"> • made decisions independently of management and held regular private meetings without management in attendance • requested that governors declare any conflicts of interest at the beginning of board meetings 	
Providing strategic direction	The board provided strategic direction.	<p>When the Board of Governors was able to function, it:</p> <ul style="list-style-type: none"> • approved an annual planning document consisting of information on the corporation's priorities, programs, allocations, and budgets in support of implementing the corporation's Strategy 2030 • was active in setting the President's annual objectives and evaluating her performance against those objectives; performance objectives included links to the corporation's strategic objectives set in Strategy 2030 	

Systems and practices	Criteria used	Key findings	Assessment against the criteria
Board oversight	The board carried out its oversight role over the corporation.	<p>The roles and responsibilities of the board and its committees were defined in various documents.</p> <p>The board's and its committees' oversight activities were supported by annual workplans.</p> <p>When the Board of Governors was able to function:</p> <ul style="list-style-type: none"> the board and its committees received information on and discussed various topics, including various corporate performance metrics, progress against the implementation of Strategy 2030, the corporation's financial status, risk management, current operating environment, and progress on various projects and initiatives the board's oversight was supported by the internal audit function, which conducted audits on the basis of the corporation's risk-based audit plan; management reported to the board on its progress in implementing responses to audit recommendations 	

Legend—Assessment against the criteria

-  Met the criteria
-  Met the criteria, with improvement needed
-  Did not meet the criteria

16. **Significant deficiency—Board appointments and competencies.** The board kept advising the responsible ministers of existing governor vacancies and the term appointments that were set to expire. Nevertheless, on June 10, 2025, the board was left with only 4 out of a possible 14 governors after some governors' terms expired at the beginning of the month. Without a quorum of 7 governors, board meeting proceedings could not be considered valid.

17. Because of the diminished board capacity resulting from so many vacancies, the corporation's plan was for the remaining 4 governors to continue meeting so that management could inform them of the corporation's performance despite the proceedings of those meetings not being valid board meetings. Although the Finance and Audit Committee continued performing functions not requiring board resolutions, the other board committees ceased performing their roles and responsibilities.

18. The Governor in Council appointed 2 governors effective November 5, 2025, and another 2 effective November 13, 2025. These additions raised the number of governors to 8, which permitted the board to meet quorum requirements and hold valid board meetings. The Governor in Council appointed another governor effective January 26, 2026, bringing the number to 9.

19. We reported a significant deficiency in this area in our [2016 special examination report](#) to the corporation. We noted that the board did not have enough governors to ensure a quorum was continuously maintained. The corporation then operated with 7 or 8 out of 14 governors because of delays in appointments, and the board was unable to meet the statutory quorum of 7 in several meetings. This threatened the board's ability to validly transact business. However, the impact in 2016 was not as severe as when the board had only 4 governors for approximately 5 months in 2025.



20. **Recommendation.** The International Development Research Centre should provide the minister with the updated profile of skills, knowledge, and experience needed by governors to exercise effective oversight. Recognizing that governors are appointed through a process that is outside the corporation's control, the corporation should continue engaging with the minister on a regular and timely basis about the current and upcoming board vacancies to ensure that they do not interrupt the functioning of the board.

The corporation's response. Agreed. Management will share information with the Secretary of State (International Development) on skills, knowledge, and experience needed by governors to ensure effective oversight and looks forward to continuing to work with the Secretary of State and other government interested parties to ensure the appointment of Governor in Council candidates to fill current and future vacancies.




Strategic planning

21. **Findings.** We found that the corporation had good systems and practices for strategic planning, but improvements were needed in performance measurement, monitoring, and reporting ([Exhibit 3](#)).

Exhibit 3—Strategic planning—Key findings and assessment

Systems and practices	Criteria used	Key findings	Assessment against the criteria
Strategic planning	The corporation established a strategic plan and strategic objectives that were aligned with its mandate.	<p>The corporation’s Strategy 2030 sets out its corporate objectives and programming priorities for a 10-year horizon, which are aligned with its legislative mandate. The corporation made this document available to the public on its website.</p> <p>The corporation had other resources focused on specific topics that helped support aspects of its overall strategy, such as strategies for people and cyber security, as well as an environmental, social, and governance framework and roadmap.</p>	
Performance measurement, monitoring, and reporting	The corporation established performance indicators in support of achieving its strategic objectives and monitored and reported on its progress against those indicators.	<p>The corporation’s monitoring, evaluation, and learning framework documents in detail how the corporation tracks and assesses its progress toward meeting Strategy 2030 strategic objectives through established key performance indicators and their targets.</p> <p>The monitoring, evaluation, and learning framework established internal monitoring and reporting requirements, including to the board, which were followed. It included an annual progress report and a strategic learning and adaptation report to be produced every 3 years.</p> <p>The corporation reported to the public its achievements through an annual report and held an annual public meeting.</p> <p>The corporation published an annual environmental, social, and governance report describing the corporation’s sustainability and inclusion initiatives and accomplishments.</p> <p>Weakness</p> <p>While available to the board and management, the corporation’s published annual report did not contain specific performance indicators and targets for the 3 core objectives of Strategy 2030. Therefore, interested parties could not readily assess how the corporation was achieving its strategic objectives.</p>	

Legend—Assessment against the criteria

-  Met the criteria
-  Met the criteria, with improvement needed
-  Did not meet the criteria

22. **Weakness—Performance measurement, monitoring, and reporting.** The corporation's Strategy 2030 included descriptions of its 3 core objectives and desired development outcomes, its contribution to the United Nations' Sustainable Development Goals, the need of those benefiting from research results, and the corporation's contribution for each of the 5 priority programming themes. Annually, the corporation describes its achievements in its published annual report, which contains various statistical information on its research projects and describes some research accomplishments. The desired development outcomes and contributions are described in qualitative terms. We found that, while the report included some performance information on the use of financial resources, it did not include information on the corporation's performance indicators and achievements against their targets specific to the 3 strategic objectives. That information is available to the board and management, but without it being published, it is difficult for interested parties outside the corporation to assess how the corporation is meeting its Strategy 2030 core objectives and associated programming outcomes.



23. **Recommendation.** The International Development Research Centre should publish its key performance indicators for each of the strategic objectives and report progress against their targets in its annual report.


The corporation's response. Agreed. In 2026, the International Development Research Centre will undertake its interim review of Strategy 2030 and will use this to inform any adjustments to its indicators. Reporting progress against key performance indicators will therefore be reflected in the 2026–2027 annual report.

Corporate risk
management




24. **Findings.** We found that the corporation had good systems and practices for identifying and assessing risks. However, improvements were needed in risk mitigation and in risk monitoring and reporting ([Exhibit 4](#)).

Exhibit 4—Corporate risk management—Key findings and assessment

Systems and practices	Criteria used	Key findings	Assessment against the criteria
Risk identification and assessment	The corporation identified and assessed the risks to achieving its strategic objectives.	<p>The corporation had a suite of recently updated risk management documents, including a policy, a framework, and procedures. Its risk management approach consisted of key elements of sound risk management practices, including having a corporate risk profile.</p> <p>The corporation identified many strategic and operational risks, which were amalgamated into 4 main corporate risks. All risks were assessed for their severity according to their likelihood of occurrence and potential impact.</p>	
Risk mitigation	The corporation defined and implemented risk mitigation measures.	<p>The corporation developed risk appetite statements and risk tolerances with key performance indicators and associated targets.</p> <p>The corporation identified current and future risk mitigating actions, their timelines for implementation, and the individuals responsible for their implementation.</p> <p>Risk mitigating measures included having a disaster recovery and business continuity plan, succession planning for key management positions, ongoing cyber security monitoring and testing, and having employees annually confirm their understanding of the corporate code of conduct.</p> <p>Weakness</p> <p>Some of the risk mitigating actions that we selected for examination were not implemented as planned, thereby exposing the corporation to a greater potential threat of those risks.</p>	

Systems and practices	Criteria used	Key findings	Assessment against the criteria
Risk monitoring and reporting	The corporation monitored and reported on the implementation of risk mitigation measures.	<p>Management and the board used the corporate risk profile to annually hold a focused discussion on risks and their mitigating actions.</p> <p>The corporation had a dedicated risk management committee that met quarterly.</p> <p>Weakness</p> <p>Reporting to the board and management did not clearly indicate the status of risk mitigating actions and did not include a measurement against established risk tolerances that would help them further assess the effectiveness of the corporation's management of risks.</p>	

Legend—Assessment against the criteria

-  Met the criteria
-  Met the criteria, with improvement needed
-  Did not meet the criteria

25. **Weaknesses—Risk mitigation and risk monitoring and reporting.** The corporation identified various ongoing controls and specific risk mitigating actions for its corporate risks. Out of the 12 mitigating actions that we selected for examination, 7 had not been fully carried out as planned. For example, in response to corporate cyber security risk, the corporation had developed a business continuity plan, with the current security policy requiring the corporation to conduct testing of the plan regularly. Although tests, such as tabletop exercises, had been required to be conducted since 2021, a first exercise had been carried out in May 2025.

26. We also found that, while the corporate risk profile included the target dates for implementing specific risk mitigating actions, internal reporting to the board and management did not subsequently indicate whether those actions had been implemented by the set target dates or that new target dates had been established. Additionally, the corporation developed risk tolerances with specific performance indicators to support its stated risk appetites, but the reporting on their achievement had not yet begun. Without such reporting, management and the board were unable to readily assess how risk mitigating actions contributed to the management of the corporation's corporate risks.

27. **Recommendation.** The International Development Research Centre should report regularly to the board and management on the status of risk mitigating actions to ensure they are appropriately implemented. It should also report results against developed risk tolerances' key performance indicators and targets.

The corporation's response. Agreed. Going forward, a mid-year and an end-year update on corporate risk mitigating strategies, as well as the results of the International Development Research Centre's risk tolerance key performance indicators, will be reviewed by the Centre Management Committee and the board annually.

Management of operations

The corporation had good practices for managing operations, but some improvements were needed in managing research projects

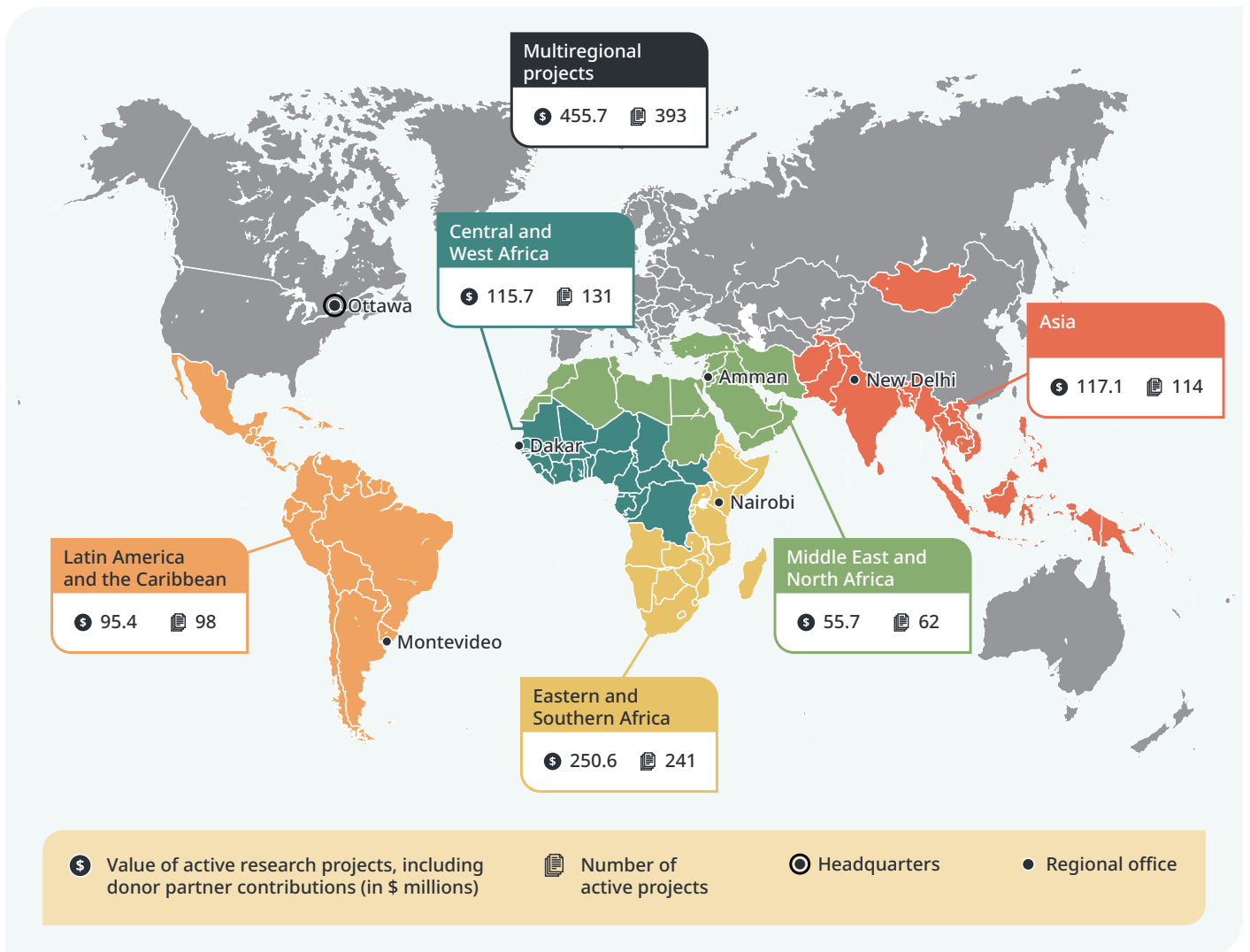
Context

28. The corporation does not directly conduct research. Rather, it supports external researchers either through funding entirely from its own resources or through co-funding arrangements that include contributions from donor partners ([Exhibit 5](#)).

29. Research projects typically begin with open calls for proposals or direct engagement with researchers or institutions. Once the funds have been granted for eligible research projects, the corporation monitors the progress by requiring regular reporting from recipients and conducting its own oversight activities. It evaluates research outcomes to assess alignment with project objectives and broader organizational goals. In addition, the corporation supports the dissemination of research findings to ensure that knowledge generated is accessible and can inform policy, practice, and further research.

30. **Operational planning and operational performance measurement, monitoring, and reporting.** Operational planning is the result of the corporation's branches working in coordination to execute the multi-year strategic plan. The goal is to define the objectives, priority activities, resources, and measures needed for success. The corporation's 3 main operational branches (programs and partnership; resources; and strategy, regions and policy) are to regularly monitor the advancement of operational plans and are to report to senior management and the Board of Governors.

Exhibit 5—International Development Research Centre active research projects carried out in different regions of the world at the end of the 2024–25 fiscal year



Source: Based on information from the International Development Research Centre



[Read the Exhibit 5 text description](#)

31. **Supporting research.** The core objective to invest in high-quality research and innovation in developing countries is intended to strengthen the capacity of those countries for conducting evidence-based research and innovation to address their own development challenges as well as to contribute to broader global solutions. Research results are aimed to reflect and address the needs and views of vulnerable and marginalized populations, leading to recommendations and actions.



32. **Sharing research results.** Building on supporting research, the corporation recognizes that sharing research results and knowledge must be clear and visible, and accessible and relevant to users for greater uptake and use.

33. **Collaborating with donors.** This objective constitutes forming and working with alliances for impact, consistent with the United Nations’ 2030 Agenda for Sustainable Development and Sustainable Development Goal 17 (Partnerships for the Goals). The objective strives to strengthen and expand the corporation’s collaboration with existing funding partners and pursue new alliances in recognition that growing resources available for research can increase the value of the corporation’s investments in research for development.




Operational planning
and operational
performance
measurement,
monitoring, and
reporting

34. **Findings.** We found that the corporation had good systems and practices for operational planning and for operational performance measurement, monitoring, and reporting ([Exhibit 6](#)).

Exhibit 6—Operational planning and operational performance measurement, monitoring, and reporting—Key findings and assessment

Systems and practices	Criteria used	Key findings	Assessment against the criteria
Operational planning	The corporation’s operational planning aligned with its strategic objectives.	The corporation had 5-year plans for guiding the implementation toward meeting its 5 programming priorities. The plans focused on intermediate outcomes of Strategy 2030 and served as a basis for establishing the branches’ annual priorities and budgets.	
Operational performance measurement, monitoring, and reporting	The corporation established performance indicators to measure its operational performance and monitored and reported on progress.	Management assessed the corporation’s progress toward achieving its annual priorities by regularly monitoring a dashboard presenting metrics on such topics as project funding, audience visitation of the corporation’s media sources, and human resources. The corporation also monitored the progress toward completing all activities in its annual program plans and reported it to management and board twice per year.	



Legend—Assessment against the criteria

-  Met the criteria
-  Met the criteria, with improvement needed
-  Did not meet the criteria




Supporting research and sharing research results

35. **Findings.** We found that the corporation had good systems and practices for supporting research and sharing research results, but improvements were needed in implementing some procedures ([Exhibit 7](#)).

Exhibit 7—Supporting research and sharing research results—Key findings and assessment

Systems and practices	Criteria used	Key findings	Assessment against the criteria
Selecting and managing research projects	The corporation selected and managed its research projects to achieve set objectives and expected results.	<p>The corporation had documented its processes for planning, conducting, and reporting on research projects and sharing results. These processes were aligned with sound project management practices and included continuous improvement activities, such as internal and external independent reviews of its conduct of research and transferring knowledge of research results.</p> <p>The corporation carried out research that aligned with its programming priorities and contributed to achieving the United Nations' Sustainable Development Goals as outlined in its strategic plan.</p> <p>Weakness</p> <p>The corporation did not consistently implement certain requirements outlined in its processes that we selected for examination.</p>	
Disseminating research results	The corporation disseminated its research results to achieve set objectives and expected results.	The corporation shared research results with other members of governmental and academic organizations, and the public, through activities such as conferences, articles in various publications, policy briefs, and workshops. Research results were also often made available on its website.	

Legend—Assessment against the criteria

-  Met the criteria
-  Met the criteria, with improvement needed
-  Did not meet the criteria

36. **Weakness—Selecting and managing research projects.** The corporation had a suite of documents, such as policy manuals, administrative procedures, and guidelines, identifying requirements to help guide the administration and the management of projects through planning, implementation, and completion phases. However, we found that certain requirements we selected for examination did not meet expectations articulated in those documents.

37. For example, project officers are required to finalize and get a project completion report approved by management within 3 months of completing a project. The project completion report is an internal document that does not affect deliverables and payments. Rather, it includes information that could help the corporation improve aspects of the design and implementation of future projects. In examining the requirements surrounding this specific report, out of the 20 completed projects that we reviewed, 7 had project completion reports completed on time, 10 were completed months after the expected timeline, and 3 were not completed.


38. **Recommendation.** The International Development Research Centre should review and update its research project management processes and procedures to ensure that requirements continue to add value. The corporation should then ensure that those processes and procedures are implemented as designed.

The corporation's response. Agreed. As part of the deployment of the International Development Research Centre's new grantee-facing portal interface, research project management processes and procedures are being reviewed and refined on an ongoing basis, including improved workflow integration of project completion reports, which continue to add value to program management. This work will be completed by June 2026.




Collaborating with
donors

39. **Findings.** The International Development Research Centre had good practices for collaborating with donors ([Exhibit 8](#)).

Exhibit 8—Collaborating with donors—Key findings and assessment

Systems and practices	Criteria used	Key findings	Assessment against the criteria
Partnering with donors	The corporation selected and worked with donors to achieve set objectives and expected results.	<p>The corporation had a funding partnership strategy with defined outcomes aimed toward increasing financial resources and diversifying its donor base.</p> <p>The corporation had documented its process for establishing partnership agreements with donors. These agreements defined programming themes for investment and established ongoing monitoring practices, such as establishing oversight committees and setting requirements for interim and final reports on the implementation of those agreements.</p> <p>The corporation reported to donors on progress and results of their funded research projects through formal reports.</p> <p>The corporation implemented processes to assess and review lessons learned from externally funded programs. One such specific assessment was completed in 2024, and lessons learned were shared with program staff.</p>	

Legend—Assessment against the criteria

-  Met the criteria
-  Met the criteria, with improvement needed
-  Did not meet the criteria

Conclusion

40. In our opinion, on the basis of the criteria established, there was a significant deficiency in the corporation’s corporate governance, but there was reasonable assurance that there were no significant deficiencies in the other systems and practices we examined. We concluded that except for this significant deficiency, the International Development Research Centre maintained its systems and practices during the period covered by the audit in a manner that provided the reasonable assurance required under subsection 138(1) of the Financial Administration Act.

About the Audit

This independent assurance report was prepared by the Office of the Auditor General of Canada on the International Development Research Centre. Our responsibility was to express:

- an opinion on whether there was reasonable assurance that during the period covered by the audit, there were no significant deficiencies in the corporation's systems and practices we selected for examination
- a conclusion on whether the corporation complied in all significant respects with the applicable criteria

Under section 131 of the Financial Administration Act, the corporation is required to maintain financial and management control and information systems and management practices that provide reasonable assurance that:

- its assets are safeguarded and controlled
- its financial, human, and physical resources are managed economically and efficiently
- its operations are carried out effectively

Also, subsection 138(2) of the act requires the corporation to have a special examination of these systems and practices carried out at least once every 10 years.

All work in this audit was performed to a reasonable level of assurance in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001—Direct Engagements, set out by the Chartered Professional Accountants of Canada (CPA Canada) in the CPA Canada Handbook—Assurance.

The Office of the Auditor General of Canada applies the Canadian Standard on Quality Management 1—Quality Management for Firms That Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements. This standard requires our office to design, implement, and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

In conducting the audit work, we complied with the independence and other ethical requirements of the relevant rules of professional conduct applicable to the practice of public accounting in Canada, which are founded on fundamental principles of integrity and due care, objectivity, professional competence, confidentiality, and professional behaviour.

In accordance with our regular audit process, we obtained the following from the corporation:

- confirmation of management's responsibility for the subject under audit
- acknowledgement of the suitability of the criteria used in the audit
- confirmation that all known information that has been requested, or that could affect the findings or audit conclusion, has been provided
- confirmation that the audit report is factually accurate

Audit objective

The objective of this audit was to determine whether the systems and practices we selected for examination at the International Development Research Centre were providing the corporation with reasonable assurance that its assets were safeguarded and controlled, its resources were managed economically and efficiently, and its operations were carried out effectively, as required by subsection 138(1) of the Financial Administration Act.

Scope and approach

The scope of the International Development Research Centre special examination was based on our assessment of the risks the corporation faced that could affect its ability to meet the requirements set out in the Financial Administration Act and its key management and business activities.

As part of our examination, we interviewed governors of the board, senior management, and other employees to gain insights into the corporation's systems and practices. In performing our work, we reviewed key documents related to the systems and practices selected for examination.

We also selected samples in some systems and practices on the basis of our professional judgment to examine whether certain project management requirements had been met. Most significantly, our testing of projects to assess systems and practices relating to selecting and managing research projects, disseminating research results, and partnering with donors included projects that were in the planning, implementation, or reporting phase of the project life cycle.

In carrying out the special examination, we did not rely on any internal audits.

The systems and practices selected for examination for each area of the audit are listed in the exhibits throughout the report.

Sources of criteria

The criteria used to assess the systems and practices selected for examination are listed in the exhibits throughout the report.

Corporate governance

Practice Guide: Assessing Organizational Governance in the Public Sector, The Institute of Internal Auditors, 2014

Internal Control—Integrated Framework, Committee of Sponsoring Organizations of the Treadway Commission, 2013

Conflict of Interest Act

Financial Administration Act

International Development Research Centre Act

By-laws for International Development Research Centre

Board Charter, International Development Research Centre

Strategic planning

Guidance for Crown Corporations on Preparing Corporate Plans and Budgets, Treasury Board of Canada Secretariat, 2019

Recommended Practice Guideline 3, Reporting Service Performance Information, International Public Sector Accounting Standards Board, 2015

Financial Administration Act

International Development Research Centre Act

Strategy 2030, International Development Research Centre, 2021

Monitoring, Evaluation and Learning Framework, International Development Research Centre

Corporate risk management

Enterprise Risk Management—Integrated Framework, Committee of Sponsoring Organizations of the Treadway Commission, 2017

Internal Control—Integrated Framework, Committee of Sponsoring Organizations of the Treadway Commission, 2013

ISO 31000—Risk Management—Guidelines, International Organization for Standardization, 2018

Management Policy Manual, International Development Research Centre

Supporting research

Internal Control—Integrated Framework, Committee of Sponsoring Organizations of the Treadway Commission, 2013

A Guide to the Project Management Body of Knowledge (PMBOK Guide), seventh edition, Project Management Institute Inc., 2021

Strategy 2030, International Development Research Centre, 2021

Management Policy Manual, International Development Research Centre

Sharing research results

Internal Control—Integrated Framework, Committee of Sponsoring Organizations of the Treadway Commission, 2013

A Guide to the Project Management Body of Knowledge (PMBOK Guide), seventh edition, Project Management Institute Inc., 2021

Strategy 2030, International Development Research Centre, 2021

Management Policy Manual, International Development Research Centre

Knowledge Sharing Framework, International Development Research Centre

Collaborating with donors

Internal Control—Integrated Framework, Committee of Sponsoring Organizations of the Treadway Commission, 2013

A Guide to the Project Management Body of Knowledge (PMBOK Guide), seventh edition, Project Management Institute Inc., 2021

Strategy 2030, International Development Research Centre, 2021

Management Policy Manual, International Development Research Centre

Funding Partnership Strategy, International Development Research Centre

Period covered by the audit

The special examination covered the period from September 1, 2024, to April 30, 2025, except for board appointments and competencies in corporate governance, for which the period was extended to November 30, 2025. The latter period was extended because the Financial Administration Act requires the special examination report to be received by a board of a corporation, and prior to mid-November, the board did not have a sufficient number of governors to meet the quorum for proceedings of meetings to be considered valid. These are the periods to which the audit conclusion applies.

To gain a more complete understanding of some systems and practices, we also examined certain matters that preceded the start date of this period.

Date of the report

We obtained sufficient and appropriate audit evidence on which to base our conclusion on February 2, 2026, in Ottawa, Canada.

Date of the presentation of the report to the Board of Governors

The report was presented to the Board of Governors on March 19, 2026.

Audit team

This special examination was completed by a multidisciplinary team from across the Office of the Auditor General of Canada led by Dusan Duvnjak, Principal. The principal has overall responsibility for audit quality, including conducting the audit in accordance with professional standards, applicable legal and regulatory requirements, and the office's policies and system of quality management.

Recommendations and the Corporation's Responses

In the following table, the paragraph number preceding the recommendation indicates the location of the recommendation in the report.

Recommendation	Response
<p>20. The International Development Research Centre should provide the minister with the updated profile of skills, knowledge, and experience needed by governors to exercise effective oversight. Recognizing that governors are appointed through a process that is outside the corporation's control, the corporation should continue engaging with the minister on a regular and timely basis about the current and upcoming board vacancies to ensure that they do not interrupt the functioning of the board.</p>	<p>The corporation's response. Agreed. Management will share information with the Secretary of State (International Development) on skills, knowledge, and experience needed by governors to ensure effective oversight and looks forward to continuing to work with the Secretary of State and other government interested parties to ensure the appointment of Governor in Council candidates to fill current and future vacancies.</p>
<p>23. The International Development Research Centre should publish its key performance indicators for each of the strategic objectives and report progress against their targets in its annual report.</p>	<p>The corporation's response. Agreed. In 2026, the International Development Research Centre will undertake its interim review of Strategy 2030 and will use this to inform any adjustments to its indicators. Reporting progress against key performance indicators will therefore be reflected in the 2026–2027 annual report.</p>
<p>27. The International Development Research Centre should report regularly to the board and management on the status of risk mitigating actions to ensure they are appropriately implemented. It should also report results against developed risk tolerances' key performance indicators and targets.</p>	<p>The corporation's response. Agreed. Going forward, a mid-year and an end-year update on corporate risk mitigating strategies, as well as the results of the International Development Research Centre's risk tolerance key performance indicators, will be reviewed by the Centre Management Committee and the board annually.</p>
<p>38. The International Development Research Centre should review and update its research project management processes and procedures to ensure that requirements continue to add value. The corporation should then ensure that those processes and procedures are implemented as designed.</p>	<p>The corporation's response. Agreed. As part of the deployment of the International Development Research Centre's new grantee-facing portal interface, research project management processes and procedures are being reviewed and refined on an ongoing basis, including improved workflow integration of project completion reports, which continue to add value to program management. This work will be completed by June 2026.</p>

Appendix—Text Description of Exhibit

Here is the text description of the exhibit.

Exhibit 5—International Development Research Centre active research projects carried out in different regions of the world at the end of the 2024–25 fiscal year—Text description

This map identifies the 5 regions of the world where active research projects were allocated funding by the International Development Research Centre for the 2024–25 fiscal year: Asia, Central and West Africa, Eastern and Southern Africa, Latin America and the Caribbean, and the Middle East and North Africa. For each region, the map identifies the value of active projects, including donor partner contributions; the number of active projects; and the location of the regional office.

Also identified is the International Development Research Centre’s headquarters, which is in Ottawa, Canada.

In Asia, the value of active projects, including donor partner contributions, was \$117.1 million, and there were 114 active projects. The regional office was in New Delhi, India.

In Central and West Africa, the value of active projects, including donor partner contributions, was \$115.7 million, and there were 131 active projects. The regional office was in Dakar, Senegal.

In Eastern and Southern Africa, the value of active projects, including donor partner contributions, was \$250.6 million, and there were 241 active projects. The regional office was in Nairobi, Kenya.

In Latin America and the Caribbean, the value of active projects, including donor partner contributions, was \$95.4 million, and there were 98 active projects. The regional office was in Montevideo, Uruguay.

In the Middle East and North Africa, the value of active projects, including donor partner contributions, was \$55.7 million, and there were 62 active projects. The regional office was in Amman, Jordan.

The map also indicates that the value of active multiregional projects, including donor partner contributions, was \$455.7 million and that there were 393 active multiregional projects.

Source: Based on information from the International Development Research Centre



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