



WORKING PAPER

ASSEMBLY — 40TH SESSION

ADMINISTRATIVE COMMISSION

Agenda Item 59: Appointment of External Auditor

**APPOINTMENT OF THE EXTERNAL AUDITOR OF ICAO
FOR THE FINANCIAL YEARS 2020, 2021 AND 2022**

(Presented by the Council of ICAO)

EXECUTIVE SUMMARY

This paper reports on the action taken by the Council to appoint a new External Auditor for the years 2020, 2021 and 2022 and provides information on the results of the review, by a working group of the Council, of the nominations received from Member States for the position of External Auditor of ICAO.

Action: The Assembly is invited to:

- a) confirm the appointment of Mr. Michel Huissoud, President of the Swiss Federal Audit Office as ICAO's External Auditor of the financial years 2020, 2021 and 2022; and
- b) adopt the attached draft Assembly Resolution.

<i>Strategic Objectives:</i>	This working paper refers to Supporting Implementation Strategy: Management and Administration: Budget and Financial Management.
<i>Financial implications:</i>	The cost of services to be provided by the External Auditor will be CAD 507,000 for the next triennium.
<i>References:</i>	Doc 10075, <i>Assembly Resolutions in force</i> (as of 6 October 2016) Doc 7515/16, <i>The ICAO Financial Regulations</i>

1. INTRODUCTION

1.1 Article XIII of the Financial Regulations provides that the Council shall appoint an External Auditor, subject to confirmation by the Assembly.

2. BACKGROUND

2.1 In Assembly Resolution A38-30, the Assembly confirmed the action taken by the Council in appointing Mr. Giuseppe Cogliandro, President of the Audit Chamber for Community and International Affairs of the Corte dei Conti of Italy, as the External Auditor for the accounts of the financial years 2014, 2015 and 2016 and in Assembly Resolution A39-36, the Assembly confirmed the action taken by the Council in appointing Mr. Raffaele Squitieri, President of the Corte dei Conti of Italy as the External Auditor of ICAO for the financial years 2017, 2018 and 2019 in accordance with Financial Regulation 13.1.

2.2 To ensure a rotation of the appointment of the External Auditor, the Council has set a time limit for the mandate of the External Auditor at a maximum of six years, comprised of an initial term of three years with the possibility of one extension, subject to a satisfactory performance assessment by the Council and successful negotiations about the terms and cost of a renewed appointment. Therefore, after two terms of three years ending in 2019, the nomination of a new External Auditor for the financial years 2020, 2021 and 2022 was required.

3. ACTION TAKEN

3.1 In November 2018, a State letter was issued asking for nominations for the position of ICAO's External Auditor for the financial years 2020, 2021, and 2022. Nominations were received from seven States. All applications have been evaluated by a Working Group of the Council on the basis of the criteria approved by the Council. As a result, three candidates were shortlisted and invited for individual interviews. Based on its evaluation, the Working Group recommended to the Council the appointment of an External Auditor for a three-year period commencing on 1 January 2020.

4. APPOINTMENT BY THE COUNCIL

4.1 The Council reviewed the evaluation of the nominations at its 8th meeting of the 217th Session. Taking into consideration the quality of services proposed by nominees and the cost of the audit services, the Council approved the appointment of Mr. Michel Huissoud, President of the Swiss Federal Audit Office as the External Auditor of ICAO for the financial years 2020, 2021, and 2022.

5. FINANCIAL IMPACT OF THE DECISION

5.1 The cost of the services of the External Auditor for the next triennium will be CAD 507,000, and has been provided for in the Budget for 2020, 2021, and 2022.

APPENDIX

DRAFT RESOLUTION FOR ADOPTION BY THE 40TH SESSION OF THE ASSEMBLY

Resolution 59/xx

Appointment of the External Auditor

The Assembly:

1. *Notes that:*

- a) the Financial Regulations provide that, subject to confirmation by the Assembly, the Council shall appoint an External Auditor to the Organization; and
- b) the Council reviewed the nominations submitted by Member States in 2019 and approved the appointment of Mr. Michel Huissoud, President of the Swiss Federal Audit Office, as ICAO's External Auditor for the financial years 2020, 2021 and 2022, in accordance with Financial Regulation 13.1.

2. *Expresses* its sincere appreciation to Mr. Giuseppe Cogliandro, President of the Audit Chamber for Community and International Affairs of the Corte dei Conti of Italy, Mr. Raffaele Squitieri, President of the Corte dei Conti of Italy and Mr. Angelo Buscema, President of the Corte dei Conti of Italy, for the high quality of their service to the Organization as its External Auditors (2014-2019) and for their effective and cooperative assistance during that period to the officials and organs of ICAO; and

3. *Confirms:*

the action taken by the Council in appointing Mr. Michel Huissoud, President of the Swiss Federal Audit Office as ICAO's External Auditor for the financial years 2020, 2021 and 2022.

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