



**Presidential Directive – Directive de la Présidence**

**Ref : ICC/PRES/D/G/2009/1**

Date: 11 August 2009

**Audit Committee**

The President, in concurrence with the Prosecutor, for the purposes of exercising their respective oversight responsibilities and ensuring appropriate internal and external control and in accordance with Section 2 of ICC/PRES/D/G/2003/1 promulgates the following:

Section 1

Establishment

1. An Audit Committee (“the Committee”) is hereby established with the purpose, authority, organization and responsibilities set out below.

Section 2

Purpose

2. The purpose of the Committee is to provide strategic advice on organizational matters to the heads of organs and assist them in fulfilling their oversight responsibilities for the financial reporting process; the system of internal control; the risk management system; the internal and external audit processes; and the Court’s process for monitoring compliance with regulations and rules approved by the Assembly of States Parties.

### Section 3

#### Authority

3. The role of the Committee is advisory in nature. The Committee shall have the authority to formulate recommendations on:
  - (a) the effectiveness of the Court's control, audit and risk management systems;
  - (b) the implementation and impact of internal and external audit recommendations accepted by management and on resolving cases of disagreements between management and the Internal or External Auditor;
  - (c) the performance of the Office of Internal Audit and of the External Auditor.

### Section 4

#### Composition

- 4.1 The Committee comprises the President, Prosecutor and Registrar, together with four external members. The President, Prosecutor or Registrar may be represented in the Committee by an individually appointed and mandated person.
- 4.2 The Committee shall be chaired by an external member, and shall be quorate if the President, Prosecutor and Registrar or their designated representatives and at least three external members are present in person or via tele- or video-conference
- 4.3 Nominees shall both be independent and have to fulfill the requisites to be set by the President, in consultation with the Prosecutor and with the advice of the Registrar. Appointment will be made by the President, in consultation with the Prosecutor and with the advice of the Registrar. In consulting the Prosecutor, the President shall seek the Prosecutor's concurrence.
- 4.4 The term of office for external members shall be three years, with the possibility of re-appointment for one term. Travel expenses equivalent to those of members of the Committee on Budget and Finance shall be reimbursed by the Court for the attendance of external members in meetings. In addition, external members shall receive a fixed remuneration for each meeting of the Committee participated in, whether in person or by video- or tele- conference.

## Section 5

### Recommendations

5.1 The Committee shall make every effort to achieve consensus in its recommendations. Failing that, decisions will be taken by a majority vote. In the case of a tie, the Chair shall cast the deciding vote. If consensus cannot be reached, the different views of members of the Committee will be reflected in the recommendations submitted.

Where a conflict of interest arises, the member concerned may have the right to express his/her views. In any case, he/she will be excused from the discussion and the voting procedure relating to that particular recommendation.

5.2 The Committee shall take due consideration of judicial and prosecutorial independence in its functioning.

## Section 6

### Meetings

6.1 The Committee will meet at least two times each financial year. On the request of any member, the Chair may convene additional meetings as circumstances require.

6.2 The Committee may call any Court officer or external consultant, including the external auditor, to be in attendance.

6.3 The Committee may obtain all information it considers necessary to perform its mandate. All information obtained shall be treated confidentially and will not be circulated outside of the Audit Committee without prior approval of the organ providing the information.

6.4 The Office of Internal Audit will provide secretariat services to the Committee, including preparation of minutes. An appropriate provision to expense relevant secretariat obligations, such as expenses incurred by external members, will be contained within the annual budget of the Office of Internal Audit.

6.5 The deliberations of the Audit Committee, its recommendations and the minutes of the meetings are confidential unless decided otherwise by the Committee.

## Section 7

### Responsibilities

7. The Committee will carry out the following responsibilities:

(a) Financial Statements:

- (i) Review, on the advice of the external auditor, significant accounting and reporting issues;
- (ii) Review with the external auditor the results of the audit of financial statements, including any difficulties encountered;
- (iii) Review, on the advice of the external auditor, the annual financial statements, and consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles;

(b) Internal Control:

- (i) Review the appropriateness of the Financial Regulations and Rules and advise the respective heads of organs concerning required amendments;
- (ii) Review and advise on the appropriateness of the Court's processes for monitoring compliance with regulations and rules approved by the Assembly of States Parties;
- (iii) Consider the adequacy of existing control mechanisms in light of reports on disciplinary or criminal investigations against staff members;
- (iv) Review and advise the heads of organs on the arrangements that have been made for its employees and external parties to raise concerns in confidence about allegations of wrongdoing in the management and the conduct of operations.

(c) Risk management:

- (i) Review and advise on the existence of an appropriate mechanism for the identification, reporting and management of institutional risks;

(d) Internal Audit:

- (i) Review the Charter of Internal Audit biennially, advising the heads of organs on amendments;
- (ii) Review and advise the heads of organs on the annual audit plan of the Office of Internal Audit ;
- (iii) Provide feedback on the performance of the Director of Internal Audit as input to the performance appraisal process, advise on the performance appraisal process and make recommendations regarding the renewal or dismissal of the Director;
- (iv) Review and advise on the composition, resources and budget of the internal audit function;
- (v) Review and advise on the effectiveness of the internal audit function, including the effectiveness of audit quality control and reporting systems put in place by the Director of Internal Audit;
- (vi) Review and advise on the implementation and impact of internal audit recommendations accepted by management and on resolving cases of disagreements between management and the Internal Auditor

(e) External Audit:

- (i) Review and advise on the external auditor's proposed scope and approach, including coordination of audit effort with internal audit;
- (ii) Review the performance of the external auditor and advise the Assembly of States Parties concerning the renewal or dismissal of the external auditor;

- (iii) Review and advise on the implementation and impact of external audit recommendations accepted by management and on resolving cases of disagreements between management and the External Auditor

(f) Reporting Responsibilities:

- (i) Report annually on its activities to the Committee on Budget and Finance;
- (ii) Review and forward, without amendment, the annual report on the activities of the Office of Internal Audit, through the Chair of the Audit Committee, to the Committee on Budget and Finance as well as its comments to the report.

Section 8

Amendments

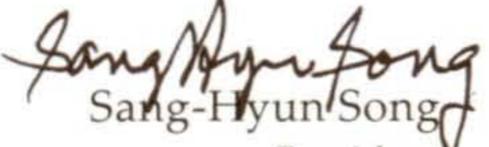
8. Proposals for amendments to the present directive may be made by any member of the Committee. Proposals shall be made to the Coordination Council through the Committee.

Section 9

Final Clauses

9.1 Presidential Directive 2008/1 dated 4 August 2008 is hereby abolished.

9.2 The present directive shall enter into force on 11 August 2009.

  
Sang-Hyun Song  
President